

Ref: MOL/2021-22/33

December 27, 2021

To National Stock Exchange of India Limited "Exchange Plaza", Bandra-Kurla Complex, Bandra (East) Mumbai 400 051 SYMBOL:- MOL	BSE Limited Floor- 25, P J Tower, Dalal Street, Mumbai 400 001 Scrip Code:- 543331
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Sub.: Updates on acquisition of Kilburn Chemicals Limited as per Resolution Plan approved by Hon'ble, National Company Law Tribunal (NCLT), Kolkata Bench vide its order dated 16 December, 2021

Ref: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

This is with reference to our earlier intimation vide letter No MOL/2021-22/32 dated December 18, 2021 regarding acquisition of Kilburn Chemicals Limited, we would like to further update the stakeholders/investors that Meghmani Organics Limited ("the Company") has made upfront payment of Rs. 131.76 Crore (including Rs. 12.15 Crore towards equity subscription) as per the National Company Law Tribunal (NCLT) approved resolution plan dated 16 December 2021. The Company has made 100% upfront payment out of its internal accruals within 7 days of Hon'ble NCLT order against the stipulated period of 30 days.

The Company has received the possession of Kilburn Chemicals Limited (including its manufacturing unit at Dahej) on December 24, 2021 from the Monitoring Committee appointed as per Resolution Plan dated December 16, 2021 approved by Hon'ble NCLT. We enclose herewith press release in this regard as to '**Meghmani Organics Ltd. (MOL) acquires Kilburn Chemicals**'.

You are requested to take the same on your record and disseminate to the members.

Yours faithfully,

For, Meghmani Organics Limited

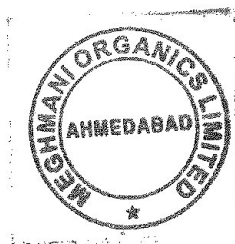
(Formerly known as Meghmani Organochem Limited)


Jayesh Patel

Company Secretary & Compliance Officer

Mem.No:A14898

Encl: As above



Meghmani Organics Ltd. (MOL) acquires Kilburn Chemicals

Acquisition to fast-track MOL's foray into Titanium Dioxide (TiO₂)

Ahmedabad, December 27: Meghmani Organics Limited (MOL) today announced that it has completed an acquisition of Kilburn Chemicals Limited (KCL). MOL paid INR 132 Crores (including INR 12.15 Crores towards equity subscription) as per the National Company Law Tribunal (NCLT) approved resolution plan dated 16th December 2021. Thus, the Company has diversified its Pigment Division's product offering with Kilburn Chemicals acquisition, fast-tracking its foray into Titanium Dioxide (TiO₂). The aforesaid acquisition has been funded from MOL's internal accruals. As a result, MOL's Titanium Dioxide (TiO₂) project will be EPS accretive. The plant is located at Dahej, Gujarat and its existing Titanium Dioxide (TiO₂) manufacturing capacity is pegged at 16,500 metric tons per annum (MTPA). MOL expects to commence the commercial production of Titanium Dioxide (TiO₂) from Q2 FY23, thereby adding ~INR 300-350 Crores to the revenues on a full financial year basis.

The Company anticipates doubling up its Titanium Dioxide (TiO₂) capacity to 33,000 MTPA by Q1 FY24 by incurring an additional capex of INR 270 Crores funded by an appropriate mix of internal accruals and debt. At normal capacity utilisation, the aforesaid plant is expected to contribute ~INR 650-700 Crores to MOL's topline on a full financial year basis. Capacity utilisation will be ramped up gradually. MOL's Titanium Dioxide (TiO₂) plant is expected to garner an EBITDA margin of ~23-25%, along with robust return ratios i.e., ROCE and ROE ranging ~19-20% each.

Titanium Dioxide (TiO₂), a bright white pigment, has multiple industrial applications, including Paints, Plastics, Inks, Dyes, Paper and Cosmetics, etc.

The annual demand for Titanium Dioxide (TiO₂) in India stands at 2,50,000 MTPA and is growing at 4.2% CAGR. Imports meet nearly 80% of India's Titanium Dioxide (TiO₂) demand. The Titanium Dioxide (TiO₂) production capacity in India is pegged at 81,000 MTPA.

Titanium Dioxide (TiO₂), an import substitution product, accelerates MOL's growth plans mirroring the Government's 'Make in India' & 'Atmanirbhar Bharat' vision.

The Company remains committed to execute its overall capex guidance of INR 620 Crores (INR 270 Crores – Pigment Division and INR 350 Crores – Agrochemicals Division) by Q2 FY23 and achieve INR 3,000 Crores topline by FY24.”

About Meghmani Organics Limited

Meghmani Organics Ltd. (MOL) is amongst the leading diversified chemicals company with a presence in Pigments and Agrochemicals business. MOL is amongst the top 3 global Phthalocyanine based pigment players enjoying 14% market share. The Company is amongst the top-10 manufacturers of pesticides in India with a presence across the entire value chain. MOL has 36+ brands of various pesticides formulations in India. The Company has 400+ customer base in Pigments & Agrochemicals across diverse industries. MOL has a wide distribution network of 3,000 + distributors and dealers across India. The Company garners ~79% of its topline from the export markets as on FY21.

For further queries, please contact:

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