

NOVA SYNTHETIC LIMITED

Regd. Off. : 10-B, 10th Floor, Bakhtawar, Nariman Point, Mumbai-400 021.
Correspondence Address: Sai Hira, Survey No. 93, Mundhwa, Pune MH 411036 IN.
CIN- U17110MH1984PLC034756 || Email Id: ashok.shah@dfpcl.com

24th November, 2021

To,
Corporate Relationship Department,
BSE Limited.
Rotunda Building, P J Towers,
Dalal Street, Fort,
Mumbai - 400 001

To,
Listing Department,
National Stock Exchange of
India Limited.
'Exchange Plaza', C-1, Block G,
Bandra - Kurla Complex,
Bandra (E), Mumbai - 400 051

Sub: Disclosures under Regulation 31(1) of the SEBI (Substantial Acquisition of Shares & Takeover) Regulations, 2011 ("Takeover Code")

Dear Sir/Madam,

Please be informed that the Company has provided a corporate guarantee to the lender in connection with the loan facility availed by Robust Marketing Services Private Limited (Robust), a promoter group company. As per the said guarantee, the Company has pledged 6,00,000 equity shares of Deepak Fertilisers And Petrochemicals Corporation Limited ("DFPCL") in the favour of lender in respect of the aforesaid facility availed by Robust. In this connection, please find attached the necessary disclosure under Regulation 31(1) of the Takeover Code.

Kindly take this information on record and acknowledge the same.

Thanking you,

Yours faithfully,

For Nova Synthetic Limited

Sailesh Chimanlal Mehta

Director

DIN: 00128204

Encl.: As above

CC.: Deepak Fertilisers and Petrochemicals Corporation Limited

Reg. Add.: Sai Hira, Survey No. 93, Mundhwa,
Pune MH 411036 IN

Disclosure by the Promoter(s) to the stock exchanges and to the Target Company for encumbrance of shares / invocation of encumbrance/ release of encumbrance, in terms of Regulation 31 (1) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011													
Name of the Target Company(IC)								Deepak Fertilisers And Petrochemicals Corporation Limited ("DFPCL")					
Names of the stock exchanges where the shares of the target company are listed								1. BSE Limited 2. National Stock Exchange of India Limited					
Date of reporting								24-11-2021					
Name of the promoter or PAC on whose shares encumbrance has been created/ released/invoked								Nova Synthetic Limited ("Nova")					
Name of the promoter (s) or PACs with him	Promoter holding in the target company (1)		Promoter holding already encumbered (2)		Details of events pertaining to encumbrance (3)							Post event holding of encumbered shares [creation [(2)+(3)] / release [(2)-(3)] / invocation [(1)-(3)]]	
	No. of Shares	% of total share capital	No. of Shares	% of total share capital	Type of event (creation / release / invocation)	Date of creation/ release/ invocation of encumbrance	Type of encumbrance (pledge/ lien/ non disposal undertaking/ others)	Reasons for encumbrance	No. of Shares	% of share capital	Name of the entity in whose favor shares encumbered	No. of Shares	% of total share capital
Nova Synthetic Limited (Refer note no. 1 & 2)	43,592,875	36.1488	43,592,875	36.1488	Creation	22-11-2021	Pledge	To secure the borrowing made by Robust from Bajaj Finance Limited as per the Corporate Guarantee Agreement for security top-up requirement.	600,000	0.4975	Bajaj Finance Limited ("BFL")	6,00,000 (Pledge)	0.4975
												95,36,000 (NDU)	7.9076
												3,34,56,875 (Negative Lien)	27.7436
Robust Marketing Services Private Limited ("Robust")	10,852,301	8.9991	9,672,819	8.0210	-	-	-	-	-	-	-	9,672,819	8.0210
Chimanlal Khimchand Mehta	878,913	0.7288	-	-	-	-	-	-	-	-	-	-	-
Sailesh Chimanlal Mehta	1,731	0.0014	-	-	-	-	-	-	-	-	-	-	-
Parul Sailesh Mehta	1,409	0.0012	-	-	-	-	-	-	-	-	-	-	-
Yeshil Sailesh Mehta	115,000	0.0954	-	-	-	-	-	-	-	-	-	-	-
Sofotel Infra Private Limited	1,941,546	1.6100	-	-	-	-	-	-	-	-	-	-	-
<p>Note 1: Note 1: Nova has provided corporate guarantee to Bajaj Finance Limited ("BFL") for its lending to Robust (a Promoter group company). The said guarantee contains a clause restricting Nova from borrowing against pledging of DFPCL shares without prior written consent of BFL. As the exact number of such shares have not been recorded in the agreement, in the interest of a disclosure in utmost good faith, all the shares of DFPCL held by Nova were shown as encumbered in the column number 3 named "Promoter holding already encumbered". However, the combined reading of all facility documents clearly convey that obligation to further pledge in the event of security top up required, is restricted upto 45,00,000 equity shares (4.1607% of DFPCL paid-up share capital), which is the maximum quantity acceptable to the lender in case of security top-up contingency requirement. Further, due to security top-up requirement, out of total 4,35,92,875 equity shares of DFPCL held by Nova only 6,00,000 equity shares pledged to BFL on 22nd November, 2021 in respect of its lending to Robust.</p> <p>Note 2: We have mentioned entire shareholding of Nova as encumbered in the column named "Post event holding of encumbered shares" i.e. 4,35,92,875 (36.1487%) equity shares. However this holding is inclusive of 6,00,000 (0.4975%) pledged shares, 95,36,000 (7.9075%) NDU shares and remaining 3,34,56,875 (27.7436%) shares under Negative Lien</p>													
<p>Thanking you, Yours faithfully, For, Nova Synthetic Limited</p> <p>Sailesh Chimanlal Mehta Director</p> <p>Place: Pune Date: 24-11-2021</p>													

