



May 11, 2026

National Stock Exchange of
India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
MUMBAI - 400 051

BSE Limited,
Floor 25, Phiroze Jeejeebhoy
Towers, Dalal Street
MUMBAI - 400 001

Dear Sir/Madam,

Company's Scrip Code in BSE : 543530
Company's Symbol in NSE : PARADEEP
ISIN : INE088F01024

Sub: Report from the Audit Committee and Independent Directors of the Company certifying distribution of proceeds to eligible shareholders of fractional shares pursuant to the Composite Scheme of Arrangement amongst Paradeep Phosphates Limited, Mangalore Chemicals & Fertilizers Limited and their respective shareholders and creditors ("Scheme")

In terms of the Securities and Exchange Board of India ("SEBI") Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June, 2023 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, reports from the Audit Committee and Independent Directors of the Company are enclosed, certifying that proceeds from the sale of consolidated fractional entitlement have been distributed to the eligible shareholders of Mangalore Chemicals & Fertilizers Limited in proportion to their entitlements in accordance with the Scheme.

This is for your information and record.

Thanking you,

Yours faithfully,
For Paradeep Phosphates Limited

Sachin Patil
Company Secretary

Encl.: As above

PARADEEP PHOSPHATES LIMITED

CIN No.: L20122OR1981PLC001020

Corporate Office: Adventz Centre, 3rd Floor, No.28, Union Street, Off Cubbon Road, Bengaluru-560 001 **Tel:** +91 80 46812500/555
Email: info-ppl@adventz.com

Registered Office: 5th Floor, Bayan Bhawan, Pandit JN Marg, Bhubaneswar -751 001 **Tel:** +0674 666 6100 | **Fax:** +0674 2392631
www.paradeepphosphates.com



REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF PARADEEP PHOSPHATES LIMITED DATED MAY 11, 2026, CERTIFYING DISTRIBUTION OF PROCEEDS TO ELIGIBLE SHAREHOLDERS OF FRACTIONAL SHARES ("REPORT") PURSUANT TO THE COMPOSITE SCHEME OF ARRANGEMENT AMONGST PARADEEP PHOSPHATES LIMITED, MANGALORE CHEMICALS & FERTILIZERS LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

The following members of the Audit Committee ("**Committee**") of Paradeep Phosphates Limited were present at the meeting of the Committee:

1. Mr. Dipankar Chatterji,
2. Mr. Satyananda Mishra,
3. Mrs. Rita Menon and
4. Mr. Karim Lotfi Senhadji.

This report of the Audit Committee of the Board of Directors is made in compliance with SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June, 2023 ("SEBI Master Circular") and as amended from time to time.

1. Background

- 1.1 The Composite scheme of arrangement amongst Mangalore Chemicals & Fertilizers Limited ("**Transferor Company**") and Paradeep Phosphates Limited ("**Transferee Company or Company**") and their respective shareholders and creditors ("**Scheme**"), was approved by the Hon'ble National Company Law Tribunal, Bengaluru Bench vide its Order dated September 24, 2025 and the Hon'ble National Company Law Tribunal, Cuttack Bench vide its Order dated September 26, 2025. Accordingly, as of 16.10.2025, i.e., Effective Date 2 (as defined in the Scheme) the Transferor Company has merged with and into the Company in accordance with Part II of the Scheme and the Transferor Company stands dissolved without being wound up, without any further act or deed.
- 1.2 In terms of the Scheme, eligible equity shareholders of the Transferor Company as on the record date (i.e. October 31, 2025) were allotted equity shares of the Company on December 03, 2025 in the share exchange ratio of 187 fully paid-up equity share of Rs. 10 each of the Company for every 100 fully paid-up equity shares of Rs. 10 each of the Transferor Company. Accordingly, the Company allotted 22,16,23,331 equity shares of Rs. 10 each to the eligible equity shareholders of the Transferor Company which includes the allotment of 23,217 equity shares of Rs. 10 each ("Fractional Shares"). The Board of Directors of the Company appointed 'PPL Merger Trust' managed by Vistra ITCL (India) Limited ("**Trustee**") to hold Fractional Shares in trust on behalf of the eligible equity shareholders of the Transferor Company.

The fully paid-up equity shares allotted to the eligible equity shareholders of the Transferor

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Company rank pari-passu in all respects with the existing fully paid-up equity shares of the Company.

- 1.3 Further, in terms of the provisions of SEBI Master Circular, a report from Audit Committee is required to certify that proceeds from the sale of consolidated fractional entitlement are given to the eligible shareholders in proportion to their entitlements.

