



SUMITOMO CHEMICAL INDIA LTD.

Corporate Identity Number (CIN) - L24110MH2000PLC124224

Corporate Office: 13/14, Aradhana IDC,
Near Virwani Industrial Estate, Goregaon (East),
Mumbai - 400 063.
Tel. : +91-22-4252 2200 / Fax : +91-22-4252 2380
URL <http://www.sumichem-india.co.in>

SCIL/SEC/2023

September 1, 2023

To,
BSE Limited,
Listing Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001

The National Stock Exchange of India Listing
Department,
Exchange Plaza,
Bandra Kurla Complex
Bandra East,
Mumbai - 400 051

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

Dear Sirs,

Today i.e. on 1st September, 2023, the Company has executed definitive agreements for acquiring 85% equity shares and controlling stake (on fully diluted basis) in Barrix Agro Sciences Pvt Ltd., a Bangaluru based company engaged in the business of developing and providing to farmers pheromone traps and chromatic sheets. It is also engaged in the business of bio-products and micronutrients. The transaction is subject to customary closing conditions and approvals.

The disclosure pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Part A of Schedule III of the aforesaid regulations, is given in the attached 'Annexure'.

We also enclose herewith the press release for the said acquisition.

This is for your information and records.

Thanking you,

Yours faithfully,
For Sumitomo Chemical India Limited


Deepika Trivedi
Company Secretary





SUMITOMO CHEMICAL INDIA LTD.

Corporate Identity Number (CIN) - L24110MH2000PLC124224



Corporate Office: 13/14, Aradhana IDC,
Near Virwani Industrial Estate, Goregaon (East),
Mumbai - 400 063.
Tel. : +91-22-4252 2200 / Fax : +91-22-4252 2380
URL <http://www.sumichem-india.co.in>

Disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

| | | |
|----|--|---|
| a) | a) Name of the target entity, details in brief such as size, turnover etc. | <p><u>Name of the target company:</u> Barrix Agro Sciences Private Limited having its registered office at Bengaluru, Karnataka</p> <p><u>Details of the target company:</u> Barrix Agro Sciences Pvt Ltd. is into R&D innovation, manufacturing and marketing of IPM (Integrated Pest management) & IPNM (Integrated Plant Nutrition Management) products with special focus on pheromones with dispersion technologies, that are used to monitor and trap agricultural pests.</p> <p>Size and Turnover: ~ ₹380 million for FY 2022-23 as per the management certified financial statements.</p> |
| b) | b) Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms-length" | Not a related party transaction |
| c) | Industry to which the entity being acquired belongs | Agro-solution industry |
| d) | Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity) | The target company is in manufacturing and selling of pest monitoring, trapping and crop nutrition solutions and research and development of pheromone based products. Sumitomo Chemical India Limited (SCIL), the acquirer company, is in crop protection business. The acquisition will substantially enlarge SCIL's product range including green chemistries in a larger measure. The acquisition is in alignment of SCIL's strategy to build a more sustainable portfolio of green chemistries and offer Integrated Pest Management (IPM) and Integrated Plant Nutrition Management (IPNM) products and solutions to farmers. Through its established marketing and sales network of traditional channel and digital channels and available investment resources, SCIL will be able to provide guidance to the target company's business to grow at a faster pace. |
| e) | Brief details of any governmental or regulatory approvals required for the acquisition | As per the preliminary understanding, it is expected that no government/regulatory approvals are required for the acquisition. |
| f) | Indicative time period for completion of the acquisition | Subject to completion of customary closing conditions by the target company, approx three months. |
| g) | Nature of consideration - whether cash consideration or share swap and details of | Cash consideration not exceeding ₹850 million for acquiring 85% equity and controlling stake (on fully diluted |



| | | |
|----|---|--|
| | the same | basis) by way of mix of primary investment in the target company (subscribing to new equity shares to issued by the target company) and secondary stake purchase (transfer of shares from existing shareholders). |
| h) | Cost of acquisition or the price at which the shares are acquired | Sum(s) not exceeding ₹850 million for acquisition of existing shares (secondary transfer) plus subscribing to new shares (primary investment) aggregating to 85% of equity and controlling stake (on fully diluted basis). |
| i) | Percentage of shareholding / control acquired or proposed to be acquired and / or number of shares acquired | Acquiring 85% equity and controlling stake (on fully diluted basis) by way purchase of shares from existing shareholders and subscribing to new equity shares to be acquired from the target company. |
| g) | Brief background about the entity proposed to be acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief) | <p><u>Brief background and Line of business:</u> Barrix Agro Sciences Pvt Ltd. is into R&D innovation, manufacturing and marketing of IPM (Integrated Pest management) & IPNM (Integrated Plant Nutrition Management) products with special focus on pheromones with latest dispersion technologies, that are used to monitor and trap agricultural pests</p> <p><u>Date of incorporation:</u> 7th February, 2011</p> <p><u>Turnover of last 3 years:</u> 2020-21 – ₹166 Mn (as per audited financial statements) 2021-22 – ₹266 Mn (as per audited financial statements) 2022-23 – ₹380 Mn (as per management certified financial statements)</p> <p><u>Country in which the be acquired entity has presence:</u> Primarily India (with negligible exports from India to 4 countries).</p> |

Sumitomo Chemical India Limited announces signing definitive agreements for acquisition of majority stake in Barrix Agro Sciences Private Limited

September 1, 2023: Sumitomo Chemical India Limited ('SCIL' or 'the Company'), a subsidiary of one of the leading global diversified chemical companies Sumitomo Chemical Co., Ltd., Japan ('SCC Japan') and a leading player in Indian agrochemical, household insecticides and animal nutrition sectors, announced signing of definitive agreements to acquire majority stake of Barrix Agro Sciences Pvt Ltd. ('Barrix').

