OFFER OPENING PUBLIC ADVERTISEMENT (“ADVERTISEMENT”) UNDER REGULATION 18(7) IN TERMS OF SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED, FOR THE ATTENTION OF THE PUBLIC SHAREHOLDERS OF

MANGALORE CHEMICALS & FERTILIZERS LIMITED

Registered Office: UB Tower, Level-11, UB City, No. 24, Vittal Mallya Road, Bangalore - 560 001. 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 (RUPEES TEN) EACH (“EQUITY SHARES”) OF MANGALORE CHEMICALS & FERTILIZERS LIMITED (“TARGET COMPANY”) FROM THE PUBLIC SHAREHOLDERS OF THE 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”).

This Advertisement is being issued by Ambit Corporate Finance Private Limited and ICICI Securities Limited, for and on behalf of the Acquirer together with the PAC in respect of the Offer to the Shareholders of the Target Company pursuant to and in compliance with Regulations 18(7) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (**“SEBI (SAST) Regulations”**).

This Advertisement should be read in continuation of, and in conjunction with the Public Announcement filed on May 12, 2014, Detailed Public Statement dated May 19, 2014 (“**DPS**”), Letter of Offer dated September 19, 2014 (“**LOF**”), the corrigendum dated September 22, 2014 (“**First Corrigendum**”), the corrigendum dated September 25, 2014 (“**Second Corrigendum**”), and the recommendation of the committee of Independent Directors constituted by the board of directors of the Target Company (the “**IDC**”) dated September 26, 2014. The DPS with respect to the Offer was published on May 20, 2014 in the following newspapers:

Newspaper	Language	Editions
Business Standard	English	All
Business Standard	Hindi	All
Mumbai Lakshadeep	Marathi	Mumbai
Hosa Digantha	Kannada	Bengaluru

Capitalized terms used herein but not specifically defined shall have the same meaning ascribed to such terms in the DPS, LOF, the First Corrigendum and the Second Corrigendum. This Advertisement is being issued in all the newspapers in which the DPS, the First Corrigendum and the Second Corrigendum were published. The Shareholders of the Target Company are requested to kindly note the following information in relation to the Offer:

1. The original Offer Price, as mentioned in the DPS and the LOF, was ₹ 68.55 (Rupees Sixty Eight and Paisa Fifty Five only) per Equity Share. Subsequently, pursuant to the Second Corrigendum, the Acquirer has revised the Offer Price to ₹ 81.60 (Rupees Eighty one and Paisa Sixty only) per Equity Share **(“Revised Offer Price”)**, pursuant to and in compliance with Regulation 18(4) and 20(9) of the SEBI (SAST) Regulations, vide the Second Corrigendum, which shall be payable in cash to all the Shareholders whose Shares are validly tendered and accepted in the Offer, subject to the other terms and conditions set out in the LOF. Further, the Acquirer shall make interest payment of 10% per annum over and above the Offer Price to all the successful Shareholders, whose Shares are validly tendered and accepted in the Offer, for the delay in payment beyond the Scheduled Payment Date (i.e. September 03, 2014, being the last date for payment of consideration under the Offer in accordance with the original timelines for the Offer pursuant to the receipt of SEBI observations on July 16, 2014 and as stipulated under the SEBI (SAST) Regulations). The term “Offer Price” in the PA, DPS, LOF and the First Corrigendum should accordingly be read to mean the Revised Offer Price.
2. Based on the Revised Offer Price, the maximum consideration payable under this Offer (assuming full acceptance) would be ₹ 251,44,17,422.40 (Rupees Two Hundred and Fifty One Crores Forty Four Lakhs Seventeen Thousand Four Hundred and Twenty Two and Paise Forty only) i.e. the consideration payable for the acquisition of 3,08,31,939 (three crore eight lakhs thirty one thousand nine hundred and thirty nine) Equity Shares at the Revised Offer Price **(“Revised Maximum Consideration”)** plus interest @ 10% per annum per Equity Share for the delay in the payment beyond the Scheduled Payment Date. The term “Total Consideration” in the DPS and “Maximum Consideration” in the LOF should accordingly be read to mean the “Revised Maximum Consideration”.
3. This Offer is a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations. Brief details of the Original Offer are as follows:

Name of acquirer	SCM Soilfert Limited
Name of the PAC	Deepak Fertilisers and Petrochemicals Corporation Limited
Name of the manager to the First Offer	JM Financial Institutional Securities 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)
Percentage of Equity Shares proposed to be acquired	26% (Twenty Six Percent) of the Equity Share Capital of the Target Company
Date of public announcement (“**First PA**”)	Wednesday, April 23, 2014
Date of detailed public statement (“**First DPS**”)	Thursday, May 01, 2014
Date of the Draft Letter of Offer (“**First DLOF**”)	Thursday, May 08, 2014
Original Offer opening date	Tuesday, June 17, 2014
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. Subsequently, the offer price was revised to INR 63.00 (Rupees Sixty Three) per Equity Share through the detailed public statement dated May 1, 2014.Subsequently, the offer price was further revised to INR 93.60 (Rupees Ninety Three and Sixty paise) per Equity Share.
Mode of payment	Cash

