



# Prabhat Dairy Limited

February 14, 2019

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BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai

National Stock Exchange of India Ltd.,  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (E)  
Mumbai – 400 051

Ref. Scrip Code : 539351

Ref: Symbol - PRABHAT

Sub.: Disclosure of information about the merger of Cheese Land Agro (India) Private Limited with Prabhat Dairy Limited

Ref.: Regulation 30 (2) and 30 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Dear Sir/Madam,

This is in continuation to our letter dated February 13, 2019, the Board at its meeting held on 13<sup>th</sup> February, 2019 has considered and approved the Scheme of the Amalgamation and Arrangement under Section 230 - 233 of the Companies Act, 2013 for the merger of Cheese Land Agro (India) Private Limited, wholly owned subsidiary of the Company, with the Company subject to such approvals as may be required.

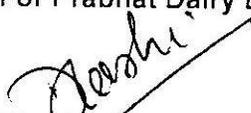
The details required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular No. CIR/CFD/CMD/4/2015 dated 9<sup>th</sup> September, 2015 for the scheme of the Amalgamation and Arrangement is attached as Annexure A.

The above information is also hosted on website at [www.prabhatdairy.com](http://www.prabhatdairy.com)

Kindly take the same on your records and acknowledge.

Thanking you,  
Yours faithfully

For Prabhat Dairy Limited

  
Dipati Todkar  
Company Secretary



Regd. Office:  
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Tal. Rahata, Dist: Ahmednagar, Pin: 413720,  
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CIN: L15203PN1998PLC013068

# Prabhat Dairy Limited



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## Annexure A

Disclosure of Information pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9<sup>th</sup> September, 2015 ("Listing Regulations").

### Merger of Cheese Land Agro (India) Private Limited with Prabhat Dairy Limited:

Sr. No	Particulars	Details											
1.	Name of entities forming part of amalgamation/ merger, details in brief such as size, turnover, etc.,	<p><b>Transferor Entity:</b></p> <p>Cheese Land Agro (India) Private Limited (CIN NO U15209PN2010PTC136135) was incorporated on April 22 2010 under the Companies Act, 1956, having its registered office at gat no. 121/2A, at Ranjankhol, Shirampur Ahmednagar- 413720</p> <p>The Transferor Company is not a listed company</p> <p><b>Transferee Entity:</b></p> <p>Prabhat Dairy Limited (CIN NO L15203PN1998PLC013068) was incorporated on November 25, 1998 under the Companies Act, 1956, having its registered office at 121/2A at Post Ranjankhol Rahata Ahmednagar, Shirampur 413720</p> <p>Brief details of net worth and total revenue of Transferor and Transferee entity are set out below:</p> <table border="1"> <thead> <tr> <th rowspan="2">Particulars</th> <th colspan="2">(Rs. In lacs)</th> </tr> <tr> <th>Net worth as at 31<sup>st</sup> Dec, 2018</th> <th>Total Revenue for the 9 months period ended on 31<sup>st</sup> Dec, 2018</th> </tr> </thead> <tbody> <tr> <td>Transferor company</td> <td>3,244.89</td> <td>4,254.73</td> </tr> <tr> <td>Transferee company</td> <td>58,746.93</td> <td>1,43,424.50</td> </tr> </tbody> </table> <p>The Transferor Company is a wholly-owned subsidiary of the Transferee Company. The proposed merger does not fall within the purview of related party transaction in view of the Circular No. 30/2014 dated 17<sup>th</sup> July, 2014 issued by the Ministry of Corporate Affairs. Further pursuant to Regulation 23 (5) (b) of the Listing Regulations, the related party transaction provisions are not applicable to the proposed scheme.</p>	Particulars	(Rs. In lacs)		Net worth as at 31 <sup>st</sup> Dec, 2018	Total Revenue for the 9 months period ended on 31 <sup>st</sup> Dec, 2018	Transferor company	3,244.89	4,254.73	Transferee company	58,746.93	1,43,424.50
Particulars	(Rs. In lacs)												
	Net worth as at 31 <sup>st</sup> Dec, 2018	Total Revenue for the 9 months period ended on 31 <sup>st</sup> Dec, 2018											
Transferor company	3,244.89	4,254.73											
Transferee company	58,746.93	1,43,424.50											
	Whether the transaction would fall within related party transactions? If yes, whether the same is done at												



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"arms length":		
3.	<p><b>Area of business of the entity (ies)</b></p>	<p>1) Transferor Company is engaged in the business of cattle feed and manufacturing, trading and marketing all types of dairy products</p> <p>2) Transferee Company is engaged in the business of manufacturing and marketing of milk and milk products and cattle feed</p>
4.	<p><b>Rationale for amalgamation/ merger</b></p>	<p>(a) The amalgamation will provide synergetic benefits to the cattle feed business of the Transferor Company by consolidating operations of the Transferor Company into a single entity and there by streamlining the corporate structure and activities and maximizing stakeholders value creation.</p> <p>(b) The amalgamation will lead to greater efficiency in overall combined business including economies of scale, efficiency of operations, cash flow management and unfettered access to cash flow generated by the combined business which can be deployed more efficiently for the purpose of development of businesses of the combined entity and their growth opportunities, eliminate inter corporate dependencies, minimize the administrative compliances and to maximize shareholders value.</p> <p>(c) The amalgamation will provide for more productive and optimum utilization of various resources by pooling of the managerial, technical and financial resources of the Transferor Company and the Transferee Company which will fuel the growth of the business and help effectively address the ever growing competition.</p> <p>(d) The amalgamation will result in economy of scales, reduction in overheads including administrative managerial and other expenditure, operational rationalization, organizational efficiency and optimal utilization of resources by elimination of unnecessary duplication of activities and related costs</p> <p>(e) The amalgamation will result in a reduction in the multiplicity of legal and regulatory compliances required at present to be separately carried out by the Transferor Company and the Transferee Company; and</p> <p>(f) The amalgamation would motivate employees of the</p>



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Transferor Company by providing better opportunities to scale up their performance with a larger corporate entity having large revenue base, resources, asset base etc. which will boost employee morale and provide impetus to better corporate performance ultimately enhancing overall shareholder value.

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|---|---|
| 5. In case of cash consideration – amount or otherwise share exchange ratio   | There is no consideration involved either in form of cash or issue of shares. The Transferor Company is a wholly-owned subsidiary company of the Transferee Company and the entire equity share capital of the Transferor Company is held by the Transferee Company and its nominee. Therefore, upon the scheme becoming effective, the entire share capital of the Transferor Company shall stand cancelled and extinguished without any further act, deed or instrument as an integral part of this Scheme  |
| 6. Brief details of change in shareholding pattern (if any) of listed entity. | There will be no change in the shareholding pattern of the Transferee Company pursuant to the Scheme as no shares are being issued by the Transferee Company in connection with the Scheme.<br><br>Further in terms of Clause I A 4 (d) (ii) of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10 <sup>th</sup> March, 2017, in case a wholly owned subsidiary is merged with its parent listed entity, where the shareholders and the shareholding pattern of the parent listed company remains the same, it will be treated as 'no change in shareholding pattern.' |



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