

May 19, 2026

Listing Department  
National Stock Exchange of India Ltd.  
Exchange Plaza  
Bandra - Kurla Complex  
Bandra [E], Mumbai - 400 051

Dear Sirs,

Stock Code - **KOTARISUG**

**Sub: Outcome of the Board Meeting held on 19<sup>th</sup> May 2026**

- (i) Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**"), we wish to inform you that, the Board of Directors of M/s. Kothari Sugars and Chemicals Limited at their meeting held on May 19, 2026 commenced at 15:00 hrs and concluded at 15:40 hrs, has based on recommendations of the Audit Committee and Committee of Independent Directors, has *inter alia* considered and approved Scheme of Amalgamation of Kothari Sugars and Chemicals Limited ("**KSCL**" / "**Transferor Company**") with and into Kothari Petrochemicals Limited ("**KPL**" / "**Transferee Company**") and their respective shareholders and creditors ('Scheme'), in terms of the provisions of Section(s) 230 to 232 and other applicable sections and provisions of the Companies Act, 2013 read together with the rules made thereunder.
- (ii) The Scheme is subject to the approval of National Stock Exchange, the Securities and Exchange Board of India, the respective shareholders and creditors, the jurisdictional National Company Law Tribunal and such other approvals as may be required.
- (iii) Disclosures as required pursuant to SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026, are enclosed herewith as **Annexure**.

Kindly acknowledge and take this in your records.

Thanking You,

Yours faithfully

for **Kothari Sugars & Chemicals Limited**

**R. Prakash**  
Company Secretary & Compliance Officer



**Encl.**: as above

**Annexure**

**Information pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Master Circular HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30.01.2026 is as under:**

S. No.	Particulars	Details												
(i)	Name of the entity(ies) forming part of the amalgamation / merger, details in brief such as, size, turnover etc.;	<p>The Scheme of amalgamation involves</p> <p>M/s. Kothari Sugars and Chemicals Limited ("KSCL", "Transferor Company") CIN: L15421TN1960PLC004310</p> <p>and M/s. Kothari Petrochemicals Limited ("KPL", "Transferee Company") CIN: L11101TN1989PLC017347</p> <p>Both the Companies are part of the HC Kothari group.</p> <p>The brief details of the turnover and size of the entities as on 31.03.2026 are as follows:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="3" style="text-align: right;">(Rs. In Lakhs)</th> </tr> <tr> <th>Entities</th> <th>Net worth</th> <th>Turnover</th> </tr> </thead> <tbody> <tr> <td>KSCL</td> <td>29,562.41</td> <td>24,678.07</td> </tr> <tr> <td>KPL</td> <td>37,225.53</td> <td>59,138.67</td> </tr> </tbody> </table>	(Rs. In Lakhs)			Entities	Net worth	Turnover	KSCL	29,562.41	24,678.07	KPL	37,225.53	59,138.67
(Rs. In Lakhs)														
Entities	Net worth	Turnover												
KSCL	29,562.41	24,678.07												
KPL	37,225.53	59,138.67												
(ii)	whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length";	<p>Yes, the proposed Scheme of Amalgamation would fall within the ambit of related party transactions as both the Transferor Company and the Transferee Company are related parties.</p> <p>However, the Scheme of Amalgamation does not fall within the purview of related party transactions under Section 188 of the Companies Act, 2013, in view of the clarification provided by the Ministry of Corporate Affairs vide General Circular No. 30/2014 dated July 17, 2014, which clarifies that transactions arising out of compromise, arrangements and amalgamations dealt under specific provisions of the Companies Act, 2013 will not attract the requirements of Section 188 of the Companies Act, 2013.</p> <p>The consideration as set forth in the Scheme of amalgamation will be discharged on an 'arm's length basis'. The share exchange ratio for the shares to be allotted pursuant to the Scheme are determined based on the Joint Valuation Report dated 19<sup>th</sup> May 2026 issued by Mr. Mahek Vikamsey, Partner KPMG Valuation Services LLP, a Registered Valuer (Securities or Financial Assets) IBBI Registration No. IBBI/RV/05/2019/11313 and</p>												