4. The relevant extracts of the IDC recommendations, in relation to the Offer / competing Offer are as follows:

Recommendation on the Open offer, as to whether the offer is fair and reasonable	The prices offered by SCM Soilfert Limited along with PAC in the open offer at ₹ 63 per equity share, and Zuari Fertilisers and Chemicals Limited along with PACs in the competing offer at ₹ 68.55 per equity share are in line with the provisions of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and to that extent, fair and reasonable. The above have been revised to ₹ 93.60 per equity share and ₹ 81.60 per equity share respectively.
Summary of reasons for recommendation	Today the scrip has closed at the upper circuit of ₹ 88.10 on BSE and ₹ 87.70 on NSE. Accordingly shareholders should independently evaluate the open offer and competing offer, as revised above, and take an informed decision in the matter.

The IDC recommendations were published on September 29, 2014 in all editions of Financial Express, Jansatta, Business Standard (English) and Business Standard (Hindi); and the Mumbai editions of Navshakti and Mumbai Lakshadeep (Marathi regional newspapers); and the Bengaluru editions of Samyuktha Karnataka and Hosa Digantha (Kannada regional newspapers).

5. The Letter of Offer has been dispatched by Wednesday, September 24, 2014, to the Shareholders of the Target Company holding Equity Shares as on the Identified Date i.e. Wednesday, September 17, 2014.
6. Please note that a copy of the Letter of Offer (including Form-of-Acceptance-cum-Acknowledgment) is also available on SEBI’s website (www.sebi.gov.in) and the Shareholders can also apply by downloading such forms from SEBI website.
7. In case of non-receipt of the Letter of Offer, the eligible persons may send their acceptance to this Offer to the Registrar to the Offer, on a plain paper stating the name, address, number of Equity Shares held, number of Equity Shares offered, distinctive numbers, folio number, together with the documents as mentioned above so as to reach the Registrar to the Offer on or before 17:00 hours on Friday, October 17, 2014, i.e. Closure of the Tendering Period, or in case of beneficial owners, send the application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of Equity Shares held, number of Equity Shares tendered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instruction in “Off-market” mode, duly acknowledged by the DP, in favor of the Depository Escrow Account, so as to reach the Registrar to the Offer, on or before 17:00 hours on Friday, October 17, 2014, i.e. Closure of the Tendering Period. In case of physical Equity Shares, original share certificate(s) and valid transfer deed(s), duly completed and signed, will also have to be submitted. The Shareholders who have lodged their Equity Shares for transfer with the Target Company must also send the acknowledgement received, if any, from the Target Company towards such lodging of the Equity Shares. Shareholders who have sent their Equity Shares for dematerialization/re-materialization need to ensure that the process of getting Equity Shares dematerialized/rematerialized is completed well in time so that the credit in the Depository Escrow Account is received or physical share certificate(s) are received by the Registrar to the Offer on or before 17:00 hours on Friday, October 17, 2014, i.e. Closure of the Tendering Period, else their application would be rejected.
8. The Registrar to the Offer has opened a special Depository Escrow Account with Karvy Stock Broking Limited called “KARVY ZFCL-MCFL OPEN OFFER ESCROW ACCOUNT”. The Shareholders are requested to fill in the following details in the delivery instructions for the purpose of crediting their Equity Shares in the Depository Escrow Account:

Depository Participant Name	Karvy Stock Broking Limited
DP ID	IN300394
Client ID	18842300
Account Name	Karvy ZFCL - MCFL Open Offer Escrow Account
Depository	National Securities Depository Limited (NSDL)