2. Treatment of fractional entitlements

- 2.1 In terms of the provisions of the Scheme and SEBI Master Circular, the Fractional Shares were required to be sold in the open market within 90 days from the date of allotment and net proceeds out of the sale to be distributed to the respective eligible equity shareholders of the Transferor Company in proportion to their respective fractional entitlements. Accordingly, the Fractional Shares were allotted directly to "PPL Merger Trust" and were sold in the open market at market price.
- 2.2 The distribution of sale proceeds (after deduction of the expenses incurred) has been completed on May 08, 2026 as under:

No. of shares	Gross amount (in Rs.)	TDS (in Rs.)	Net amount (in Rs.)
23,217	26,01,427.96	11,801.00	25,89,626.96

3. Certification of Audit Committee

Based on the above, it is hereby certified that the Company has compensated the eligible equity shareholders by distributing the sale proceeds of the fractional entitlements in accordance with provisions of the Scheme and SEBI Master Circular.

For and on behalf of the **Audit Committee of Paradeep Phosphates Limited**



Dipankar Chatterji
Chairperson, Audit Committee
DIN: 00031256
Date: May 11, 2026
Place: Bangalore



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REPORT OF THE INDEPENDENT DIRECTORS OF PARADEEP PHOSPHATES LIMITED DATED MAY 11, 2026, CERTIFYING DISTRIBUTION OF PROCEEDS TO ELIGIBLE SHAREHOLDERS OF FRACTIONAL SHARES ("REPORT") PURSUANT TO THE COMPOSITE SCHEME OF ARRANGEMENT AMONGST PARADEEP PHOSPHATES LIMITED, MANGALORE CHEMICALS & FERTILIZERS LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

The following Independent Directors of Paradeep Phosphates Limited were present at the meeting of the Independent Directors of the Company:

Present:

1. Mr. Satyananda Mishra
2. Mr. Dipankar Chatterji
3. Mr. Subhrakant Panda
4. Mrs. Rita Menon
5. Mrs. Ruchira Kamboj and
6. Mr. Marco Philippos Ardeshir Wadia

Chairman: The Committee unanimously elected Mr. Dipankar Chatterji, as the chairman of this meeting.

This report of the Independent Directors is made in compliance with SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June, 2023 ("SEBI Master Circular") and as amended from time to time.

1. Background

- 1.1 The Composite scheme of arrangement amongst Mangalore Chemicals & Fertilizers Limited ("**Transferor Company**") and Paradeep Phosphates Limited ("**Transferee Company or Company**") and their respective shareholders and creditors ("**Scheme**"), was approved by the Hon'ble National Company Law Tribunal, Bengaluru Bench vide its Order dated September 24, 2025 and the Hon'ble National Company Law Tribunal, Cuttack Bench vide its Order dated September 26, 2025. Accordingly, as of 16.10.2025, i.e., Effective Date 2 (as defined in the Scheme) the Transferor Company has merged with and into the Company in accordance with Part II of the Scheme and the Transferor Company stands dissolved without being wound up, without any further act or deed.
- 1.2 In terms of the Scheme, eligible equity shareholders of the Transferor Company as on the record date (i.e. October 31, 2025) were allotted equity shares of the Company on December 03, 2025 in the share exchange ratio of 187 fully paid-up equity share of Rs. 10 each of the Company for every 100 fully paid-up equity shares of Rs. 10 each of the Transferor Company. Accordingly, the Company allotted 22,16,23,331 equity shares of Rs. 10 each to the eligible equity shareholders of the Transferor Company which includes the allotment of 23,217 equity shares of Rs. 10 each ("Fractional Shares"). The Board of Directors of the Company appointed 'PPL Merger Trust' managed by Vistra ITCL (India) Limited ("**Trustee**") to hold Fractional Shares in trust on behalf of the eligible equity shareholders of the Transferor Company.

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The fully paid-up equity shares allotted to the eligible equity shareholders of the Transferor Company rank pari-passu in all respects with the existing fully paid-up equity shares of the Company.

- 1.3 Further, in terms of the provisions of SEBI Master Circular, a report from Independent Directors is required to certify that proceeds from the sale of consolidated fractional entitlement are given to the eligible shareholders in proportion to their entitlements.

2. Treatment of fractional entitlements

- 2.1 In terms of the provisions of the Scheme and SEBI Master Circular, the Fractional Shares were required to be sold in the open market within 90 days from the date of allotment and net proceeds out of the sale to be distributed to the respective eligible equity shareholders of the Transferor Company in proportion to their respective fractional entitlements. Accordingly, the Fractional Shares were allotted directly to "PPL Merger Trust" and were sold in the open market at market price.
- 2.2 The distribution of sale proceeds (after deduction of the expenses incurred) been completed on May 08, 2026 as under:

No. of shares	Gross amount (in Rs.)	TDS (in Rs.)	Net amount (in Rs.)
23,217	26,01,427.96	11,801.00	25,89,626.96

3. Certification of Independent Directors

Based on the above, it is hereby certified that the Company has compensated the eligible equity shareholders by distributing the sale proceeds of the fractional entitlements in accordance with provisions of the Scheme and SEBI Master Circular.

For and on behalf of the **Independent Directors of Paradeep Phosphates Limited**

Dipankar Chatterji
Independent Director
DIN: 00031256
Date: May 11, 2026
Place: Bangalore



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