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		<p>Mr. S Sundar Raman, a Registered Valuer (Securities or Financial Assets) IBBI Registration No. IBBI/RV/06/2019/11185.</p> <p>Further, Saffron Capital Advisors Private Limited, an independent SEBI registered Category I Merchant Banker (SEBI Regn. No. INM000011211), has issued its fairness opinion dated 19<sup>th</sup> May 2026, confirming that the Share Exchange Ratio in the Valuation Report are fair to the Companies and their respective shareholders and creditors.</p> <p>The aforementioned Valuation Report and Fairness Opinion have been duly considered by the Audit Committee, Independent Directors Committee and the Board.</p>
(iii)	Area of business of the entity(ies);	<p><b>KSCL</b> is engaged in the business of manufacturing of sugar, industrial alcohol, co-generation of power, bio-compost etc.</p> <p><b>KPL</b> is engaged in the business of manufacturing of Polyisobutylene and is applied in segments such as Lubricant &amp; Dispersant, Fuel Additive, Grease, Adhesive, Sealant, Rubber Manufacturing, Personal Care, Masterbatch etc.</p>
(iv)	Rationale for amalgamation / merger	<p>The Amalgamation would be in the best interest of the Companies and their respective shareholders, employees, creditors and other stakeholders as the Amalgamation is expected inter alia, to yield advantages as set out below:</p> <p>(a) The Transferor Company and the Transferee Company are part of the same group and operate under common control. The proposed amalgamation will simplify and rationalise the existing group structure. The Scheme will consolidate the businesses of the Transferor Company with the Transferee Company, thereby eliminating multiple corporate entities within the group;</p> <p>(b) The amalgamation will eliminate duplication of administrative, operational, regulatory, compliance related and corporate overhead costs associated with maintaining separate legal entities, and will further facilitate unified management, streamlined governance and strategic planning for the combined businesses;</p>



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**Sugar Units :**

Unit - I : Kattur Post - 621 706, Lalgudi Taluk, Trichy Dist.,Tamilnadu, Phone : 0431-2541224 / 2541350, Fax : 0431-2541451  
Unit - II: Sathamangalam Village, Vetriyur Post : 621 707. Ariyalur Dist., Tamilnadu, Phone : 04329-320800

CIN : L15421TN1960PLC004310  
TIN No. : 33790460019 dt 1-1-2007  
CST No. 24518 dt. 26-06-1961  
GSTIN : 33AABCK2495F1ZP

..(3)..

		<p>(c) Result in a Transferee Company that is expected to have improved financial strength. Particularly, the Companies believe the combined business will augment revenue growth and profitability. Further, the Companies expect that their combined balance sheet will provide diverse strategic options arising from cost efficiencies and synergies and improve overall financial flexibility;</p> <p>(d) The consolidation of the operations of the Companies is expected to generate economies of scale. Integration of managerial expertise, technical capabilities and operational infrastructure will enable better utilization of resources and improved productivity;</p> <p>(e) A stronger integrated entity will be better positioned to pursue strategic growth initiatives, technological upgrades and expansion opportunities in both domestic and international markets;</p> <p>(f) The Scheme will enable a stronger organisational base and enhance the capacity of the combined entity to pursue future growth opportunities and improve long-term value creation for its stakeholders;</p> <p>(g) Consolidation of funds and resources would lead to improved availability of capital which could be allocated more efficiently / optimally to pursue growth opportunities under the respective businesses.</p>
(v)	In case of cash consideration - amount or otherwise share exchange ratio;	<p>The Scheme does not involve payment of any cash consideration.</p> <p>The share exchange ratio for the Scheme is as under:  <i>"1 (One) fully paid-up equity share of Rs.10/- each of Kothari Petrochemicals Limited, (Transferee Company) shall be issued and allotted for every 5 (five) fully paid-up equity shares of Rs. 10/- each held in Kothari Sugars and Chemicals Limited, (Transferor Company)"</i></p>

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**Sugar Units :**

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(vi)	Brief details of change in shareholding pattern (if any) of listed entity	<b>KSCL (Transferor Company):</b>		
		Pre-amalgamation shareholding pattern:		
		<b>Category</b>	<b>Pre-Scheme</b>	
			<b>No. of Shares</b>	<b>% of Holding</b>
		Promoter	6,09,47,600	73.53%
		Public	2,19,40,980	26.47%
		<b>Total</b>	<b>8,28,88,580</b>	<b>100.00%</b>
		Note: Upon the Scheme of Amalgamation becoming operative, Kothari Sugars and Chemicals Limited shall stand automatically dissolved without winding-up.		
		<b>KPL (Transferee Company):</b>		
		Pre-amalgamation shareholding pattern:		
		<b>Category</b>	<b>Pre-Scheme</b>	
			<b>No. of Shares</b>	<b>% of Holding</b>
		Promoter	4,24,97,005	72.22%
		Public	1,63,49,395	27.78%
		<b>Total</b>	<b>5,88,46,400</b>	<b>100.00%</b>
		Post-amalgamation shareholding pattern:		
		<b>Category</b>	<b>Post-Scheme</b>	
			<b>No. of Shares</b>	<b>% of Holding</b>
		Promoter	5,46,86,525	72.50%
		Public	2,07,37,591	27.50%
		<b>Total</b>	<b>7,54,24,116</b>	<b>100.00%</b>



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