PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF FICOM ORGANICS LIMITED

Regd. Office: 5D, 5th Floor, Kakad House, 'A' Wing, Sir Vithaldas Thackersey Marg, Opp. Liberty Cinema, New Marine Lines, Mumbai – 400 020 (India)

This Public Announcement is being issued by Keynote Corporate Services Limited (hereinafter referred to as the **"Manager to the Offer"**), on behalf of Coromandel Fertilisers Ltd. (**"Acquirer/CFL"**) pursuant to Regulation 10 read with Regulation 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 [SEBI (SAST) Regulations, 1997] & subsequent amendments thereto (hereinafter referred to as the **"Regulations"**).

ACQUISITION OF EQUITY SHARES OF FICOM ORGANICS LIMITED AND OFFER TO ITS EQUITY SHAREHOLDERS

I. Background of the Offer

Coromandel Fertilisers Ltd., having its registered office at 'Coromandel House', 1-2-10, Sardar Patel Road, Secunderabad – 500 003 (hereinafter referred to as "**CFL**"/"**Acquirer**") has agreed to acquire 31,12,155 equity shares of Rs.10/- each representing 50.27 % of the total paid up equity share capital as on date of Ficom Organics Limited (hereinafter referred to as '**FOL**' or '**Target Company**') at a price of Rs. 5.00 (Rupees Five Only) per share payable in cash vide Share Purchase Agreement dated 16/03/2006 ("**The Agreement/SPA**") from persons in the promoter group of FOL ("**Sellers**") as detailed below :

Name of the Acquirer	Name of the Seller	No. of Equity Shares agreed to be acquired	% of the paid up equity capital of the target company
Coromandel Fertilisers Ltd.	Mr.Rikeen Dalal	28,62,155	46.23
	Smt. Tej P. Dalal	2,50,000	4.04
Total		**31,12,155**	**50.27**

II. The Offer

a) Pursuant to the aforesaid SPA, provisions of Regulation 10 read with Regulation 12 of the Regulations have been attracted. The Acquirer hereby announces an offer under the Regulations, to acquire by tender upto 14,85,880 fully paid-up equity shares of Rs.10/- each of FOL representing 24% of its paid up equity share capital which is 4% more than the minimum 20% of the voting capital as specified in Regulation 21 (1) of Regulations, from the remaining shareholders of FOL (other than "Sellers & other persons in the promoter group, parties to the agreement") on the terms and subject to the conditions set out below, at a price of Rs.15.85 (Rupees Fifteen and Paise Eighty Five Only) per equity share **(the "Offer Price")** payable in cash (**the "Offer"**).

b) The offer is not subject to any minimum level of acceptance.

c) The equity shares of FOL are listed on The Bombay Stock Exchange Ltd. (BSE) and Ahmedabad Stock Exchange (ASE). The equity shares of FOL are frequently traded on BSE in terms of explanation (i) to Regulation 20(5) of the Regulations. There has been no trading in the equity shares of FOL on ASE. The offer price of Rs. 15.85 per equity share, has been determined as per Regulation 20(4) of the Regulations taking inter-alia into account the following factors:

The negotiated price under the SPA	:	Rs.5/- per equity share
Highest price paid by the Acquirer for acquisitions including by way of allotment in a public or rights issue or preferential issue, if any, during the twenty-six weeks period prior to the date of Public Announcement (P.A).	:	Not Applicable
Average of the weekly high and low of the closing prices of the equity shares of FOL as quoted on the BSE during the 26 weeks preceding the date of P.A.	:	Rs.15.82
Average of the weekly high and low of prices of the equity shares of FOL as quoted on the BSE during the 2 weeks preceding the date of P.A.	:	Rs.13.24

d) The offer price of Rs. 15.85 per share being higher than all the above parameters, is justified in terms of Regulation 20(4) applicable in respect of frequently traded shares.

