DETAILED PUBLIC STATEMENT IN TERMS OF REGULATION 13(4) READ WITH 15(2) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED, TO THE PUBLIC SHAREHOLDERS OF

MANGALORE CHEMICALS & FERTILIZERS LIMITED

Registered Office: UB Tower, Level-11, UB City, No.24, Vittal Mallya Road, Bangalore - 560001; Tel: +91-80-3985 6000; Fax: +91-80-3985 5588

OPEN OFFER FOR ACQUISITION OF UP TO 3,08,13,939 (THREE CRORE EIGHT LAKH THIRTEEN THOUSAND NINE HUNDRED AND THIRTY NINE) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF INR 10 (₹ TEN) EACH COMPRISING 26% OF THE FULLY DILUTED VOTING EQUITY SHARE CAPITAL AS OF THE 10TH WORKING DAY FROM THE CLOSURE OF THE TENDERING PERIOD OF THE OFFER, FROM THE PUBLIC SHAREHOLDERS (AS DEFINED BELOW) OF MANGALORE CHEMICALS & FERTILIZERS LIMITED ("TARGET COMPANY") BY ZUARI FERTILISERS AND CHEMICALS LIMITED ("ACQUIRER") TOGETHER WITH ZUARI AGRO CHEMICALS LIMITED ("PAC 1"), UNITED BREWERIES (HOLDINGS) LIMITED ("PAC 2"), KINGFISHER FINVEST INDIA LIMITED ("PAC 3") AND McDOWELL HOLDINGS LIMITED ("PAC 4") AS THE PERSONS ACTING IN CONCERT (COLLECTIVELY, "PAC") WITH THE ACQUIRER (THE "OFFER" / "OPEN OFFER"). SAVE AND EXCEPT FOR THE PAC, NO OTHER PERSON IS ACTING IN CONCERT WITH THE ACQUIRER FOR THE PURPOSE OF THIS OPEN OFFER.

This detailed public statement ("**DPS**") is being issued by Ambit Corporate Finance Private Limited and ICICI Securities Limited (the "**Managers to the Offer**"), on behalf of the Acquirer and the PAC in compliance with Regulation 13(4) read with Regulation 15(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("**SEBI Takeover Regulations**"), pursuant to the public announcement dated May 12, 2014 ("**PA**") filed with BSE Limited ("**BSE**"), the National Stock Exchange of India Limited ("**NSE**") and the Bangalore Stock Exchange Limited ("**Bangalore SE**", and together with NSE and BSE referred to as "**Stock Exchanges**"), in compliance with Regulation 20 read with Regulation 3(1) and other applicable regulations of the SEBI Takeover Regulations. The PA was also filed with the Securities and Exchange Board of India ("**SEBI**") and sent to the Target Company at its registered office by way of letters dated May 12, 2014, in terms of Regulations 14(2) of the SEBI Takeover Regulations. This Offer is a competing offer as further detailed in Part II (Background to the Offer) of this DPS.

For the purposes of this DPS, the following terms shall have the meaning assigned to them below:

'**Identified Date**' shall mean the date falling on the 10th (tenth) working day prior to the commencement of the tendering period, for the purpose of determining the Public Shareholders to whom the Letter of Offer shall be sent.

'**Public Shareholders**' shall mean all the public shareholders of the Target Company excluding (i) the parties to the Agreement (as defined below) and (ii) persons acting in concert or deemed to be acting in concert with such parties including the PAC.

'**Equity Shares**' or '**Shares**' means fully paid-up equity shares of face value of INR 10 each of the Target Company.

'**Voting Share Capital**' shall mean 11,85,15,150 Equity Shares being the fully diluted voting share capital of the Target Company as of the 10th (tenth) working day from the date of closure of the tendering period.

I. ACQUIRER, PAC, TARGET COMPANY AND OFFER

A. INFORMATION ABOUT THE ACQUIRER & PAC:

1. ACQUIRER - ZUARI FERTILISERS AND CHEMICALS LIMITED

1.1 The Acquirer, a public limited company, was incorporated as 'Zuari Fertilisers and Chemicals Limited' on August 11, 2009 at Goa under the Companies Act, 1956, as amended. The name of the Acquirer has never been changed since the date of its incorporation.

1.2 The Acquirer was set up for manufacturing and trading of organic and inorganic fertilizers. The Acquirer is presently setting up a 600 TPD Single Super Phosphate (SSP) fertilizer plant at Mahad in Maharashtra.

1.3 The Acquirer is registered with the Registrar of Companies, Goa, Daman and Diu, bearing Corporate Identity Number (CIN) - U24120GA2009PLC006158. The registered office of Acquirer is situated at Jai Kisaan Bhawan, Zuarinagar, Goa - 403 726.

1.4 The Acquirer is part of the Adventz Group. The Adventz Group, controlled by Mr. Saroj Kumar Poddar, comprises of companies in various verticals with major interests in agri-business, engineering and infrastructure, emerging lifestyles and services.

1.5 The Acquirer is a wholly-owned subsidiary of PAC 1. The issued and paid up share capital of the Acquirer is INR 15,35,00,000 comprising of 1,53,50,000 equity shares of face value of INR 10 per equity share. As on the date of this DPS, the Acquirer does not have any partly paid-up equity shares.

1.6 The equity shares of the Acquirer are not listed on any stock exchange.

1.7 The directors of the Acquirer are Mr. Saroj Kumar Poddar, Mr. N. Suresh Krishnan, Mr. Naveen Kapoor and Mr. R.S. Raghavan.

1.8 As on the date of this DPS, the Acquirer holds 1,94,71,787 Shares representing 16.43% of the Voting Share Capital of the Target Company.

1.9 Except for the Shares held in the Target Company (as set out in paragraph 1.8 above), the Acquirer, its directors (as set out in paragraph 1.7 above) and its key managerial employees have no other interest in the Target Company and there are no directors representing the Acquirer on the Board of Directors of the Target Company.

1.10 As on the date of this DPS, the Acquirer has not acquired any Shares of the Target Company post the date of the PA.

1.11 The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of any directions issued under Section 11B of the Securities and Exchange Board of India Act, 1992, as amended (the "**SEBI Act**") or any other regulations made thereunder.

1.12 The key financial information of Acquirer is as follows:

All figures in INR crores; EPS in INR/share

PARTICULARS	Year Ended March 31, 2014	Year Ended March 31, 2013	Year Ended March 31, 2012
TOTAL REVENUE	6.88	3.61	0.86
NET INCOME	(7.59)	(3.46)	(1.16)
EARNINGS PER SHARE (EPS)	(14.12)	(692.35)	(232.20)
NET WORTH / SHAREHOLDER FUNDS	2.90	(4.81)	(1.35)

Note: The financial information set forth above has been extracted from the audited financial statements of the Acquirer as at and for the financial years ended March 31, 2014, March 31, 2013 and March 31, 2012.

2. PAC 1 - ZUARI AGRO CHEMICALS LIMITED

2.1 PAC 1 was incorporated, as a public limited company, on September 10, 2009 at Goa under the Companies Act, 1956, as amended, in the name and style as 'Zuari Holdings Limited'. The name of PAC 1 was changed to its present name on September 28, 2012 pursuant to a fresh certificate of incorporation, consequent upon change of name, issued by Registrar of Companies, Goa, Daman and Diu.

2.2 PAC 1, part of the Adventz Group (defined in paragraph 1.4 above), manufactures, sells, and trades fertilizers in India. It has manufacturing facilities at Zuarinagar, Goa, which produce Urea and complex fertilizers. It also sells other agricultural inputs, such as micronutrients, specialty fertilizers, composts, organic manure and seeds.

