



Excel Crop Care Limited

Beyond crop protection. Behind every farmer

ECCL/SEC/2018
1st August, 2018

To,
BSE Limited
Listing Department,
PhirozeJeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

The National Stock Exchange of India
Listing Department,
Exchange Plaza,
BandraKurla Complex
Bandra East,
Mumbai - 400 051

Dear Sirs,

Sub: Press Release

This refers to our earlier intimation today to you about the outcome of the meeting of the Board of Directors under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to the approval by the Board to the scheme of amalgamation ("**Scheme**") for merger of our Company, Excel Crop Care Limited with Sumitomo Chemical India Private Limited.

We hereby enclose herewith a Press Release in relation to the proposed Scheme.

Kindly do the needful to display the same on your website.

Thanking you,

Yours faithfully,
For **EXCEL CROP CARE LIMITED**


(Pravin D. Desai)
Vice President – Legal & Company Secretary

Encl.: a/a

**Excel Crop Care Limited announces a scheme for its amalgamation with
Sumitomo Chemical India Private Limited, a wholly owned subsidiary of
Sumitomo Chemical Company, Limited, Japan**

Mumbai, India, August 01, 2018 – Excel Crop Care Limited (“**Excel**”), a leading manufacturer of crop protection chemicals in India, announced a scheme of amalgamation (“**Scheme**”) to merge itself with Sumitomo Chemical India Private Limited (“**Sumitomo Chemical India**”), a wholly-owned subsidiary of the USD 20.6 bn chemical giant, Sumitomo Chemical Company, Limited, Japan (“**SCC Japan**”). SCC Japan and Sumitomo Chemical India are the promoter and the part of the promoter group of Excel and pursuant to the terms of the Scheme and based on the share exchange ratio recommended in the valuation report issued by Deloitte Haskins & Sells, Chartered Accountants and Desai Haribhakti & Co., Chartered Accountants, Excel’s shareholders other than Sumitomo Chemical India will receive 51 (fifty one) fully paid-up equity shares of Sumitomo Chemical India of face value of INR 10 each for every 2 (two) fully paid-up equity shares of face value of INR 5 each held in Excel as on the record date to be fixed in due course by the Board of Excel in consultation with the Board of Sumitomo Chemical India. The equity shares of Excel held by Sumitomo Chemical India as on the record date will get cancelled. Post-merger, Excel will get dissolved without being wound up and subsequently the equity shares of the Sumitomo Chemical India will get listed on both BSE Limited and National Stock Exchange of India Limited.

SCC Japan and Sumitomo Chemical India own 44.98% and 19.98% in Excel respectively. Given the similarity in businesses and high degree of operational complementarity, Excel and Sumitomo Chemical India have made a strategic decision to merge Excel with Sumitomo Chemical India. The merger is expected to usher in long term benefits by creating an enterprise of scale with comprehensive product offerings. Some of the key operational synergies and process efficiencies that the merger is expected to create include the followings:

- *Highly complementary nature of both the businesses with Excel at 100% in generics while Sumitomo Chemical India's stronghold of 63% in proprietary products*
- *Opportunity to boost sales through co-selling and by leveraging the expanded distribution network of more than 13,000 distributors across India*
- *Operational synergy to assist in research, development and launch of new products thereby de-risking of business through expansion of product portfolio and reduction in customer concentration*
- *In the International business, Excel's brands will gain further credibility by harnessing SCC Japan's global presence. On top of this, the Excel brands stand to gain by having an innovation driven company as its parent company*

The merger would take place through a scheme of amalgamation which would be subject to the approval of the National Company Law Tribunal at Mumbai and other relevant regulatory authorities.

KPMG in India acted as project advisor to Excel and Sumitomo Chemical India on tax and regulatory matters arising from the proposed consolidation. DSK Legal acted as a legal advisor to Sumitomo Chemical India.

Kotak Investment Banking acted as a financial advisor to Excel. Kanga & Co. acted as a legal advisor to Excel.

Deloitte Haskins & Sells and Desai Haribhakti & Co. acted as the joint valuation advisors for both Excel and Sumitomo Chemical India and Kotak Investment Banking issued a fairness opinion to the Board of Directors of Excel.

Commenting on the merger, Excel's representative mentioned *"The merger is an optimal initiative to harness the combined strengths of Excel and Sumitomo Chemical India. It will add capabilities to produce and sell specialty chemicals while benefitting both in India and globally from being a direct subsidiary of SCC Japan. Their culture, philosophy and long term*

strategic planning will help the business in achieving higher efficiencies and help expand the scope of operations. We also expect synergies at multiple levels from the merger especially in R&D operations as it opens up possibilities to create novel combination products by combining SCC Japan's specialty products and our generic products. The merger has a strong business rationale because of Excel's ability to economically manufacture active ingredients, its strong distribution network and long standing reputation with farmers, combined with Sumitomo Chemical India's proven 'go-to-market' strategy and strong brand-connect with farmers. This can bring ample amount of additional sales through cross selling. Together we can serve the farmers both in India and globally through the complete value chain. SCC Japan has positive outlook for India and has made several investments in the last two decades for using India as a business location to better tap the Indian and the global markets. The merger is a strong indication that SCC Japan is committed to further expanding its activities in India."