e) As per the audited financial results for the year ended 31/03/2005 FOL has reported a loss of Rs. 110.55 lacs on a total income of Rs. 6600.12 lacs.. The networth of FOL is Rs. 2385.94 lacs and Book Value is Rs. 38.54. As per unaudited results (provisional) declared by FOL for nine months period ended on 31/12/2005 FOL has reported a net loss of Rs. 468.75 lacs on a total income of Rs. 4194.58 lacs. The Earning Per Share (EPS) is negative hence the Price Earning (PE) multiple and Return on Net Worth (RONW) is not relevant.

f) As on the date of the public announcement the Acquirer does not hold any equity shares of FOL except those agreed to be acquired in terms of the Share Purchase Agreement disclosed under point (I).

g) The Acquirer and FOL are not included in the list of persons / entities debarred from accessing the capital market under Section 11 B of the SEBI Act, 1992 or under any other Regulation.

III. Information on CFL / Acquirer

a) CFL was incorporated on 16/10/1961 as a private limited company and was converted into a public limited company on 16/04/1964. CFL is a part of the Murugappa Group of Companies and has its registered office at 'Coromandel House', 1-2-10 Sardar Patel Road, Secunderabad - 500003. CFL is in the business of Phosphatic fertiliser manufacturing and marketing complex fertilisers of different grades, Single Super Phosphate (SSP) and pesticides. CFL is a subsidiary of EID Parry (India) Limited, a Murugappa Group company, which holds 69.05% of the equity capital of CFL. The other persons in the promoter group hold 1.10% of equity share capital of CFL.

b) The present paid up equity share capital of CFL is Rs. 2540.56 lacs comprising of 12,70,27,785 equity shares of Rs.2/- each. The face value of equity shares of CFL was reduced from Rs. 10.00 per equity share to Rs. 2.00 per equity share with effect from 10/01/2006. The equity shares of CFL are listed on the Bombay Stock Exchange Ltd (BSE) and National Stock Exchange of India Ltd. (NSE).

c) As per audited results for the year ended on 31/03/2005 CFL reported a net profit of Rs. 69.19 crores on a total income of Rs. 1554.17 crores. The Net Worth of CFL as on 31/03/2005 is Rs. 366.04 crores. The Book Value, EPS and Return on Networth (%) is Rs. 144.08, Rs. 27.24 and 18.90% respectively. The Price Earning Multiple (PE) is 2.98 times based on market price of Rs. 81.30 on 17/03/2006 on BSE (face value of equity share is Rs. 2.00 each). As per the unaudited financial results declared by CFL for nine months ended 31/12/2005 the total income was Rs. 1311.37 crores and net profit was Rs. 67.62 crores.

d) The Board of Directors of CFL comprises of Mr. A Vellayan (Chairman), Mr. V Ravichandran (Managing Director), Mr. K Anil Nair, Mr. M M Murugappan, Mr. T M M Nambiar, Mr. M K Tandon, Mr. D E Udwadia, Mr. S Viswanathan. Presently none of the directors representing the acquirer is on the Board of FOL. However CFL will nominate their representatives on the board of FOL as may be permitted under the Regulations.

e) There are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures etc. which are convertible into equity at any later date. There are no shares under lock-in period. During the year 2003-04 the Farm Inputs Division of E.I.D Parry (India) Ltd (holding company of CFL) was merged into CFL through a scheme of arrangement approved by Hon'ble High Courts of Madras and Andhra Pradesh. The appointed date was 1/04/2003 and the effective date of merger was 1/12/2003. Except this there has been no merger / de-merger or spin off in CFL during the past three years

f) CFL has been complying with the provisions of the listing agreement entered into with the Stock Exchanges and is complying with the provisions of Chapter II of the SEBI (SAST) Regulations, 1997.