2.3 PAC 1 is registered with the Registrar of Companies, Goa, Daman and Diu, bearing CIN - L65910GA2009PLC006177. The registered office of PAC 1 is situated at Jai Kisaan Bhawan, Zuarinagar, Goa - 403 726. The corporate office of PAC 1 is situated at Global Business Park, Tower 'A', 5th Floor, M.G. Road, Gurgaon - 122 002, Haryana.

2.4 PAC 1 is the holding company of the Acquirer. PAC 1 is a part of the Adventz Group which is controlled by Mr. Saroj Kumar Poddar.

2.5 The equity shares of PAC 1 are listed on BSE (Scrip ID: ZUARIAGRO, Scrip Code: 534742) and NSE (Symbol: ZUARI, ISIN: INE840M01016). The equity shares of PAC 1 were listed on BSE and NSE on November 27, 2012 pursuant to demerger of the fertilizer business of Zuari Global Limited (erstwhile Zuari Industries Limited) into PAC 1.

2.6 The issued and paid up share capital of PAC 1 is INR 42,05,80,060 (Rupees Forty Two Crores Five Lacs Eighty Thousand and sixty) comprising of 4,20,58,006 equity shares of INR 10 each. The brief shareholding pattern of PAC 1 as of March 31, 2014 is provided below:

Shareholder	Number of equity shares	% of total issued equity shares
Promoter & Promoter Group		
Zuari Global Limited	84,11,601	20.00
Globalware Trading and Holdings Limited	70,12,000	16.67
Zuari Management Services Limited	50,78,909	12.08
SIL Investments Limited	32,08,000	7.63
Texmaco Infrastructure & Holdings Limited	30,00,125	7.13
Adventz Investments & Holdings Limited	12,36,852	2.94
New Eros Tradecom Limited	11,96,767	2.85
Coltrane Corpn Limited	4,79,750	1.14
Pilani Investment & Ind Corp Limited	4,34,000	1.03
JeewanJyoti Medical Society	1,38,550	0.33
RTM Investment & Trading Company Limited	1,10,768	0.26
Adventz Securities Enterprises Limited	98,804	0.23
Adventz Finance Private Limited	85,789	0.20
Duke Commerce Limited	81,000	0.19
Saroj Kumar Poddar	79,406	0.19
Jyotsna Poddar	71,621	0.17
Ronson Traders Limited	63,200	0.15
SCM Investment & Trading Company Limited	35,000	0.08
Sarla Devi Birla	30,000	0.07
Adventz Investment Co Private Limited	15,000	0.04
Ricon Commerce Limited	8,100	0.02
Sub Total	**3,08,75,242**	**73.41**
Public	**1,11,82,764**	**26.59**
Grand Total	**4,20,58,006**	**100.00**

As on March 31, 2014, no public shareholder is holding more than 5% of the equity share capital of PAC 1.

2.7 The directors of PAC 1 are Mr. Saroj Kumar Poddar, Mr. N. Suresh Krishnan, Mr. Akshay Poddar, Mr. Arun Duggal, Mr. J. N. Godbole, Mr. Marco Wadia and Mr. Gopal Krishna Pillai.

2.8 PAC 1 does not hold any Shares of the Target Company.

2.9 Except for the following agreements with the Target Company, PAC 1, its directors (as set out in paragraph 2.7 above) and its key managerial employees have no interest in the Target Company and there are no directors representing PAC 1 on the Board of Directors of the Target Company:

2.9.1 PAC 1 has executed a contract manufacturing agreement dated March 13, 2014 with the Target Company for manufacturing of Di Ammonium Phosphate and NPK (20:20:0:13).

2.9.2 PAC 1 has executed a memorandum of understanding dated April 11, 2014 with the Target Company for sale of Di Ammonium Phosphate and Muriate of potash on high sea sale basis.

2.10 As on the date of this DPS, PAC 1 has not acquired any Shares of the Target Company post the date of the PA.

2.11 PAC 1 has not been prohibited by SEBI from dealing in securities, in terms of any directions issued under Section 11B of SEBI Act or any other regulations made thereunder.

2.12 The key financial information of PAC 1 is as follows:

All figures in INR crores; EPS in INR/share

PARTICULARS	Year Ended March 31, 2014	Year Ended March 31, 2013	Year Ended March 31, 2012
TOTAL REVENUE	7,420.81	7,990.63	8,314.67
NET INCOME	(44.25)	64.30	164.42
EARNINGS PER SHARE (EPS)	(10.52)	15.29	49.35
NET WORTH / SHAREHOLDER FUNDS	1,017.40	1,069.01	1,019.48

Notes:

1. *The financial information set forth above has been extracted from the audited consolidated financial statements of PAC 1 as at and for the financial years ended March 31, 2014, March 31, 2013 and March 31, 2012;*
2. *The fertilizer business of Zuari Global Limited (erstwhile Zuari Industries Limited) was demerged into PAC 1 with effect from July 1, 2011.*

3. PAC 2 - UNITED BREWERIES (HOLDINGS) LIMITED

3.1 PAC 2 is a public limited company incorporated on March 23, 1915 under the name 'United Breweries Limited' in Madras. The name 'United Breweries Limited' was changed to 'UB Limited' on January 9, 1989. The name 'UB Limited' was later changed back to 'United Breweries Limited' on July 2, 1993. The name 'United Breweries Limited' was changed to 'Kingfisher Properties & Holdings Limited' on August 7, 2002 and was subsequently changed to 'United Breweries (Holdings) Limited' with effect from October 11, 2002.

3.2 PAC 2 is the flagship holding company of the UB Group through which the UB Group holds stake in various companies which comprise the UB Group. PAC 2 is controlled by Dr. Vijay Mallya. PAC 2 derives its income from exports of alcoholic beverages, footwear, clothing, lease rentals, property development, dividends from investee companies, licensing fees, interest and guarantee commissions from investee companies.

3.3 PAC 2 is registered with the Registrar of Companies, Bangalore, Karnataka, bearing CIN - L85110KA1915PLC000740. The registered office of PAC 2 is situated at UB Tower, Level 12, UB City, 24, Vittal Mallya Road, Bangalore - 560 001.

3.4 The equity shares of PAC 2 are listed on BSE (Scrip ID: UBHOLDING, Scrip Code: 507458), NSE (Symbol: UBHOLDINGS, ISIN: INE696A01025) and Bangalore SE. The issued and paid up share capital of PAC 2 is INR 66,81,85,210 (Rupees Sixty Six Crores Eighty One Lacs Eighty Five Thousand and Two Hundred and Ten) comprising of 6,68,18,521 equity shares of INR 10 each. The brief shareholding pattern of PAC 2 as of March 31, 2014 is provided below:

Shareholder	Number of equity shares	% of total issued equity shares
Promoter & Promoter Group		
Watson Limited	1,41,59,986	21.19
McDowell Holdings Limited	52,60,002	7.87
Dr. Vijay Mallya & Sidhartha V. Mallya	28,25,358	4.23
FirStart Inc	28,21,518	4.22
Kamsco Industries Private Limited	24,18,100	3.62
Mallya Private Limited	24,18,100	3.62
Dr. Vijay Mallya	23,91,220	3.58
The Gem Investment & Trading Company Private Limited	10,66,184	1.60
Pharma Trading Company Private Limited	5,19,818	0.78
Rossi & Associates Private Limited	4,63,674	0.69
Devi Investments Private Limited	4,59,412	0.69
Vittal Investments Private Limited	1,01,508	0.15
Dr. Vijay Mallya & Ritu Mallya	68,400	0.10
Ganapathy Mallya Investments Private Limited	-	-
VJM Investments Private Limited	-	-
Sub Total	**3,49,73,280**	**52.34**
Public	**3,18,45,241**	**47.66**
Grand Total	**6,68,18,521**	**100.00**

As on March 31, 2014, no public shareholder is holding more than 5% of the equity share capital of PAC 2.

