



Excel Crop Care Limited

Beyond crop protection. Behind every farmer

1st August 2018

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street ,
Mumbai - 400 001
Security Code: 532511

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra-Kurla Complex,
Bandra (E),
Mumbai - 400 051
Symbol: EXCELCROP

Dear Sirs,

Sub: Intimation of the outcome of the meeting of Board of Directors

Ref: Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Please be informed that the Board of Directors of Excel Crop Care Limited ("**the Company**" or "**Transferor Company**") at its meeting held on 1st August, 2018 has considered and approved, the scheme of amalgamation of Excel Crop Care Limited with Sumitomo Chemical India Private Limited ("**Transferee Company**") and their respective shareholders ("**Scheme**") under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with relevant rules framed thereunder.

Pursuant to the Scheme, the existing equity shareholding of the Transferee Company in the Transferor Company will get cancelled and the other equity shareholders of the Transferor Company will receive 51 (fifty one) equity shares of the Transferee Company for every 2 (two) equity shares of the Transferor Company.

The amalgamation of the Transferor Company with the Transferee Company ("**Amalgamation**") shall be subject to the approval/ sanction of the Scheme by the National Company Law Tribunal ("**NCLT**") having jurisdiction over the Transferor and Transferee Company, approvals of the stock exchanges, Securities and Exchange Board of India, the respective shareholders and any other stakeholders (if required) of the Transferor and the Transferee Company and such other regulatory authority, as may be necessary.

The Scheme shall be effective from April 1, 2018 or such other date as may be approved by NCLT and / or the regulatory authorities ("**Appointed Date**").





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Pursuant to Regulation 30 and Schedule III of the Listing Regulations read with applicable circulars issued by SEBI, as amended from time to time (hereinafter referred to as "SEBI Circular"), the information required is enclosed in **Annexure I** herewith.

The meeting of Board of Directors commenced at 4.30 p.m. and concluded at 8.00 p.m.

Thanking you,

Yours faithfully,

For Excel Crop Care Limited

Pravin D. Desai

V. P. – Legal & Company Secretary



ANNEXURE I

1. Name of the entity(ies) forming part of the Amalgamation, details in brief such as, size, turnover etc:

1.1. Name of the entity(ies) forming part of the Amalgamation

Transferor Company: Excel Crop Care Limited

Transferee Company: Sumitomo Chemical India Private Limited

1.2. Details in brief of the companies involved in the Scheme:

1.2.1. Transferor Company

The Transferor Company, a public limited company, was incorporated in March 1964 and is registered with the Registrar of Companies, Mumbai. The Corporate Identification Number of the Transferor Company is L74999MH1964PLC012878 and its registered office is presently situated at 184-87, S. V. Road, Jogeshwari (West) Mumbai, Maharashtra 400102.

The Transferor Company is, *inter alia*, engaged in the business of agro chemicals and manufactures technical grade pesticides and formulations. It also manufactures and markets other agri inputs like soil enrichers, bio-pesticides, plant growth regulators and soil and plant nutrition products.

The equity shares of the Transferor Company are listed on the National Stock Exchange of India Limited and the BSE Limited (collectively referred to as "Stock Exchanges").

1.2.2. Transferee Company

The Transferee Company, a private company, was incorporated in February 2000 under the provisions of the Companies Act, 1956. The Corporate Identification Number of the Transferee Company is U24110MH2000PTC124224 and its registered office is presently situated at Moti Mahal, 7th Floor, 195, Jamshedji Tata Road, Churchgate Mumbai, Maharashtra 400020.

The Transferee Company is engaged in manufacturing and selling of crop protection formulations based on the active ingredients procured from SCC (as defined below) and third parties.



(Rs in Crores)

Particulars	Net worth (consolidated)		Revenue From Operations (consolidated)	
	As at 31 st March, 2018	As at 31 st March, 2017	For the year ended 31 st March, 2018	For the year ended March, 2017
Transferor Company				
Excel Crop Care Limited	534.4	448.1	1,189.8	1,049.3
Transferee Company				
Sumitomo Chemical India Private Limited	1,091.3	732.7	870.6	863.9*

(*as per the reclassified financials under Ind-AS)

2. Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length":

- 2.1. The Transferee Company is a shareholder and part of promoter group of the Transferor Company and hence the transaction of Amalgamation falls within the related party transaction and is on arm's length basis.
- 2.2. Further, the Ministry of Corporate Affairs ("MCA") vide its general circular bearing number 30/2014 dated July 17, 2014 ("MCA Circular") has clarified that transactions arising, *inter alia*, out of amalgamation will not attract the requirement of Section 188 of Companies Act, 2013 ("2013 Act"). Since the Scheme is being undertaken in terms of Sections 230 to 232 of the 2013 Act, the provisions of Section 188 of the 2013 Act and related disclosures/approvals required thereunder, would not be attracted as per the MCA Circular.
- 2.3. The share exchange ratio for the Scheme of Amalgamation has been recommended pursuant to the valuation report issued by Deloitte Haskins & Sells, independent Chartered Accountants and Desai Haribhakti & Co., independent Chartered Accountants (collectively referred to as "Valuers"). Kotak Mahindra Capital Company Limited, SEBI registered merchant banker, has provided a fairness opinion on the share exchange ratio recommended by the Valuers.