IV. Information on FOL/ Target Company

a) FOL was incorporated as Public Ltd. Company on 18/05/1979 under Companies Act, 1956. The Registered Office of the company is situated at 5D, 5th Floor, Kakad House, 'A' Wing, Sir Vithaldas Thackersey Marg, Opp. Liberty Cinema, New Marine Lines, Mumbai – 400 020 (India).FOL was promoted by H L Financials consultants and Management Services Private Limited. FOL commenced its commercial operation in the year 1981-82. The product range of FOL now includes agrochemicals, malathion technicals etc. The manufacturing facilities (factory) is located at 3204, GIDC Industrial Area, Ankleshwar, Dist. Bharuch, Gujarat.

b) FOL came with their first public issue in November 1997. As on date the issued & paid up equity share capital of FOL is Rs. 619.12 lacs comprising of 61,91,164 equity shares of Rs. 10/- each. There are no partly paid up equity shares in the Company. The equity shares of FOL are listed on Bombay Stock Exchange Ltd. (BSE) and Ahmedabad Stock Exchange (ASE). The equity shares are frequently traded on BSE in terms of Explanation (i) to Regulation 20(5). Presently the equity shares of FOL are included in "Trade to Trade" category by BSE. The shares of FOL are not traded on ASE.

c) As per the audited financials for the year ended 31/03/2005, FOL has reported a loss of Rs.110.55 lacs on a total income of Rs.6,600.12 lacs. FOL has accumulated losses amounting to Rs. 1,460.71 lacs. FOL has a networth of Rs. 2,385.94 lacs and Book Value of Rs. 38.54 as on 31/03/2005. As per unaudited results (provisional) declared by FOL for nine months period ended on 31/12/2005 FOL has reported a net loss of Rs. 468.75 lacs on a total income of Rs. 4194.58 lacs. The Earning Per Share (EPS) is negative hence the Price Earning (PE) multiple and Return on networth (RONW) is not relevant.

d) There are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures etc. which are convertible into equity at any later date. There are no shares under lock-in period. There has been no merger / de-merger or spin off in FOL during the past three years

e) FOL has been complying with the provisions of the listing agreement entered into with the Stock Exchanges and is complying with the provisions of Chapter II of the SEBI (SAST) Regulations, 1997.

V. Rationale for the Acquisition and Offer

CFL is one of the well established manufacturers of pesticides. CFL currently has a technical grade pesticides manufacturing facility at Navi Mumbai and formulation unit at Ranipet, Tamil Nadu. As part of the growth strategy CFL is looking at expanding the technical grade pesticides manufacturing capacity.

With acquisition of FOL, CFL can expand its capacity to produce the pesticides technical grades to include Malathion, Phortate, Quinalphos, Terbufos and Temiphos. Malathion has significant export potential. Further FOL's unit at Ankaleshwar is located in a chemical zone which facilitates expansion of product ranges. FOL's product range is complimentary to CFL's existing product range and also will add to the export turnover.

With the proposed acquisition the provisions of SEBI (SAST) regulations gets attracted as there would be substantial acquisition of shares/voting rights accompanied with change in control/management. Hence the present Offer is being made by CFL under the Regulations.

The Acquirer does not have any plan to dispose off or otherwise encumber any of the assets of FOL in the succeeding two years from the date of closure of the offer except in the ordinary course of business of FOL. The Acquirer will not dispose off, sell or otherwise encumber any substantial assets of FOL except with the prior approval of the shareholders.

VI. Statutory Approvals and Conditions of the Acquisition and the Offer

The Board of Directors of CFL in their meeting held on 16/03/2006 have agreed and resolved to acquire substantial stake in FOL through an agreement. Permission of RBI would be required for transfer of shares received from NRI shareholders, if any. There are no other approvals, statutory or otherwise, required under the Companies Act 1956, Monopolies and Restrictive Trade Practices Act, 1969, the Foreign Exchange Management Act, 1999 and /or any other applicable laws.

VII. Delisting option to FOL

Pursuant to this offer the provisions of Regulation 21(3) of the SEBI (SAST) Regulations 1997 are not attracted.