3.5 The directors of PAC 2 are Dr. Vijay Mallya, Mr. Sidhartha V.Mallya, Mr. N Srinivasan, Mr. M S Kapur, and Dr. Lalit Bhasin.

3.6 As on the date of this DPS, PAC 2 holds 1,78,36,068 Shares representing 15.05% of the Voting Share Capital of the Target Company out of which 1,37,53,881 Shares are pledged.

3.7 Except for the Shares held in the Target Company (as set out in paragraph 3.6 above), the fact that Dr. Vijay Mallya is also the Chairman of the Board of Directors of the Target Company, and the following agreements executed by PAC 2 with the Target Company, PAC 2, its directors (as set out in paragraph 3.5 above) and its key managerial employees have no other interest in the Target Company:

3.7.1 PAC 2 has executed a trademark licence agreement dated July 11, 2006 for use of its trademark & corporate logo; and

3.7.2 PAC 2 has executed a supplemental management service agreement dated February 10, 2014 to provide various management services to the Target Company

3.8 Except for Dr. Vijay Mallya who is the Chairman of the Board of Directors of PAC 2 and the Target Company, no other director representing PAC 2 is on the Board of Directors of the Target Company.

3.9 As on the date of this DPS, PAC 2 has not acquired any Shares of the Target Company post the date of the PA.

3.10 PAC 2 has not been prohibited by the SEBI from dealing in securities, in terms of any directions issued under Section 11B of the SEBI Act or any other regulations made thereunder.

3.11 The key financial information of PAC 2 is as follows:

All figures in INR crores; EPS in INR/Share

PARTICULARS	9 Months Period Ended December 31, 2013	Year Ended March 31, 2013	Year Ended March 31, 2012	Year Ended March 31, 2011
TOTAL REVENUE	358.65	870.12	6,614.81	7,050.89
NET INCOME BEFORE EXCEPTIONAL ITEMS	(605.26)	(292.33)	(1,511.46)	(790.55)
NET INCOME AFTER EXCEPTIONAL ITEMS	1,322.20	(292.33)	(1,511.46)	(881.79)
EARNINGS PER SHARE (EPS)	197.88	(43.75)	(226.20)	(131.97)
NET WORTH / SHAREHOLDER FUNDS (Refer Note 2)	n.a.	1,997.92	2,259.01	(853.83)

Notes:

1. *The financial information set forth above has been extracted from the audited consolidated financial statements of PAC 2 as at and for the financial years ended March 31, 2013, March 31, 2012, March 31, 2011 and unaudited standalone financial statement of PAC 2 as per the limited review report filed with the Stock Exchanges for nine months period ended December 31, 2013.*
2. *The Net Worth is excluding revaluation reserves.*
3. *A qualified report has been issued on the audited financial statements for the financial year ended March 31, 2013, and certain observations have been made in the limited review report for the nine months period ended December 31, 2013, both of which have been filed by PAC 2 with the Stock Exchanges, and should be considered while perusing the key financial information specified in the above mentioned table.*

4. PAC 3 - KINGFISHER FINVEST INDIA LIMITED

4.1 PAC 3 is a public limited company incorporated on August 20, 1999 as 'Variegate Trading Private Limited' in Mumbai, Maharashtra under the Companies Act, 1956, as amended, which became a deemed public limited company under section 43A of the Companies Act, 1956, as amended, on October 4, 1999 and its name was changed to 'Variegate Trading Limited'. Subsequently, the name was changed to 'Kingfisher Radio Limited' on November 9, 2005 and then to 'Kingfisher Finvest India Limited' on June 19, 2008. Also, in 2008, the registered office was changed from Mumbai to Bangalore.

4.2 PAC 3, part of UB Group, is engaged in investment business as an investment holding company and to buy, sell, underwrite, invest in, and acquire, hold and dispose-off shares, debentures, debentures stock, bonds, obligations, and securities issued or guaranteed by the Central or State Government or any Company, anywhere in India, and to deal with any such business in any manner. PAC 3 is controlled by PAC 2, which as disclosed above, is controlled by Dr. Vijay Mallya.

4.3 PAC 3 is registered with the Registrar of Companies, Bangalore, Karnataka, bearing CIN - U51900KA1999PLC048529. The registered office of PAC 3 is situated at UB Tower, Level 12, UB City, 24, Vittal Mallya Road, Bangalore - 560 001.

4.4 PAC 3 is a wholly-owned subsidiary of PAC 2. The issued and paid up share capital of PAC 3 is INR 1,05,00,000 (Rupees One Crore Five Lakhs) comprising of 50,000 equity shares of INR 10 each and 1,00,00,000 0% redeemable optionally convertible preference shares of INR 1 each.

4.5 The equity shares of PAC 3 are not listed on any stock exchange.

4.6 The directors of PAC 3 are Mr. Ajay Kumar Vijay, Mr. Kaushik Majumder and Mr. Subramoni Patanjali.

4.7 As on the date of this DPS, PAC 3 holds 23,80,000 Shares representing 2.01% of the Voting Share Capital of the Target Company.

4.8 Except for the Shares held in the Target Company (as set out in paragraph 4.7 above), PAC 3, its directors (as set out in paragraph 4.6 above) and its key managerial employees have no other interest in the Target Company and there are no directors representing PAC 3 on the Board of Directors of the Target Company.

4.9 As on the date of this DPS, PAC 3 has not acquired any Shares of the Target Company post the date of the PA.

4.10 PAC 3 has not been prohibited by SEBI from dealing in securities, in terms of any directions issued under Section 11B of the SEBI Act or any other regulations made thereunder.

4.11 The key financial information of PAC 3 is as follows:

All figures in INR crores; EPS in INR/share

PARTICULARS	Year Ended March 31, 2013	Year Ended March 31, 2012	Year Ended March 31, 2011
TOTAL REVENUE	4.21	6.07	9.31
NET INCOME	(43.59)	(78.76)	(60.48)
EARNINGS PER SHARE (EPS)	(8,717)	(15,751)	(12,096.82)
NET WORTH / SHAREHOLDER FUNDS	(138.34)	(94.76)	(16.00)

Notes:

1. *The financial information set forth above has been extracted from the audited financial statements of PAC 3 as at and for the financial years ended March 31, 2013, March 31, 2012 and March 31, 2011.*
2. *A qualified report has been issued on the audited financial statements for the financial year ended March 31, 2013 and should be considered while perusing the key financial information specified in the above mentioned table.*
3. *The certified financial statements of PAC 3 for the 9 months period ended December 31, 2013 will be disclosed in the draft letter of offer to be submitted with SEBI within 5 working days from the publication of this DPS.*

5. PAC 4 - McDOWELL HOLDINGS LIMITED

5.1 PAC 4, a public limited company, was incorporated as 'United Golden Beverages Limited' on March 1, 2004 in Bangalore, Karnataka under the Companies Act, 1956, as amended. The name was changed to 'McDowell India Spirits Limited' on March 31, 2004. Subsequently, pursuant to the composite scheme of arrangement, the investment business of McDowell & Company Limited was demerged into McDowell India Spirits Limited and its name was changed to 'McDowell Holdings Limited' on October 17, 2006 and consequently it was listed on the Stock Exchanges on May 30, 2007.