Annexure II Disclosure of reasons for encumbrance							
Name of listed company		Deepak Fertilisers And Petrochemicals Corporation Limited ("DFPCL")					
Name of the recognised stock exchanges where the shares of the company are listed		1. BSE Ltd. ("BSE") 2. National Stock Exchange of India Limited ("NSE")					
Name of the promoter(s) / PAs whose shares have been Encumbered		Nova Synthetic Limited ("Nova")					
Total promoter shareholding in the listed company		Total Promoter Shareholding in DFPCL: No. of shares - 5,73,83,775 % of total share capital in DFPCL - 47.5847%					
Encumbered shares as a % of promoter shareholding		17.9020% Equity Shares are under pledge, 16.6179% Equity Shares are under Non Disposal Undertaking and remaining 58.3037% Equity Shares are under Negative Lien, aggregating to 93% of total promoter shareholding.					
Whether encumbered share is 50% or more of promoter shareholding		YES / NO					
Whether encumbered share is 20% or more of total share capital		YES / NO					
Details of all the existing events/ agreements pertaining to encumbrance							
Particulars		Encumbrance 1 (NDU)	Encumbrance 2 (Indirect pledge of shares)	Encumbrance 3 (Direct Pledge of shares)	Encumbrance 4 (Direct Pledge of shares)	Encumbrance 5 (Negative Lien)	Encumbrance 6 (Direct Pledge)
		(Date of creation of encumbrance: 16 October 2019)	(Date of creation of encumbrance: 23 March, 2020)	(Date of creation of encumbrance: 18 February, 2021)	(Date of creation of encumbrance: On 7th October, 2021: 920169 Shares, on 8th October, 2021: 37,02,650 shares and on 11th October, 2021: 39,50,000	(Date of creation of encumbrance (Negative Lien): 7th October, 2021	(Date of creation of encumbrance: 22nd November, 2021)
Type of encumbrance (pledge, lien, negative lien, non-disposal undertaking etc. or any other covenant, transaction, condition or arrangement in the nature of encumbrance)		Non-disposal undertaking	Indirect Pledge of share Please refer below mentioned note no. 1.	Pledge	Pledge	Refer Note No. 1	Pledge
No. and % of shares encumbered		No. of shares: 95,36,000 shares* % of total share capital: 7.9075% (as of date of this reporting)	Please refer below mentioned note no. 1.	No. of Shares: 11,00,000 equity shares % of total share capital: 0.9122% (as of date of reporting)	No. of Shares: 85,72,819 equity shares % of total share capital: 7.1089% (as of date of reporting)	No. of Shares: 34,056,875 equity shares % of total share capital: 28.2411% (as of date of reporting)	No. of Shares: 6,00,000 equity shares % of total share capital: 0.4975% (as of date of reporting)
Specific details about the encumbrance	Name of the entity in whose favour shares encumbered (X)	International Finance Corporation (IFC)	Vistra ITCL (India) Limited , debenture trustee acting on behalf of and for the benefit of debenture holders.	Aventus Finance Private Limited	Bajaj Finance Limited	Refer Note No. 1	Bajaj Finance Limited