9. It is the sole responsibility of the Shareholder to ensure credit of its Equity Shares in the Depository Escrow Account above, on or before Friday October 17, 2014 i.e. Closure of the Tendering Period. The Shareholders having their beneficiary account in CDSL shall use the inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favor of the Depository Escrow Account with NSDL. The Form of Acceptance-cum-Acknowledgement in respect of dematerialized Equity Shares not credited to the Depository Escrow Account before the Closure of the Tendering Period is liable to be rejected. For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance-cum-Acknowledgement. The Registrar to the Offer is not bound to accept those acceptances for which corresponding Equity Shares have not been credited to the Depository Escrow Account. In case of resident Shareholders in whose respect, the aforesaid documents have not been received, but the Equity Shares have been received in the above Depository Escrow Account, the Offer shall be deemed to have been accepted.
10. All observations of SEBI by way of its letters dated July 15, 2014, July 24, 2014, August 22, 2014 and September 16, 2014 have been incorporated in the Letter of Offer dispatched to the Shareholders.
11. To the best of the knowledge of the Acquirer and the PAC, no statutory approvals are required by the Acquirer and/or the PAC to complete this Offer, except approval from the Competition Commission of India (CCI), which was granted vide an order dated September 04, 2014, as published on September 15, 2014. However, in case of any statutory approvals being required at a later date, this Offer will be subject to such approvals.
12. There have been no material changes in relation to the Offer since the date of the PA, save and except as disclosed in the LOF, the First Corrigendum and the Second Corrigendum, and other than the upward revision of the Offer Price from ₹ 68.55 per Equity Share to ₹ 81.60 per Equity Share as referred to in paragraph 1 above, and the upward revision of the offer price of SCM Soilfert Limited from ₹ 63 per Equity Share to ₹ 93.60 per Equity Share.
13. **Schedule of Activities**

SCHEDULE OF MAJOR ACTIVITIES RELATING TO THE OFFER		
Activity	**Original Day and Date**	**Revised Day and Date**
Date of the PA	Monday, May 12, 2014	Monday, May 12, 2014
Date of publishing the DPS	Tuesday, May 20, 2014	Tuesday, May 20, 2014
Last date for public announcement of a competing offer(s) as per the First DPS (as defined below)	Friday, May 23, 2014	Friday, May 23, 2014
Filing of the Draft Letter of Offer with SEBI	Tuesday, May 27, 2014	Tuesday, May 27, 2014
Last date for receipt of comments from SEBI on the DLoF (in the event, SEBI has not sought clarifications or additional information from the Managers to the Offer)	Tuesday, June 17, 2014	Wednesday, July 16, 2014
Identified Date*	Friday, June 20, 2014	Wednesday, September 17, 2014
Date by which Letter of Offer will be dispatched to the Shareholders as on the Identified Date	Thursday, June 26, 2014	Wednesday, September 24, 2014
Last date for upward revision of Offer Price and / or Offer Size	Monday, June 30, 2014	Thursday, September 25, 2014
Last date for publication in newspapers regarding the upward revision of Offer Price and / or Offer Size	NA	Friday, September 26, 2014
Last date by which the recommendation of the committee of independent directors of the Target Company will be published	Tuesday, July 01, 2014	Monday, September 29, 2014
Date of public announcement for opening of the Offer in the newspapers where the DPS has been published	Wednesday, July 02, 2014	Tuesday, September 30, 2014
Date of commencement of the Tendering Period (Offer opening date)#	Thursday, July 03, 2014	Wednesday, October 01, 2014
Date of expiry of the Tendering Period (Offer closing date)#	Wednesday, July 16, 2014	Friday, October 17, 2014
Last date of communicating rejection / acceptance and payment of consideration for accepted Equity Shares and / or share certificate(s) / demat delivery instruction for rejected Equity Shares will be dispatched / issued	Thursday, July 31, 2014	Wednesday, November 05, 2014

 # Since this Offer is a competing offer, the schedule of major 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 offer last made.

**Date falling on the 10th (tenth) Working Day prior to the commencement of the Tendering Period. Identified date is only for the purpose of determining the Shareholders of the Target Company to whom the Letter of Offer shall be mailed. It is clarified that all the Shareholders (as defined below), registered or unregistered, of the Target Company who own Equity Shares are eligible to participate in this Offer at any time during the Tendering Period.*

14. All other terms and conditions of the Offer as set out in the Letter of Offer remain unchanged.
15. The Acquirer and the PAC and their respective directors accept full responsibility for the information contained in this Advertisement and for the fulfillment of obligations under the SEBI (SAST) Regulations in respect of this Offer.
16. This Advertisement shall be made available on the SEBI’s website (www.sebi.gov.in).

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

AMBIT
Acumen at work

AMBIT CORPORATE FINANCE PRIVATE LIMITED
Ambit House, 449, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013
Tel: (+91 22) 3982 1819; **Fax:** (+91 22) 3982 3020
Email: mcflopenoffer@ambitpte.com; **Website:** www.ambitholdings.com
Contact Person: Mr. Praveen Kumar Sangal
SEBI Registration Number: INM000010585

ICICI Securities

ICICI SECURITIES LIMITED
ICICI Centre, H. T. Parekh Marg, Churchgate, Mumbai - 400 020, India
Tel: (+91 22) 2288 2460; **Fax:** (+91 22) 2282 6580
Email: project.ather@icicisecurities.com; **Website:** www.icicisecurities.com
Contact Person: Mr. Ayush Jain/Mr. Vishal Kanjani
SEBI Registration Number: INM000011179

Date : September 29, 2014
Place : Mumbai

PRESSMAN

Size: 16(w) X 45(h)