5.2 PAC 4, part of the UB Group, is an investment holding company, operating in two segments: Investment and Financial Services. PAC 4 is promoted by PAC 2, PAC 3, Mallya Private Limited and Dr. Vijay Mallya.

5.3 PAC 4 is registered with the Registrar of Companies, Bangalore, Karnataka, bearing CIN - L05190KA2004PLC033485. The registered office of PAC 4 is situated at Canberra, Level 9, UB City, #24, Vittal Mallya Road, Bangalore - 560 001.

5.4 The equity shares of PAC 4 are listed on BSE (Scrip ID: MCDHOLDIN, Scrip Code: 532852), NSE (Symbol: MCDHOLDING, ISIN: INE836H01014) and Bangalore SE. The issued and paid up share capital of PAC 4 is INR 13,99,22,580 (Rupees Thirteen Crores Ninety Nine Lacs Twenty Two Thousand Five Hundred and Eighty) comprising of 1,39,92,258 equity shares of INR 10 each. The brief shareholding pattern of PAC 4 as of March 31, 2014 is provided below:

Shareholder	Number of equity shares	% of total issued equity shares
Promoter & Promoter Group		
Kingfisher Finvest India Limited	20,27,707	14.49
United Breweries Holdings Limited	4,89,482	3.50
Mallya Private Limited	201	0.00
Vijay Mallya	2	0.00
Sub Total	**25,17,392**	**17.99**
Public	**1,14,74,866**	**82.01**
Public Shareholders holding more than 5%		
SBI Emerging Businesses Fund	12,87,340	9.20
Barca Global Master Fund LP	7,95,535	5.69
Acacia Partners LP	7,76,269	5.55
Grand Total	**1,39,92,258**	**100.00**

5.5 The directors of PAC 4 are Mr. N. Srinivasan and Mr. R. N. Pillai.

5.6 As on the date of this DPS, PAC 4 holds 58,26,828 Shares of the Target Company, representing 4.92% of the Voting Share Capital of the Target Company.

5.7 Except for the Shares held in the Target Company (as set out in paragraph 5.6 above) PAC 4, its directors (as set out in paragraph 5.5 above) and its key managerial employees have no other interest in the Target Company and there are no directors representing PAC 4 on the Board of Directors of the Target Company.

5.8 As on the date of this DPS, PAC 4 has not acquired any Shares of the Target Company post the date of the PA.

5.9 PAC 4 has not been prohibited by SEBI from dealing in securities, in terms of any directions issued under Section 11B of the SEBI Act or any other regulations made thereunder.

5.10 The key financial information of PAC 4 is as follows:

All figures in INR crores; EPS in INR/share

PARTICULARS	9 Months Period Ended December 31, 2013	Year Ended March 31, 2013	Year Ended March 31, 2012	Year Ended March 31, 2011
TOTAL REVENUE	12.36	11.25	3.31	2.31
NET INCOME	2.22	3.63	1.52	(1.15)
BASIC EARNINGS PER SHARE (EPS)	1.59	2.60	1.15	(0.95)
DILUTED EPS	1.59	2.60	1.10	(0.95)
NET WORTH / SHAREHOLDER FUNDS	n.a.	68.71	62.10	54.17

Note: The financial information set forth above has been extracted from the audited financial statements of PAC 4 as at and for the financial years ended March 31, 2013, March 31, 2012, March 31, 2011 and unaudited financial statement of PAC 4 as per the limited review report filed with the Stock Exchanges for the nine months period ended December 31, 2013.

6. Relationship between the Acquirer and PAC

The Acquirer has provided 2 (two) inter corporate deposits of INR 10,00,00,000 each (Rupees Ten crores) to PAC 4 on January 21, 2012 and February 8, 2012, respectively. Other than the aforesaid inter corporate deposits and the relationship established by the Agreement (as defined below), the Acquirer and PAC 1 has no other relationship with PAC 2, PAC 3 and PAC 4. The Acquirer is a wholly-owned subsidiary of PAC 1. PAC 3 is a wholly-owned subsidiary of PAC 2. PAC 2 and PAC 3 are part of the promoter group of PAC 4.

B. DETAILS OF SELLER:

Not applicable

C. INFORMATION ABOUT THE TARGET COMPANY:

1. The Target Company, a public limited company, was incorporated on July 18, 1966 as 'Malabar Chemicals & Fertilizers Limited' in Bangalore under the provisions of the Companies Act, 1956, as amended. The name was subsequently changed to 'Mangalore Chemicals & Fertilizers Limited' on August 25, 1971. There has been no change in the name of the Target Company in the last 3 (three) years.
2. The Target Company is engaged in the manufacturing and sale of urea, di-ammonium phosphate and complex fertilizers, ammonium bi-carbonate, sulphonated naphthalene formaldehyde, plant nutrition products and plant protection chemicals. It has one manufacturing facility located at Penambur, Mangalore in Karnataka.
3. The Target Company is registered with the Registrar of Companies, Karnataka, bearing CIN - L24123KA1966PLC002036. Its registered office is situated at UB Tower, Level 11, UB City, No. 24, Vittal Mallya Road, Bangalore - 560001.
4. The Shares of the Target Company are listed on BSE (Scrip ID: MANGCHEM, Scrip Code: 530011), NSE (Symbol: MANGCHEFER, ISIN: INE558B01017) and Bangalore SE.
5. The issued, subscribed and paid-up share capital of the Target Company as on the date of this DPS is INR 118,51,51,500 (Rupees One Hundred Eighteen Crore Fifty One Lakhs Fifty One Thousand Five Hundred) comprising of 11,85,15,150 Shares. As on the date of this DPS, there are no partly paid-up Shares or instruments convertible into Shares issued by the Target Company.
6. Based on the information available on the websites of the Stock Exchanges, the Shares of the Target Company are frequently traded on the BSE and NSE and infrequently traded on Bangalore SE (within the meaning of Regulation 2(1)(j) of the SEBI Takeover Regulations).
7. Key financial information of the Target Company is as follows:

All figures in INR crores; EPS in INR/Share

PARTICULARS	Year Ended March 31, 2014	Year Ended March 31, 2013	Year Ended March 31, 2012
TOTAL REVENUE	3,314.81	2,790.04	3,720.13
NET INCOME	70.93	66.57	69.10
EARNINGS PER SHARE (EPS)	5.99	5.62	5.83
NET WORTH / SHAREHOLDER FUNDS (Refer Note 2)	555.78	501.49	451.55

Notes:

1. *The financial information set forth above has been extracted from the audited financial statements of the Target Company as at and for the financial year ended March 31, 2014, March 31, 2013 and March 31, 2012.*
2. *The Net Worth is excluding revaluation reserves.*