VIII. Financial Arrangements

a) Assuming full acceptance, the total monetary value of the offer would be Rs. 235.51 lacs. The Acquirer has opened an Escrow Account in the form of a Current Account with Citibank, Hyderabad, in favour of the Manager to the Offer and deposited an amount of Rs. 236.00 lacs which is more than 100% of the total monetary value of the offer. Acquirer has empowered the Manager to the Offer to realize the value of the aforesaid Escrow Account in terms of the Regulation 28(5).

b) The Acquirer has adequate and firm financial resources to fulfill the obligations under the open offer. The source of funds is through the internal domestic resources of the Acquirer and not through any borrowings from Banks/Financial Institutions or from any foreign/ NRI funds. M/s. Price Waterhouse, Chartered Accountants and Statutory Auditors of CFL, having their office at 6-3-550, IInd Floor, L.B. Bhavan, Somajiguda, Hyderabad – 500 082 (Membership No. of Mr. S. Gopalakrishnan, Partner, Price Waterhouse is 18863) have certified vide their certificate dated 16/03/2006 that the networth of CFL is Rs.366.04 crores as on 31/03/2005.

c) The financial obligation under the offer is being fulfilled through internal resources of the Acquirer and will not be through any borrowings from Bank/Financial Institution.

d) In view of this, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the offer as firm financial arrangement through verifiable means are in place to fulfill the offer obligation.

IX. Other Terms of the Offer

a) The Letter of Offer specifying the detailed terms and conditions of this offer together with Form of Acceptance cum Acknowledgement and Form of Withdrawal will be mailed to the equity shareholders of FOL (other than Sellers and other persons in the promoter group) whose names appear on the Register of Members of FOL, at the close of business hours on 13/04/2006 (hereinafter referred to as "the Specified Date".)

b) Shareholders holding equity shares in Physical form

Shareholders who wish to tender their equity shares will be required to send the Form of Acceptance cum Acknowledgement, original Share Certificate(s) and transfer deed(s), duly signed, to the Registrar to the Offer, **Karvy Computershare Pvt. Ltd.** (the **"Registrar to the Offer"**) on or before the date of Closure of the Offer, i.e.01/06/2006, in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement at any of their addresses mentioned at IX (g) in this Public Announcement:

The documents can be sent either by registered post or hand delivery to the Registrar to the offer at the address mentioned, during business hours on all week days (other than Sundays and Public Holidays) so as to reach the Registrar to the offer on or before 01/06/2006.

c) Shareholders holding equity shares in Dematerialised form

The Registrar to the Offer has opened a Depository Account in the name and style of "FICOM Organics Ltd – open offer Escrow Account" with Keynote Capitals Limited as the depository participant in Central Depository Services (India) Limited ("CDSL"). Beneficial owners & shareholders holding equity shares in Dematerialised form will be required to send their form of acceptance alongwith a photocopy of the delivery instruction slip in "Off - Market" mode or counterfoil of the delivery instruction slip in "Off – Market" mode duly acknowledged by the Depository Participant ("DP") to the Registrar to the offer at any of the addresses mentioned at IX (g) on or before 01/06/2006.

Details of the Escrow Depository Account opened for this purpose are as under:

DP Name	Keynote Capitals Ltd.
DP ID Number	12024300
Beneficiary ID	00006478

Shareholders having their beneficiary account in National Securities Depository Limited (NSDL) have to use inter depository delivery instruction for the purpose of crediting their equity shares in favour of Escrow Depository Account with CDSL.The ISIN number allotted to equity shares of FOL is INE 514A01012.