	Whether the entity X is a scheduled commercial bank, public financial institution, NBFC or housing finance company? If No, provide the nature of the business of the entity.	YES / NO IFC is a member of the World Bank Group, and is a Multilateral Financial Institution.	YES / NO Nature of Business: Vistra ITCL (India) Limited is a SEBI registered Trustee who provides fiduciary services like trustee services for debentures and bonds, private equity, alternate funds, and bank lending, as well as corporate formation and market entry, due diligence, enforcement, and monitoring services to banks, financial institutions, corporates, funds, governments, and insurance companies.	YES N.A.	Yes N.A.	N.A. N.A.	YES N.A.
Names of all other entities in the agreement		Listed company and its group companies (if any): 1. Smartchem Technologies Limited 2. Performance Chemiserve Limited Other entities (if any) - 1. International Finance Corporation	Listed company and its group companies, promoter Company (if any): 1. Robust Marketing Services Private Limited Other entities (if any) - 1. Vistra ITCL (India) Limited	Listed company and its group companies, promoter Company (if any): 1. Robust Marketing Services Private Limited Other entities (if any) - 1. Aventus Finance Private Limited	Listed company and its group companies, promoter Company (if any): 1. Robust Marketing Services Private Limited Other entities (if any) - 1. Bajaj Finance Limited	Listed company and its group companies, promoter Company (if any): Nova Synthetic Limited	Listed company and its group companies, promoter Company (if any): Nova Synthetic Limited
Whether the encumbrance is relating to any debt instruments viz. debenture, commercial paper, certificate of deposit etc.? If yes, provide details about the instrument, including credit Rating		YES	YES				
Name of the issuer		Smartchem Technologies Limited	Robust Marketing Services Private Limited				
Details of the debt instrument		Compulsorily Convertible Debentures	Non-Convertible Debentures (NCDs)	No	No	No	No
Whether the debt instrument is listed on Stock Exchange		No	Yes, listed on NSE.				
Credit Rating of the debt instrument		Unsecured and Unrated	[ICRA] BB+ (Stable)				
ISIN of the instrument		INE271G08011	INE07NN07017, INE07NN07025				
Security Cover / Asset Cover	Value of shares on the date of event / agreement (A) ^a	INR 325,82,90,575/-	INR 323,045,274/- <i>Please refer below mentioned notes</i>	INR 32,45,40,150/-	INR 357,65,59,459	N.A. (Refer Note No. 1)	INR 21,14,40,000
	Amount involved (against which shares have been encumbered) (B)	INR 210,00,00,000	INR 280,00,00,000/- ^a	Upto INR 20,00,00,000/- ^a	Upto INR 165,00,00,000/-	N.A. (Refer Note No. 1)	(Refer Note No. 1)
		(Approximately US\$ 30 Million)	(Indian Rupees Two Thousand and Eighty Hundred Million)	(Indian Rupees Two Hundred Million)	(Indian Rupees One Hundred and Sixty Five Crore Only)	N.A.	(Refer Note No. 1)
	Ratio of A / B	1.55	0.1	2.2 ^a	2.15x	N.A.	(Refer Note No. 1)