D. DETAILS OF THE OFFER:

1. This Offer is being made by the Acquirer and the PAC to all the Public Shareholders, for the acquisition of up to 3,08,13,939 (Three Crore Eight Lakh Thirteen Thousand Nine Hundred and Thirty Nine) Shares, representing 26% (Twenty Six Per Cent) of the Voting Share Capital (the "**Offer Size**").
2. All validly tendered Shares under the Offer shall be acquired by the Acquirer. The consideration payable for the Shares accepted under the Offer shall be paid by the Acquirer and therefore all the financial obligations under the Offer shall be met by the Acquirer.
3. The Acquirer will acquire only such Shares that are fully paid up, free from all liens, charges and encumbrances and the Shares shall be acquired together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereon.
4. The offer price of INR 68.55 (Rupees Sixty Eight and Paise Fifty Five) per Share (the "**Offer Price**") will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI Takeover Regulations.
5. As on the date of this DPS, to the best of the knowledge of the Acquirer and PAC, no statutory approvals other than as indicated in Part VI (Statutory and Other Approvals) below are required to acquire the Shares that are tendered pursuant to the Offer. However, in case of any other statutory approvals being required by the Acquirer and/or PAC at a later date before the closure of the tendering period, this Offer shall be subject to such further approvals and the Acquirer and/or PAC shall make the necessary applications for such approvals.
6. This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI Takeover Regulations.
7. This Offer is a competing offer under Regulation 20 of the SEBI Takeover Regulations. For the purpose of making this competing offer, the Acquirer and the PAC have executed the Agreement (as defined below). This Offer is also a mandatory offer in compliance with Regulation 3(1) and other applicable regulations of the SEBI Takeover Regulations upon execution of such Agreement. The details of the Original Offer (as defined in Background to the Offer) are as follows:

Name of the Acquirer	SCM Soilfert Limited
Name of the PAC	Deepak Fertilisers and Petrochemicals Corporation Limited
Number of Equity Shares proposed to be acquired	Up to 3,08,13,939 (Three Crore Eight Lakh Thirteen Thousand Nine Hundred and Thirty Nine) Equity Shares representing 26% (Twenty Six Per cent) of the voting share capital of the Target Company
Mode of payment	Cash
Offer price	Original offer price as per public announcement dated April 23, 2014 was INR 61.75 (Rupees Sixty One and Paise Seventy Five) per Equity Share. The offer price was revised to INR 63.00 (Rupees Sixty Three) per Equity Share through the detailed public statement dated May 1, 2014
Public announcement dated	Wednesday, April 23, 2014
Detailed public statement dated	Thursday, May 01, 2014
Draft Letter of Offer dated	Thursday, May 08, 2014

8. The Acquirer and the PAC have entered into an agreement dated May 12, 2014 ("**Agreement**"), the salient features of which are provided in Part II (Background to the Offer) of this DPS. The consummation of the transactions contemplated under the Agreement is subject to receipt of applicable approvals from the regulatory authorities (details of which are provided in Part II (Background to the Offer) and Part VI (Statutory and Other Approvals) of this DPS. In the event, such approvals are not received by the Acquirer and the PAC on account of reasons outside the control of the Acquirer / PAC, the Acquirer / PAC shall have the right to withdraw the Offer in accordance with Regulation 23 of the SEBI Takeover Regulations. In the event of such a withdrawal of this Offer, the Acquirer and the PAC (through the Managers to the Offer) shall make a public announcement within 2 (two) working days of such withdrawal, in the same newspapers in which this DPS is published and such public announcement will also be sent to the Stock Exchanges, the SEBI and the Target Company at its registered office.
9. In terms of Regulation 25(2) of the SEBI Takeover Regulations, the Acquirer and PAC do not currently have any intention to alienate, restructure, dispose of or otherwise encumber any assets of the Target Company in the succeeding two years from the completion of this Offer, except in the ordinary course of business. The Acquirer and PAC undertake that they will not restructure, sell, lease, dispose of or otherwise encumber any substantial assets of the Target Company other than in the ordinary course of business, except with the prior approval of the shareholders of the Target Company through a special resolution, passed by way of postal ballot during the succeeding two years from the completion of this Offer.
10. As per Clause 40A of the listing agreement read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, as amended (the "**SCRR**"), the Target Company is required to maintain at least 25% (Twenty Five Per cent) public shareholding ("**Minimum Public Shareholding**"), as determined in accordance with SCRR, on a continuous basis for listing. As a result of the Shares acquired under the Offer, the public shareholding in the Target Company will not fall below the Minimum Public Shareholding requirement.
11. The Managers to the Offer do not hold any Shares as on the date of this DPS. The Managers to the Offer further declare and undertake not to deal on their own account in the Shares during this Offer period.

II. BACKGROUND TO THE OFFER

For the purposes of this Part II (Background to the Offer) of this DPS, the term 'UB Group' shall mean PAC 2, PAC 3 and PAC 4 and the term 'Adventz Group' shall mean the Acquirer and PAC 1.

1. The Offer is a competing offer under Regulation 20 of the SEBI Takeover Regulations. For the purpose of making this competing offer, the Acquirer and the PAC have executed the Agreement. Thus, this Offer is also a mandatory offer in compliance with Regulation 3(1) and other applicable regulations of the SEBI Takeover Regulations upon execution of such Agreement.
2. SCM Soilfert Limited together with Deepak Fertilisers and Petrochemicals Corporation Limited launched an open offer pursuant to a public announcement dated April 23, 2014 for acquiring up to 26% of the equity share capital of the Target Company ("**Original Offer**"). If the above mentioned open offer is successful, the UB Group, being the present promoters of the Target Company, will lose control over the Target Company. The UB Group is desirous of protecting its investment for which it is necessary to make a competing offer against the Original Offer.

   The Acquirer and PAC 1 are part of the Adventz Group which is independent of the UB Group. The Acquirer, as on the date of execution of the Agreement held 16.43% of the Voting Share Capital of the Target Company. Presently, the UB Group is not in a position to finance this competing offer and the Acquirer is willing to finance the competing offer and participate in the management of the Target Company. Accordingly, the Acquirer, PAC 1 (holding company of the Acquirer) and PAC 2, PAC 3 and PAC 4 (being part of the UB Group) have decided to act in concert against the Original Offer by launching a competing offer and have entered into an Agreement pursuant to the consummation of which, the Acquirer and the PAC shall exercise their respective voting rights in concert towards certain management decisions of the Target Company. The salient features of the Agreement have been set out below:

   - Dr. Vijay Mallya shall continue to be the Chairman of the board of directors of the Target Company ("**Board**"), and shall remain Chairman at least for a period of 5 (five) years from the date of completion of the competing offer.
   - The Adventz Group shall exercise its voting rights in accordance with prior written instructions of the UB Group in respect of (i) any amendment to clause 98(c) in the articles of association of the Target Company ("**Articles**") pertaining to UB Group's right to appoint 3 (three) directors; and (ii) any increase in the existing issued and paid-up capital of the Target Company provided however the required consent or written instructions for a rights issue will not be unreasonably withheld.
   - The UB Group shall continue to be entitled to appoint 3 (three) directors on the Board as provided in the Articles. Upon completion of the Offer, the Adventz Group shall be entitled to appoint 1 (one) director on the Board.
   - No decision shall be taken and no voting right exercised by either Adventz Group or UB Group in relation to the matters set out below, whether at a meeting of the shareholders of the Target Company or at a meeting of the Board, unless such decision has been mutually agreed or consented to by the Adventz Group and the UB Group:
     - Any voluntary dissolution, liquidation or winding up of the Target Company;
     - Any merger, consolidation, share exchange, re-organisation, re-capitalisation or other amalgamation involving the Target Company;

Contd.

- Any related party transaction;
- Any amendment to the memorandum of association of the Target Company or Articles save and except Clause 98(c) in the Articles pertaining to UB Group's right to appoint directors;
- Appointment of independent directors; and
- Any decision regarding managerial remuneration.