Since more than 2 decades, SCIL is supporting millions of Indian farmers in their growth journey by providing a wide range of innovative chemistries in traditional crop solution segments. SCIL's product segments also include plant growth regulators and biorationals, with market leadership position in some of the crops, products and applications.

Bangalore based Barrix Agro Sciences Pvt Ltd. is into R&D innovation, manufacturing & marketing of IPM (Integrated Pest management) & IPNM (Integrated Plant Nutrition Management) products including especial focus on pheromones with latest dispersion technologies, that are used to monitor and trap agricultural pests. With a humble start in year 2011, Barrix has been undertaking cutting edge R&D innovation and launched several eco-friendly crop protection and nutrition enhancement products and working on a long pipeline of future products. In addition to founder Mr Lokesh Makam and his management team, existing shareholders include leading agri-tech venture capital fund Omnivore VC and incubator CII. As one the leading agri-tech start-ups in India, Barrix was awarded with several start-up innovator awards over the years.

SCIL's focus on sustainable and holistic agriculture is driven by focused R&D efforts in the biorationals space, and the move to acquire a majority stake in Barrix will strengthen SCIL's position as one of the leading players offering sustainable and green crop protection products and solutions to Indian farmers. As part of the acquisition, SCIL will leverage Barrix's innovative product portfolio, strong sales & distribution network, robust R&D capabilities and deep management resources to further strengthen its position as a leading diversified player in India's crop solution market. Barrix's innovative products also have potential to expand globally in several countries and access to SCC's wide global network is expected to help such initiatives. Barrix will be able to leverage SCIL's robust digital marketing tools and skillsets, to carry crop-based and solution-based approach to farmers across India. Post becoming a majority owned subsidiary of SCIL and lead by founder Mr Lokesh Makam and existing management team, Barrix is expected to continue its growth journey as an independent entity. SCIL's acquisition is by way of mix of primary infusion of funds in the company and secondary stake sale by existing shareholders.

Mr Tadashi Katayama, Associate Officer and General Manager - Agro-Solution Division International and Planning & Coordination Office, Health & Crop Science Sector, Sumitomo Chemical Co., Ltd Japan and non-executive director of SCIL said "The acquisition is in alignment of SCC Japan's global strategy to build a more sustainable portfolio of green chemistries. It is also synergistic to SCIL's strategy to offer Integrated Pest Management (IPM) solutions to farmers. We continue to support SCIL's expansion across segments such

as manufacturing Make in India projects, distribution of SCC's global product portfolio and pipeline and expansion in additional related segments such as Barrix's proposed acquisition. We are impressed by Barrix's R&D innovation capabilities and scientific approach towards solving problems faced by farmers and this is in line with SCC and SCIL's approach. We hope SCIL and Barrix will continue extra-ordinary growth journey and will make us proud."

Mr Chetan Shah, Managing Director of SCIL said "The acquisition makes a lot of business sense as it is diversification into complementary business segments, thus keeping our growth momentum sustainable. Our strong Go to market strategy, distribution network and long-standing reputation with farmers combined with Barrix's proven innovative products and strong brand-connect with farmers can bring ample amount of additional future leverage. The acquisition shall create greater synergies, deliver maximum value for our shareholders and a wider product portfolio for our customers."

Mr Jinesh Shah, Managing Partner at Omnivore said "Before Barrix, Indian farmers had limited access to effective, affordable, and eco-friendly crop protection products. Over the years, the startup has proven the efficacy of their innovations in minimizing crop damage and labour costs. We are very proud to have been an early believer in Barrix. Sumitomo's stake in the company ensures that farmers across the globe will have access to these sustainable solutions."

Mr Lokesh Makam, Managing Director, Barrix shared "We are very pleased and excited to get associated with one of the most respected companies in the chemical industry globally and in India. SCC and SCIL's Japanese culture, philosophy, long term strategic planning and integrated operations will help Barrix gain business expertise in achieving significantly more than what we could have done individually. Barrix R&D team is working on a long pipeline of some cutting-edge products. SCIL's guidance and investment will help us expand our existing manufacturing and sales, distribution and marketing efforts multifold within a short period and also fast-track our R&D efforts for future pipeline products. Needless to say, such an endeavor to drive business expansion will always be accompanied by concurrent and consistent efforts to strengthen management foundation such as legal and ethical compliance, corporate governance and safety, among others. We would like to take this opportunity to convey our appreciation to our shareholders Omnivore and CIIE for supporting Barrix in our growth journey since early stages."

The transaction is subject to customary closing conditions and approvals. KPMG acted as commercial, financial & tax due diligence advisor to SCIL. Pioneer Legal acted as legal advisors to SCIL. EY acted as exclusive financial advisor and IC Universal Legal and KS&K acted as legal advisors to Barrix and its shareholders including Omnivore.