3. Area of business of the entities:

Name of the Company	Area of Business
Excel Crop Care Limited	The Transferor Company is, inter alia, engaged in the business of agro chemicals and manufactures technical grade pesticides and formulations. It also manufactures and markets other agri-inputs like soil enrichers, bio-pesticides, plant growth regulators and soil and plant nutrition products.
Sumitomo Chemical India Private Limited	The Transferee Company is engaged in manufacturing and selling of crop protection formulations based on the active ingredients procured from SCC and third parties.

4. Rationale for Amalgamation

- i. Consolidation of businesses presently carried on by the Transferor and Transferee Company, which shall create greater operational synergies and efficiencies at multiple levels of business operations and shall provide significant impetus to their growth;
- ii. Merger shall result in consolidation of major India operations under one platform which is expected to get undivided attention from the parent company and thereby leveraging capability of the merged entity which in turn will allow the merged entity to undertake future expansion strategies and to tap bigger opportunities;
- iii. Creation of value for shareholders of the Companies and other stakeholders, by way of creation of a large asset base, facilitating access to better financial resources, stronger consolidated revenue and profitability, diversification in product portfolio and thereby reducing business risks;
- iv. Pooling of assets, proprietary information, personnel, financial, managerial and technical resources of the Companies, thereby contributing to the future growth of the merged entity;
- v. Consolidating the shareholding and thereby eliminating administrative duplications and consequently reducing the administrative costs of maintaining separate companies;
- vi. The Transferor Company and the Transferee Company operate businesses that complement each other and therefore, can be conveniently combined for mutual benefit of the shareholders of the Companies;
- vii. This Scheme shall be in the beneficial interest of all the stakeholders and the shareholders of both the Companies;

5. In case of cash consideration – amount or otherwise share exchange ratio:

Upon the Scheme becoming effective and in consideration of the Amalgamation, the equity shares held by the Transferee Company in the Transferor Company will be



cancelled and the remaining equity shareholders of the Transferor Company will be issued equity shares in the Transferee Company in accordance with the following ratio:

"51 (fifty one) equity shares of face value of Rs.10 (Rupees ten only) each of the Transferee Company, credited as fully paid-up, for every 2 (two) fully paid-up equity shares of face value of Rs.5 (Rupees five only) each held in the Transferor Company as on the record date."

6. Brief details of change in shareholding pattern (if any) of the Transferor and Transferee Companies

Post Amalgamation, the shareholding pattern of the Transferor and Transferee Company will be as follows:

Transferor Company

Particulars	Pre-Amalgamation	Post -Amalgamation
Sumitomo Chemical Company, Limited, Japan ("SCC") (A)	44.98%	Transferor Company will cease to exist
Sumitomo Chemical India Private Limited / Transferee Company (B)	19.98%	
Promoter and Promoter Group (C = A+B)	64.97%	
Public (D)	35.03%	
Total (E = C+D)	100.00%*	

(*rounding off difference)

Transferee Company

Particulars	Pre-Amalgamation	Post – Amalgamation*
Sumitomo Chemical Company, Limited,	99.99%	80.30%
SC Environmental Science Company Limited, Japan (B)	0.01%	0.00%
Promoter and Promoter Group (C = A+B)	100.00%	80.30%
Public (D)	-	19.70%
Total (E = C+D)	100.00%	100.00%

**Note: The above shareholding has been calculated on the basis of the shareholding pattern of the Transferor and the Transferee Company as on 30th June 2018. The actual shareholding depends upon the shareholding pattern as on the record date and may vary to that extent*



Post listing of the equity shares of the Transferee Company on the Stock Exchanges, it shall comply with the requirements of minimum public shareholding of at least 25% (twenty-five percent) in the Transferee Company in accordance with the extant applicable law or any amendments that may be effective on the effective date of the Amalgamation.

7. Whether listing would be sought for the Transferee Company

The Transferee Company shall apply for listing and trading of its equity shares on the Stock Exchanges. Prior to the Scheme coming into effect (i.e., before filing of the NCLT Order approving the merger with Registrar of Companies), the Transferee Company will initiate and complete the procedure of converting itself from a private limited company to a public limited company.

This information is provided in compliance with Regulation 30 and Schedule III of the Listing Regulations read with the SEBI Circular.