- UB Group and the Adventz Group have provided a right of first refusal to each other in relation to any sale, assignment, transfer or disposition of the Shares to a third party in accordance with the provisions of the Agreement. However, the right of first refusal is not applicable in case of any sale, assignment, transfer or disposition of any Shares held by UB Group by way of a compromise or arrangement with its creditors pursuant to any orders of any court, and subject to existing court orders.
- In the event, any Shares held by the members of any of the Adventz Group or the UB Group, are disposed of or sold or is proposed to be disposed of or sold by any pledgee(s) or any lender(s) or any regulatory authority on account of any breach of contract or law, including by way of an auction process, the members of the other group shall be entitled to participate in such disposal process to acquire such pledged Shares including negotiate with such pledgee(s) with an intention to buy the pledged Shares whether through private arrangement or public auction.
- Upon completion of the Offer and for a period of 5 (five) years thereafter, in the event of shareholding of two groups being unequal, the group with lesser shareholding shall be entitled to equalize its shareholding with the other group by way of creeping acquisition(s) under Regulation 3 of the SEBI Takeover Regulations and in the case of the UB Group, it shall also have an option to purchase such number of Shares from the Adventz Group such that the shareholding of both the groups in the Target Company is equalized.
- For a period of 5 (five) years from the date of the Agreement or for a period 6 (six) months from the date of termination of the Agreement, whichever is later, the UB Group shall have a right to call upon the Adventz Group to acquire any or all of the Shares held by the members of the UB Group upon mutually agreed terms and conditions ("**Put Option**") subject to there being no prohibitory orders or contractual restraints on the UB Group from selling, transferring or disposing of their Shares. In case UB Group exercises the aforesaid Put Option within 12 months of completion of this competing offer, UB Group will provide adequate representations, warranties and indemnities in favour of the Adventz Group in relation to the Target Company till the date of exercise of such Put Option.
- Consummation of the transactions contemplated in the Agreement is subject to receipt of applicable approvals from the regulatory authorities including the Competition Commission of India.
- The Agreement shall be terminated upon either UB Group or the Adventz Group terminating the Agreement as a consequence of an event of default by the members of the other group or by mutual written consent or upon either group ceasing to exercise at-least 5% of the total voting rights in the Target Company.

3. The primary objective of this Agreement is to protect the investment and retain control in the Target Company. The Acquirer and PAC 1 believe that the line of business of the Acquirer and PAC 1 being similar to the line of business of the Target Company, the execution of this Agreement will create synergies between the operations of the Target Company and those of the Acquirer and PAC 1. The Acquirer and the PAC intend to continue with the existing line of business of the Target Company and expand it with financial support and by harnessing the aforesaid synergies.

III. SHAREHOLDING AND ACQUISITION DETAILS

1. As on the date of this DPS, the current and proposed shareholding of the Acquirer and PAC in the Target Company and the details of the acquisition are as follows:

SHAREHOLDING	ACQUIRER		PAC 1		PAC 2		PAC 3		PAC 4		TOTAL
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%	
As on the date of the PA	1,94,71,787	16.43	Nil	Nil	1,78,36,068	15.05	23,80,000	2.01	58,26,828	4.92	4,55,14,683 Equity Shares representing 38.40% of the Voting Share Capital
Shares acquired between the date of the PA and this DPS	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Shareholding as on the date of this DPS	1,94,71,787	16.43	Nil	Nil	1,78,36,068	15.05	23,80,000	2.01	58,26,828	4.92	4,55,14,683 Equity Shares representing 38.40% of the Voting Share Capital
Post Offer Shareholding as of the 10th working day after the closure of the Offer *	5,02,85,726	42.43	Nil	Nil	1,78,36,068	15.05	23,80,000	2.01	58,26,828	4.92	7,63,28,622 Equity Shares representing 64.40% of the Voting Share Capital

** Assuming full subscription in the Offer*

2. Other than as disclosed in this DPS, the Acquirer, PAC and their directors do not hold any Shares of the Target Company.

IV. OFFER PRICE

1. The Shares of the Target Company are listed on the NSE, BSE and Bangalore SE.
2. The annualized trading turnover in the Shares on the NSE, BSE and Bangalore SE based on trading volume during the 12 (twelve) calendar months prior to the month of the PA (May 1, 2013 to April 30, 2014) is as given below:

STOCK EXCHANGE	NUMBER OF SHARES TRADED (A)	NUMBER OF SHARES (B)	(A) as % of (B)
NSE	7,83,42,075	11,85,15,150	66.10%
BSE	6,67,01,697	11,85,15,150	56.28%
Bangalore SE	Trading data is Not Available		

(Source: www.bseindia.com and www.nseindia.com)

3. Based on the information available on the websites of the Stock Exchanges, the Shares are frequently traded on the NSE and BSE and infrequently traded on the Bangalore SE (within the meaning of Regulation 2(1)(j) of the SEBI Takeover Regulations). The Offer Price of INR 68.55 (Rupees Sixty Eight and Paise Fifty Five) per Share has been determined and justified in terms of Regulation 8(2) of the SEBI Takeover Regulations, being higher than the highest of the following:

No.	PARTICULARS	PRICE PER SHARE (INR)
1.	The highest negotiated price per Share for acquisition under the Agreement (the agreement attracting the obligation to make the Offer).	Not applicable
2.	The volume weighted average price paid or payable for acquisitions, whether by the Acquirer or by any PAC during the 52 weeks immediately preceding the date of the PA.*	64.14
3.	The highest price paid or payable for any acquisition whether by the Acquirer or by any PAC, during the 26 weeks immediately preceding the date of the PA.	Not applicable
4.	The volume-weighted average market price of Shares for a period of 60 trading days immediately preceding the date of the PA as traded on the NSE, being the Stock Exchange where the maximum volume of trading in the Shares was recorded during such period.	68.54

** Only the volume weighted price paid by the Adventz Group (Acquirer / PAC 1) during the 52 weeks immediately preceding the PA has been considered; The volume weighted average price paid by the UB Group (PAC 2 / PAC 3 / PAC 4) during the 52 weeks immediately preceding the PA, which works to INR 68.38 per Share has not been considered, since the Adventz Group and the UB Group were not acting in concert at that point of time, when the shares were acquired by the UB Group. Further, even if the volume weighted average of both groups together were to be considered, the same would have been INR 64.68 per Share which is less than the Offer Price of INR 68.55 per Share.*

(Source: Certificate dated May 15, 2014 from M/s. K. J. Sheth & Associates (Chartered Accountants))

4. In view of various parameters considered and presented in the table above, in the opinion of the Acquirer, PAC and the Managers to the Offer, the Offer Price, being higher than the highest of the prices mentioned above, is justified in terms of Regulation 8 of the SEBI Takeover Regulations.
5. There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI Takeover Regulations. (*Source: www.nseindia.com, www.bseindia.com*). The Offer Price may be revised in the event of any corporate actions like bonus, rights, split etc. where the record date for effecting such corporate actions falls within three working days prior to the commencement of tendering period of the Offer.
6. In the event of acquisition of the Shares by the Acquirer and/or PAC during the Offer period, at a price higher than the Offer Price, the Offer Price will be revised upwards to equal the highest price paid for such acquisition in terms of SEBI Takeover Regulations. However, the Acquirer and/or PAC shall not acquire any Equity Shares of the Target Company after the third working day prior to the commencement of the tendering period of this Offer and until the expiry of the tendering period of this Offer. Any upward revision in the Offer Price and/or Offer Size may be done at any time prior to the commencement of the last three working days before the date of commencement of the tendering period i.e. by Monday, June 30, 2014 and will be notified to Public Shareholders. This is in accordance with Regulation 18(4) of the SEBI Takeover Regulations. Such revision would be done in compliance with other formalities prescribed under the SEBI Takeover Regulations.
7. This is a competing offer. In the event that the acquirer who has made the Original Offer revises the terms of the Original Offer, in terms of Regulation 20(9) of the SEBI Takeover Regulations, the Acquirer shall be entitled to make upward revisions to the Offer Price at any time upto 3 working days prior to the commencement of the tendering period.