Shareholders who have sent their physical equity shares for dematerialisation need to ensure that the process of getting equity shares dematerialised is completed well in time so that the credit in the Depository Account is received on or before closure of offer.

d) All shareholders other than those mentioned in (b) and (c) above, who own the equity shares of FOL anytime before the closure of the offer are eligible to participate in the offer. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating the Name, Address, No. of Shares held, No. of Shares offered, Distinctive Nos., Folio No., together with the original Share Certificate(s), valid transfer deeds and the original contract note issued by the broker through whom they acquired their Shares. No indemnity is required from the unregistered owners.

e) In case of non-receipt of the Letter of Offer, the eligible persons may send their application to the Registrar to the Offer, on a plain paper stating the Name, Address, No. of Shares held, Distinctive Nos., Folio No., No. of Shares offered, Bank Account No. along with applicable documents as mentioned in point (a), (b) and (c) above, so as to reach the Registrar to the Offer on or before the Closure of the Offer. Such shareholders may also obtain a copy of the 'Letter of Offer' from the Registrar to the Offer on providing suitable documentary evidence to that effect or download the Form of Acceptance cum Acknowledgement from the website of SEBI at www.sebi.gov.in which will be made available from the date of opening of the Offer.

f) Subject to the conditions governing this Offer as mentioned in the Letter of Offer, the acceptance of this Offer by equity Shareholders of FOL must be absolute and unqualified. Any acceptance to this Offer which is conditional and incomplete in any respect will be rejected without assigning any reason whatsoever.

g) Registered & other equity shareholders who wish to tender their equity shares in response to the said offer should submit their form of acceptance along with other documents by hand delivery and/or by post at any of the collection centers of **Registrars to the Offer i.e; Karvy Computershare Pvt. Ltd.** at any of the addresses given in **Table 'A'** below, between 10.30 am. to 4.30 pm on all working days (i.e. other than Sundays and Public Holidays).

Table A

Collection Centre	Address	Phone / Fax nos.	Contact person
Ahmedabad	201-203, 'Shail', Opp. Madhusudhan House, Behind Girish Cold Drinks. Off. C G Road, Ahmedabad - 380006	(79) 26420 422 / 26400 527 / 26400 528 (79) 26565 551 (Fax)	Mr. Edward
Chennai	G1, Swathi Court, 22, Vijaya Raghava Road, T. Nagar, Chennai-600 017	(44) 2815 3445 / 2815 1034 / 2815 3658 (44) 2815 3181 (Fax)	Mr. Gunashekhar
Mumbai	7, Andheri Industrial Estate, Off Veera Desai Road, Andheri (W), Mumbai – 400053	(22) 2673 0799 / 2673 0153 / 2673 0292 (22) 2673 0152 (Fax)	Ms. Vishaka Shringarpure
	16/22, Bake House, Maharashtra, Chamber of Commerce Lane, Kalaghoda, Fort, Mumbai - 400 023	(22) 5638 2666/ (22) 5633 1135 (Fax)	Ms. Nutan Shirke
New Delhi	105-108, Arunachal Bldg., 19, Barakhamba Road, Connaught Place, New Delhi – 110001	(011) 2332 4401 / 2335 3835 / 981 (011) 2332 4621 (Fax)	Mr. Michael George
Hyderabad	46, Avenue 4, Street No.1, Banjara Hills, Hyderabad - 500034	(040) 2331 2454 / 2332 0751 / 2332 0752 / 2332 0251 (040) 2331 1968 (Fax)	Ms. A. Anitha

For any queries regarding the Offer the shareholders / applicants may contact the Registrar to the Offer at any of the addresses mentioned.

h) The Registrar to the Offer will hold in trust the Share Certificates, Form of Acceptance cum Acknowledgement, if any, and the transfer form/s on behalf of the shareholders of FOL who have accepted the Offer, till the drafts / pay orders for the consideration and/ or the unaccepted share certificates are despatched/ returned. Equity Shares not accepted under the offer will be returned to the shareholders/ applicants at their own risk by registered post.

i) Payment to those shareholders whose share certificates and / or other documents are found valid and in order will be made by way of crossed account payee demand draft/pay order. Unaccepted Share Certificates, transfer forms and other documents, if any, will be returned by Registered Post to the sole / first shareholder at their own risk. Shares held in dematerialised form to the extent not acquired or accepted / withdrawn will be credited back to the respective beneficiary account with their respective DPs as per details furnished by the beneficial owners in the Form of Acceptance cum Acknowledgement.