End use of money						
Borrowed amount to be utilized for what purpose -						
a) Personal use by promoters and PACs	N/A	N/A	N/A	N/A.	N.A.	N.A.
b) For the benefit of listed company /Promoter Company Le Robust <i>Provide details including amount, purpose of raising money by listed company, schedule for utilization of amount, repayment schedule etc.</i>	<p>1. The wholly owned subsidiary of DFPCIL, Smartchem Technologies Limited ("STL"), has issued and allotted first tranche of unsecured, unlisted and unrated Compulsorily Convertible Debentures ("CCD6") of INR 105,00,00,000, out of the total CCDs of INR 210,00,00,000 to be issued and allotted in two tranches to International Finance Corporation ("IFC").</p> <p>2. The subscription monies from the CCDs are intended to be used to raise funds for STL's planned fertilizer related working capital and maintenance capital expenditure requirements at STL's fertilizer manufacturing facilities at Talajo, Maharashtra and Panipat, Haryana, and for installation of N₂O catalyst conversion devices at Talajo, Maharashtra, in accordance with the agreed business plan for STL.</p> <p>3. Conversion: Voluntarily Conversion: IFC shall have the right to convert, at its option, (A) the first tranche of the CCDs, at any time after 4.25 years from first tranche subscription date, and (B) the second tranche of the CCDs, at any time after 5.75 years from second tranche subscription date. Compulsory Conversion: The CCDs shall be compulsorily converted (A) at the end of 10 years from the relevant date of subscription, and (B) in case of a listing, immediately prior to filing of a red herring prospectus or such later date permitted by SEBI/ concerned authorities. The conversion will be done basis the conversion formula agreed inter alia between STL and IFC, which is inter alia based on Fair Market Value (FMV) as on the date of the conversion. 4. Repayment: Not applicable.</p>	<p>1. Total amount raised: Rs. 280,00,00,000/-*</p> <p>2. Purpose of raising money by Robust and utilisation thereof: The subscription monies from the NCDs are intended to be used for (i) payment of balance consideration for conversion of all the outstanding warrants, issued on preferential basis by DFPCIL, subscribed by the Robust (ii) repayment of loan (iii) working capital or other general corporate purpose.</p> <p>3. Repayment Schedule: Redeemable at the end of 60 months from their respective date of allotments. <i>Note No. 1: Please note that 100% Equity Shares of Robust Marketing Services Private Limited (Robust) i.e., 10,00,000 equity shares held by Mr. Sailesh Mehta (5010 equity shares) and Mrs. Purni Mehta (4990 equity shares), have been pledged in favour of Vistra ITCL (India) Limited, debenture trustee acting on behalf of and for the benefit of debenture holders, on 23-03-2020. As per regulation 28 of SEBI SAST Regulation, 2011 the same is covered under indirect pledge of shares. Further note that as on date Robust is not pledging directly any equity shares held by it in DFPCIL.</i> <i>Note No. 2: Since this disclosure is related to pledge of Robust shares (indirect pledge of shares) so here we are considering 'Fair Market Value' of Robust shares and not the market value of DFPCIL share.</i> <i>(*) In the original disclosure made on 25th March, 2020, the Company had mentioned amount of Rs. 330 crore as originally sanctioned amount ius Rs. 330 Crore but later the company has taken only amount Rs. 280 crore through issuance of NCD.</i></p>	<p>1. Total amount raised: INR 20,00,00,000/-*</p> <p>2. Purpose of raising money by Robust and utilisation thereof: Acquisition of equity shares of Deepak Fertilizers and Petrochemicals Corporation Limited and other general corporate purpose.</p> <p>3. Repayment Schedule: The maximum tenor of Facility will be 12 months from the date of Facility was first availed and shall be subject to periodic review (at least annually) by the Lender. (#) Sanction loan amount is Rs. 25,00,00,000 and out of which the Company has borrowed Rs. 20,00,00,000/- based on 2.2x security cover i.e. pledge of DFPCIL shares and by pledge of above 11,00,000 equity shares.</p>	<p>1. Total amount to be raised: Rs. Upto 165,00,00,000/- As of date of Reporting, the Company has raised Rs. 156,30,00,000/-</p> <p>2. Purpose of raising money by Robust and utilisation thereof: Refinancing of existing debt of Robust and other general corporate purpose.</p> <p>3. Repayment Schedule: The tenor of the facility will be 24 months from the first date of disbursement.</p>	N.A. (Refer Note No. 1)	N.A. (Refer Note No. 1)
c) Any other reason (please specify)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

(#) Value of shares is calculated on the basis of share price on the date of event.

Note 1: Nova has provided corporate guarantee to BFL for its lending to Robust (a promoter group company). The said guarantee contains a clause restricting Nova from borrowing against pledging of DFPCIL shares without prior written consent of BFL. As the exact number of such shares have not been recorded in the agreement, in the interest of a disclosure in utmost good faith, all the shares of DFPCIL held by Nova were shown as encumbered in the column named "Encumbrance 5 (Negative Lien)". However, the combined reading of all facility documents clearly convey that obligation to further pledge in the event of security top up required, is restricted upto 45,00,000 equity shares (4.1607% of DFPCIL paid-up share capital), which is the maximum quantity acceptable to the lender in case of security top-up contingency requirement. Further, due to security top-up requirement, out of total 4,35,92,875 equity shares of DFPCIL held by Nova only 6,00,000 equity shares pledged to BFL on 22nd November, 2021 in respect of its lending to Robust, details of which are provided in the column named "Encumbrance 6 (Direct Pledge)".
The details of the facility availed by Robust are provided at encumbrance number 4.

For Nova Synthetic Limited

Sailesh Chimanlal Mehta
Director

Place: Pune
Date: 24-11-2021