V. FINANCIAL ARRANGEMENTS

1. The total funding requirement for the Offer, i.e. for the acquisition of up to 3,08,13,939 (Three Crore Eight Lakh Thirteen Thousand Nine Hundred and Thirty Nine) Shares at the Offer Price, is INR 211,22,95,518.45 (Rupees Two Hundred and Eleven Crores Twenty Two Lakhs Ninety Five Thousand Five Hundred and Eighteen and Paise Forty Five), assuming full acceptance of this Offer (the "**Total Consideration**").
2. The Acquirer has made firm financial arrangements for financing the acquisition of Shares under the Offer, in terms of Regulation 25(1) of the SEBI Takeover Regulations. The Acquirer proposes to fund the Offer from its domestic bank accounts and / or through PAC 1, from its available/arranged domestic funds through infusion of equity share capital and / or extension of loan and/or inter-corporate deposits to the Acquirer.
3. The Acquirer has furnished an unconditional, irrevocable and on demand bank guarantee dated May 15, 2014 in favour of the Managers to the Offer from HDFC Bank Limited acting through its Panjim branch, Goa having bank guarantee No: 059GT01141350001 for an amount of INR 52,80,73,880 (Rupees Fifty Two Crores Eighty Lakhs Seventy Three Thousand Eight Hundred and Eighty) (the "**Bank Guarantee**") in terms of Regulation 17(3)(b) of the SEBI Takeover Regulations, which is more than the minimum prescribed amount of 25% of the Offer Size calculated in accordance with Regulation17(1) of the SEBI Takeover Regulations. The Managers to the Offer have been duly authorised to realize the value of the Bank Guarantee in terms of the SEBI Takeover Regulations.
4. Further, the Acquirer and the Managers to the Offer have, entered into an escrow agreement dated May 15, 2014 with HDFC Bank Limited acting through its branch at Manekji Wadia Building, Ground Floor, Nanik Motwani Marg, Fort, Mumbai - 400001 (the "**Escrow Agent**"), in terms of which the Acquirer has opened a cash escrow account (the "**Escrow Account**") with the Escrow Agent. The Acquirer has deposited a sum of INR 2,11,22,956 (Rupees Two Crores Eleven Lakhs Twenty Two Thousand Nine Hundred and Fifty Six) in the Escrow Account being higher than the amount required under Regulation 17(4) of the SEBI Takeover Regulations (i.e. 1% (one per cent) of the Total Consideration). The Managers to the Offer have been authorized by the Acquirer to operate and realize the monies lying to the credit of the Escrow Account in terms of the SEBI Takeover Regulations.
5. V. Sankar Aiyar & Co., Chartered Accountants (having membership no. 081350), having their address at Satyam Cinema Complex, Ranjit Nagar Community Centre, New Delhi - 110008, have vide their letter dated May 15, 2014, certified on the basis of the examination of the financial accounts of the Acquirer and PAC 1, that the Acquirer and PAC 1 individually/jointly have adequate liquid financial resources (assets that can be realized) to fulfill all their financial obligations relating to the Offer.
6. Based on the above, the Managers to the Offer are satisfied that firm financial arrangements through verifiable means have been put in place by the Acquirer to fulfill the payment obligations of the Acquirer and PAC under this Offer in accordance with the SEBI Takeover Regulations.
7. In case of any upward revision in the Offer Price and or the Offer Size, the Bank Guarantee amount and/or the cash in the Escrow Account shall be increased by the Acquirer prior to effecting such revision, in terms of Regulation 17(2) of the SEBI Takeover Regulations.

VI. STATUTORY AND OTHER APPROVALS

1. This Offer is subject to receipt of approval from the Competition Commission of India under Section 6(2) of the Competition Act, 2002. The Acquirer and/or PAC will shortly file an application with the Competition Commission of India for this approval.
2. As of the date of this DPS, to the best of the knowledge of the Acquirer and/or PAC, there are no statutory approvals required by the Acquirer and/or PAC to complete this Offer other than as set out in the paragraph above. However, in case any such statutory approvals are required by the Acquirer and/or PAC at a later date before the closure of the tendering period, this Offer shall be subject to such approvals and the Acquirer and/or PAC shall make the necessary applications for such statutory approvals.
3. The acquisition of Shares tendered by NRIs and OCBs are subject to approval/exemption, if applicable, from the Reserve Bank of India. NRI and OCB holders of Shares, if any, must obtain all requisite approvals required to tender the Shares held by them pursuant to this Offer (including without limitation, the approval from the RBI or FIPB) and submit such approvals, along with the other documents required in terms of the Letter of Offer. Further, if holders of the Shares who are not persons resident in India (including NRIs, OCBs, QFIs and FIIs) had required any approvals (including from the RBI or FIPB) in respect of the Shares held by them, they will be required to submit the previous approvals that they would have obtained for holding the Shares, to tender the Shares held by them pursuant to this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer and/or PAC reserve the right to reject such Shares tendered in this Offer.
4. Subject to the receipt of statutory approvals, the Acquirer and PAC shall complete all requirements relating to this Offer within 10 working days from the date of closure of the tendering period to those Public Shareholders whose share certificates and other documents are found valid and in order and are accepted for acquisition by the Acquirer.
5. In case of delay in receipt of any statutory approvals mentioned above or which may be required by the Acquirer and/or PAC at a later date, as per Regulation 18(11) of the SEBI Takeover Regulations, SEBI may, if satisfied, that non-receipt of approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer and/or PAC to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Offer, subject to the Acquirer agreeing to pay interest to the Public Shareholders at such rate, as may be specified by the SEBI from time to time. Provided where the statutory approvals extend to some but not all holders of the Shares, the Acquirer and/or PAC will have the option to make payment to such holders of the Shares in respect of whom no statutory approvals are required in order to complete this Offer.
6. The Acquirer and/or PAC may withdraw the Offer under Regulation 23 of the SEBI Takeover Regulations in the event that the approvals specified herein above are not obtained or are finally refused or are otherwise not met with for reasons outside the reasonable control of the Acquirer and/or PAC. In the event of withdrawal of this Offer, a public announcement will be made within 2 (two) working days of such withdrawal, in the same newspapers in which this DPS is published and such public announcement will also be sent to the Stock Exchanges, the SEBI and the Target Company at its registered office.