j) A tentative schedule of activities in respect of the Offer is given below:

Activity	Date	Day
Public Announcement	20/03/2006	Monday
Last date for a competitive bid	09/04/2006	Sunday
Specified Date	13/04/2006	Thursday
Date by which the Letter of Offer will be dispatched to shareholders	03/05/2006	Wednesday
Date of opening the Offer	13/05/2006	Saturday
Last date for revising the offer price/ number of shares	22/05/2006	Monday
Last date for withdrawal of acceptance	26/05/2006	Friday
Date of closing the Offer	01/06/2006	Thursday
Date by which acceptance/rejection would be intimated and the corresponding payment for the acquired shares and/or the share certificate(s)/demat delivery instruction for the rejected Shares will be dispatched/issued.	15/06/2006	Thursday

X. Withdrawal Option

The equity shareholders who are desirous of withdrawing their acceptances tendered in the offer, can do so upto three working days prior to the date of the closure of the offer i.e. on or before 26/05/2006. The withdrawal option can be exercised by submitting the 'Form of Withdrawal' (separately enclosed with Letter of Offer) to the Registrar to the Offer, M/s Karvy Computershare Pvt. Ltd., so as to reach them on or before 26/05/2006.

In case of non-receipt of 'Form of withdrawal', the withdrawal option can be exercised by making an application on plain paper along with the details such as name, address, distinctive numbers, folio numbers, number of shares tendered, date of tender.

XI. General

a) The Acquirer can revise the price upwards upto seven working days prior to closure of the offer and revision if any in the offer price would appear in the same news papers where the Public Announcement has appeared. The same price would be paid to all shareholders who tender their shares in the offer.

b) Shareholders may note that if there is a competitive bid, the public offers under all the subsisting bids shall close on the same date. As the offer price can not be revised during 7 working days prior to the closing date of the offers / bids, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.

c) For any queries regarding the Offer the shareholders / applicants may contact the Registrar to the Offer at the address mentioned at IX (g) in this Public Announcement.

d) If the aggregate of the valid responses to the offer exceeds offer size, then the acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 21 (6) of the Regulations. The equity shares of FOL are being traded in dematerialised mode and the market lot of the shares is one.

e) Acquirer shall acquire the equity shares from the shareholders of FOL who have validly tendered the equity shares under the Offer (i.e. equity shares and other documents are in order in accordance with the terms of the Offer) and remit the consideration in respect thereof on or before 15/06/2006 in cash by Account Payee Pay Order / Demand Draft. Any delay will attract interest in terms of Regulation 22(12) of SEBI (SAST) Regulations 1997. The information as to whether the equity shares tendered by them have been accepted (in full or in part) or rejected and consideration payable would be sent by Registered Post.

f) Pursuant to the Regulation 13, the Acquirer has appointed Keynote Corporate Services Ltd. as the Manager to the Offer.

g) Keynote Corporate Services Limited, the Manager to the Offer, does not hold any equity shares of FOL. Further, The Manager to the Offer undertakes not to deal in the equity shares of FOL upto a period of fifteen days after closure of the offer.

h) The Acquirer accepts full responsibility for the information contained in this Public Announcement and also for the obligations of Acquirer as laid down in the Regulations.

The Public announcement will become available on SEBI website www.sebi.gov.in. Eligible persons to the Offer may also download a copy of Letter of Offer, Form of Acceptance cum Acknowledgement and Form of Withdrawal which will also be available on SEBI's website from the offer opening date i.e. 13/05/2006 and apply in the same.

Issued by Manager to the Offer on behalf of the Acquirer :

KEYNOTE
CORPORATE SERVICES LIMITED
307, Regent Chambers, Nariman Point, Mumbai-400 021.
Tel: (022) 22025230 Fax: (022) 22835467
E-mail: mbd@keynoteindia.net
SEBI Regn: INM000003606 AMBI Regn No.: AMBI/040
Name of the Contact Person: Janardhan Wagle

Place : Hyderabad
Date : 18/03/2006