

**MONSANTO INDIA LIMITED**

(CIN: L74999MH1949PLC007912)

REGD. OFFICE :

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**MONSANTO**

November 14, 2018

<b>The Manager</b> <b>Listing Department</b> <b>National Stock Exchange of India Limited</b> Exchange Plaza, 5 <sup>th</sup> Floor Plot No.C/1, G Block Bandra-Kurla Complex Bandra (E), Mumbai – 400 051.  <b>SYMBOL: MONSANTO</b>	<b>The Manager</b> <b>Corporate Relationship Department</b> <b>BSE Limited</b> Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001  <b>Scrip Code : 524084</b>
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**Re: Outcome of the Board meeting held on Wednesday, November 14, 2018****Sub: Approval of the Scheme of Amalgamation of Monsanto India Limited with Bayer CropScience Limited and their respective shareholders**

Dear Sir,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly take note that the Board of Directors ("Board") of the Company, at its Meeting held today i.e. on November 14, 2018, *inter alia*, has considered and the amalgamation of Monsanto India Limited (MIL) with Bayer CropScience Limited ("BCSL") and their respective shareholders ("the Scheme"). The proposed amalgamation shall be carried out vide the Scheme, wherein the shareholders of MIL shall be allotted fully paid up equity shares of BCSL as consideration for amalgamation under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013.

In consideration for the amalgamation of MIL with BCSL, in terms of the Scheme and based on fair exchange ratio report issued by M/s. Bansi S. Mehta & Co and S.R. Batliboi & Co LLP jointly, Independent Chartered Accountants and fairness opinion provided by Citigroup Global Markets India Private Limited, a Category-I Merchant Banker, BCSL will issue and allot 2(two) equity shares of INR. 10/- (Rupees Ten only) each credited as fully paid-up equity shares of BCSL for every 3 (three) equity shares of INR. 10/- (Rupees Ten only) held in MIL to the equity shareholders holding 92.18% shares in MIL. The remaining 7.82% of the paid-up share capital of MIL held by BCSL shall stand cancelled and extinguished and in lieu thereof, no allotment of any shares in BCSL shall be made.

The equity shares of BCSL to be issued to the Shareholders of MIL pursuant to the Scheme shall be listed on the BSE Limited and permitted to trade in the National Stock Exchange of India Limited ("Stock Exchanges"). The Scheme shall be subject to approval of the Stock Exchanges, Securities and Exchange Board of India ("SEBI"), Shareholders/ Creditors, National Company Law Tribunal Bench at Mumbai ("Tribunal"), and various other Statutory Authorities, as may be directed by the Tribunal. The



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Scheme would also require approval from majority of the Public Shareholders as per SEBI Circular Ref. No. CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March, 2017.

The details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Ref. Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 are given in **Annexure A** to this letter.

Please take the above on record and disseminate for the information of the shareholders.

Thanking You,

Yours faithfully,

**For Monsanto India Limited**

*Monika Gupta*



**MONIKA GUPTA**

**COMPANY SECRETARY & COMPLIANCE OFFICER**



**Annexure A**

**Scheme of Amalgamation**

Sr. No.	Details to be provided	Information
1.	Name of the entity(s) forming part of the amalgamation/merger, details in brief such as, size, turnover etc.	<p><b>i. Transferor Company:</b> Monsanto India Limited ("MIL")</p> <p><b>ii. Transferee Company:</b> Bayer CropScience Limited ("BCSL")</p> <p><b>iii.</b> BCSL holds 1,350,000 number of Equity Shares of face value INR. 10/- each of MIL representing 7.82% of the paid-up share capital of MIL.</p> <p><b>iv.</b> As per unaudited financial results for Financial (Half) Year ended September 30, 2018, Revenue from operations is as below:</p> <p>MIL: INR. 389 crore (Standalone) BCSL: INR. 1935.9 crore (Standalone)</p> <p><b>v.</b> Appointed Date: April 1, 2019.</p>
2.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at 'arm's length'.	<p>Yes, the transaction would fall within related party transactions as MIL is an indirect subsidiary of Bayer AG, Germany.</p> <p>The transaction is being done at 'arm's length'. <i>(Please refer Pt. 5 of this Annexure)</i></p>
3.	Area of business of the entity(s).	<p>MIL is engaged in the business of production and sale of agricultural inputs namely chemicals and hybrid seeds.</p> <p>BCSL is primarily involved in the business of manufacturing, selling, marketing of pesticides and pest control products, distribution of seeds and the provision of services in the field of agriculture.</p>
4.	Rationale for amalgamation / merger.	<p>The Scheme is expected to achieve, <i>inter alia</i>, the following benefits:</p> <ul style="list-style-type: none"> <li>• Combined business under "BAYER" brand will complement agriculture offerings and geographical footprint leading to stronger market presence, to be best suitable for long term growth market like India;</li> </ul>







		<ul style="list-style-type: none"> <li>• Access to globally combined Research and Development technology platform for faster and more efficient development of innovative solutions for farmers;</li> <li>• Consolidation of the respective operations served by one platform thereby leveraging the capability of the merged entity;</li> <li>• To operate businesses that complement each other, the combination to result in stronger consolidated revenue and profitability, with diversification in product portfolio thereby reducing business risks for mutual benefit of the shareholders of the Companies;</li> <li>• Ensuring a streamlined group structure by reducing the number of legal entities in the group structure in India, and thereby eliminating administrative duplications and consequently reducing the administrative costs of maintaining separate companies; and</li> <li>• Pooling of assets, proprietary information, personnel, financial, managerial and technical resources of the Companies, thereby contributing to the future growth of the merged entity.</li> </ul>
5.	In case of cash consideration – amount or otherwise share exchange ratio.	<p>The consideration is in the form of issue of equity shares. Based on the fair exchange ratio report issued by independent Chartered Accountants, M/s. Bansi S. Mehta &amp; Co. and M/s S.R. Batliboi &amp; Co. LLP which is confirmed by the fairness opinion issued by Citigroup Global Markets India Private Limited, a Category-I Merchant Banker consideration is as follows:</p> <p><i>“2(two) equity shares of INR. 10/- (Rupees Ten only) each credited as fully paid-up of BCSL to the 92.18% holding equity shareholders of MIL for every 3 (three) equity shares of INR. 10/- (Rupees Ten only) held in MIL”.</i></p>
6.	Brief details of change in shareholding pattern (if any) of listed entity.	<p>The Shareholders of MIL (except BCSL) as on the Record Date (to be decided by the Board of directors) shall become the Shareholders of BCSL in accordance with the Scheme and MIL shall be dissolved without being wound up.</p>