VII. TENTATIVE SCHEDULE OF ACTIVITY

No.	ACTIVITY	DAY & DATE
1.	Issue of PA	Monday, May 12, 2014
2.	Publication of this DPS in the newspapers	Tuesday, May 20, 2014
3.	Filing of the Draft Letter of Offer with SEBI	Tuesday, May 27, 2014
4.	Last date for Public Announcement of a competing offer as per the first detailed public statement	Friday, May 23, 2014
5.	Last date for receipt of comments from SEBI on the Draft Letter of Offer (in the event SEBI has not sought clarification or additional information from the Managers to the Offer)	Tuesday, June 17, 2014
6.	Identified Date*	Friday, June 20, 2014
7.	Last date by which the Letter of Offer is required to be dispatched to shareholders	Thursday, June 26, 2014
8.	Last date for upward revision of the Offer Price/Offer Size	Monday, June 30, 2014
9.	Last Date by which the committee of the independent directors of the Target Company shall give its recommendation	Tuesday, July 1, 2014
10.	Last date of publication of the Offer opening Public Announcement	Wednesday, July 2, 2014
11.	Date of commencement of tendering period (Offer Opening Date)	Thursday, July 3, 2014
12.	Date of expiry of tendering period (Offer Closing Date)	Wednesday, July 16, 2014
13.	Date by which all requirements including payment of consideration would be completed	Thursday, July 31, 2014

**Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer shall be mailed. It is clarified that all the Public Shareholders (registered or unregistered) who own Equity Shares of the Target Company are eligible to participate in this Offer at any time before expiry of the tendering period.*

Since this is a competing offer, the schedule of activities and the tendering period for all competing offers shall be carried out with identical timelines and the last date for tendering shares in all competing offers shall stand revised to the last date for tendering shares in acceptance of the competing offer last made.

VIII. PROCEDURE FOR TENDERING THE SHARES IN CASE OF NON RECEIPT OF LETTER OF OFFER

1. Every Public Shareholder, regardless of whether such person held Shares on the Identified Date, or has not received the Letter of Offer, or holds Shares in physical or dematerialized form, registered or unregistered, is entitled to participate in the Offer.
2. The Letter of Offer specifying the detailed terms and conditions of this Offer along with the Form of Acceptance-cum-Acknowledgement (the "**Form of Acceptance**") will be mailed to all the Public Shareholders whose name appears in the register of members of the Target Company as at the close of business hours on the Identified Date.
3. Persons who have duly acquired the Shares but whose names do not appear in the register of members of the Target Company on the Identified Date or unregistered owners of Shares or those who have acquired the Shares after the Identified Date or those who have not received the Letter of Offer, may participate in this Offer by submitting an application on plain paper giving details regarding their shareholding and confirming their consent to participate in this Offer as per the terms and conditions of the Offer as set out in this DPS and to be set out in the Letter of Offer. Alternatively, such holders of Shares may apply by submitting the Form of Acceptance in relation to the Offer annexed to the Letter of Offer which may also be obtained from the website of SEBI (www.sebi.gov.in) or from Karvy Computershare Private Limited (the "**Registrar to the Offer**"). The application is to be sent to the Registrar to the Offer at the address mentioned below in Part X, paragraph 5 so as to reach the Registrar to the Offer on or before 5:00 p.m. on Wednesday, July 16, 2014 (i.e. the date of closure of the tendering period of this Offer) together with:
   i. In case of registered shareholders holding Shares in physical form, the name, address, number of Shares held, number of Shares offered, distinctive numbers and folio number together with the original equity share certificate/s and valid transfer deeds. Unregistered shareholders can send their application in writing to the Registrar to the Offer on plain paper stating the name & address of the first holder, name(s) & address(es) of joint holder(s) if any, number of Shares held, number of Shares offered, distinctive numbers, folio number, together with the original equity share certificate(s), valid share transfer deeds and the original contract note(s) issued by the broker through whom they acquired their Shares and/or such other documents as may be specified; or
   ii. in the case of Shares held in dematerialized form, name of Depository Participant (the "**DP**"), DP ID, beneficiary account number together with photocopy or counterfoil of the delivery instruction slip in "off-market" mode duly acknowledged by the DP for transferring the Shares to the special depository account ("**Escrow Demat Account**") opened by the Registrar to the Offer. The shareholders tendering Shares in demat form should ensure credit of Shares in the favour of the Escrow Demat Account prior to closure of tendering period for the Offer. Form of Acceptance, in respect of dematerialized Shares not credited to the Escrow Demat Account on or before 4:00 p.m. on the date of closure of the tendering period for this Offer, is liable to be rejected. Details of the Escrow Demat Account are given below:

DEPOSITORY PARTICIPANT NAME	KARVY STOCK BROKING LIMITED
DP IDENTIFICATION NUMBER	IN300394
CLIENT IDENTIFICATION NUMBER	18842300
ACCOUNT NAME	KARVY ZFCL-MCFL OPEN OFFER ESCROW ACCOUNT
DEPOSITORY	National Securities Depository Limited

Shareholders having their beneficial account with the Central Depository Services (India) Limited have to use inter-depository delivery instruction slips for the purpose of crediting their Equity Shares of the Target Company in favour of the Escrow Demat Account with National Securities Depository Limited.

4. Shareholders may also download: (a) the Letter of Offer from the website of SEBI (www.sebi.gov.in); or (b) obtain a copy of Letter of Offer by writing to the Registrar to the Offer or Managers to the Offer superscripting the envelope "**Mangalore Chemicals & Fertilizers Limited** - **Open Offer**" with suitable documentary evidence of ownership of the said Shares, their folio number, DP identity - Client identity, current address and contact details.

IX. THE DETAILED PROCEDURE FOR TENDERING THE SHARES IN THIS OFFER WILL BE AVAILABLE IN THE LETTER OF OFFER

X. OTHER INFORMATION

1. For the purposes of disclosures in this DPS relating to the Target Company, the Acquirer and the PAC have relied on the information provided by the Target Company and/or publically available information and have not independently verified the accuracy of the details of the Target Company.
2. The Acquirer and the PAC and their respective directors accept full responsibility for the information contained in the PA and this DPS (other than such information as has been obtained from public sources or provided by the Target Company) and for the fulfillment of obligations under the SEBI Takeover Regulations in respect of this Offer.
3. Pursuant to Regulation 12 of the SEBI Takeover Regulations, the Acquirer and PAC have appointed Ambit Corporate Finance Private Limited and ICICI Securities Limited as the Managers to the Offer.
4. This DPS and the PA is also expected to be available on the SEBI's website (www.sebi.gov.in).
5. The Acquirer has appointed Karvy Computershare Private Limited as the Registrar to the Offer. Address: Plot No. 17 to 24, Vithalrao Nagar, Madhapur, Hyderabad – 500 081; Tel: +91-40-44655000; Toll Free No.: 1800-3454-001; Fax: +91-40-23431551; E-mail: mcfl.openoffer@karvy.com; Website: www.karisma.karvy.com; Contact Person: Mr. M Murali Krishna; SEBI Registration Number: INR000000221
6. In this DPS, any discrepancy in any table between the total and sums of the amount listed is due to rounding off and/or regrouping.

ISSUED FOR AND ON BEHALF OF THE ACQUIRER AND THE PAC BY THE MANAGERS TO THE OFFER

AMBIT Acumen at work	ICICI Securities
AMBIT CORPORATE FINANCE PRIVATE LIMITED	**ICICI SECURITIES LIMITED**
Ambit House, 449, Senapati Bapat Marg,	ICICI Centre, H.T. Parekh Marg, Churchgate,
Lower Parel, Mumbai - 400 013	Mumbai - 400 020, India
Tel: (+91 22) 3982 1819	**Tel:** (+91 22) 2288 2460
Fax: (+91 22) 3982 3020	**Fax:** (+91 22) 2282 6580
Email: mcflopenoffer@ambitpte.com	**Email:** project.ather@icicisecurities.com
Website: www.ambitholdings.com	**Website:** www.icicisecurities.com
Contact Person: Mr. Praveen Kumar Sangal	**Contact Person:** Mr. Ayush Jain/Mr. Vishal Kanjani
SEBI Registration Number: INM000010585	**SEBI Registration Number:** INM000011179

Date : May 19, 2014
Place : Mumbai

PRESSMAN