About SCC Japan

Headquartered in Tokyo, Japan, Sumitomo Chemical Company, Limited is one of Japan's leading chemical companies, offering a diverse range of products globally in the fields of petrochemicals, energy and functional materials, IT-related chemicals and materials, health and crop science products, and pharmaceuticals. The company's consolidated sales revenue for year ended March 31, 2018 was USD 20.6 bn. For additional information, visit the company's website at www.sumitomo-chem.co.jp/english

About Sumitomo Chemical India

Sumitomo Chemical India Private Limited, a private limited company, was incorporated in February 2000 under the provisions of the Companies Act, 1956 and its registered office is situated at Moti Mahal, 7th Floor, 195, Jamshedji Tata Road, Churchgate, Mumbai, Maharashtra - 400020.

Sumitomo Chemical India, a wholly owned subsidiary of SCC Japan is engaged in manufacturing and selling of crop protection formulations based on the active ingredients procured from SCC Japan and third parties. It operates two manufacturing plants located at Vapi (Gujarat) and Tarapur (Maharashtra) – Vapi plant has formulation and packaging capabilities whereas Tarapur plant manufactures the company's Active Ingredients. More than three-fourth of its business is from sales of agro chemicals and the balance is from other allied businesses such as household insecticides, pest control insecticides and animal nutrition products.

About Excel Crop Care Limited

Excel Crop Care Limited, a public limited company, was incorporated in March 1964 and is registered with the Registrar of Companies, Mumbai and its registered office is situated at 184-87, S. V. Road, Jogeshwari (West), Mumbai, Maharashtra - 400102.

Excel is, inter alia, engaged in agro chemicals business and manufactures technical grade pesticides and formulations (Excel's agro chemicals business was started in year 1941). It also manufactures and markets other agri-inputs like soil enrichers, bio-pesticides, plant growth regulators and soil and plant nutrition products. Its manufacturing facilities are located at Bhavnagar (Gujarat), Gajod (Gujarat) and Silvassa (Union Territory of Dadra and Nagar Haveli). While Gajod plant manufactures Metal Phosphides, Sulphur WDG and other WDG formulations, Silvassa plant is used mainly for production of Glyphosate formulations. Bhavnagar plant is engaged in production of technical grade pesticides and generic formulations. These facilities are well supported by its three R&D labs located at Mumbai, Bhavnagar and Gajod capable of synthesis, technical product development and formulation development. The equity shares of Excel Crop Care Limited are listed on the National Stock Exchange of India Limited and the BSE Limited. For additional information, visit the company's website at www.excelcropcare.com.

Disclaimer

The information in this release has been included in good faith and is meant for general purposes only. Such information is based on the management's perception of business, market conditions and overall growth potential. This information is disseminated generally and not

addressed to any person or party or for any purpose specific or otherwise. It should not be relied upon for any specific purpose and no representation or warranty is given as regards to its accuracy or completeness. No information in this release shall constitute an invitation to invest in Excel Crop Care Limited or any of its affiliates. Neither Excel Crop Care Limited (including their affiliates) nor their officers, employees or agents shall be liable for any loss, damage or expense arising out of any action taken on the basis of this release, including, without limitation, any loss of opportunity, profit, indirect, incidental or consequential loss.

Certain statements in this release are forward-looking statements, which involve a number of risks, uncertainties, assumptions and other factors that could cause actual results to differ materially from those in such forward-looking statements. All statements, other than statements of historical fact are statements that could be deemed forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding impact of pending regulatory proceedings, fluctuations in earnings, dependency on good monsoons and other climatic conditions, fluctuations in foreign currencies relating to the Company's imports and exports, our ability to manage growth, intense competition in the business any other business and corporate actions. There can be no assurance that the forward looking statements made herein will prove to be accurate, and issuance of such forward looking statements should not be regarded as a direct or indirect, express or implied, representation or warranty of any nature whatsoever by the Company, or any other person, that the objective and plans of the Company will be achieved. All forward looking statements made herein are based on information presently available to the management of the Company and the Company does not undertake or anyway obliged to update any forward-looking statement that may be made from time to time by or on behalf of the Company.

Note: JPY 106.24 = 1 USD prevailing on March 31, 2018

For more details, please contact:

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