MEMORANDUM OF ASSOCIATION
AND
ARTICLES OF ASSOCIATION

TATA CHEMICALS LIMITED

(Amended upto September 30, 2020)
Tata Chemicals Limited

MEMORANDUM OF ASSOCIATION
AND
ARTICLES OF ASSOCIATION
Certificate of Incorporation

No 2893 OF 1938-1939

I hereby Certify that TATA CHEMICALS LIMITED is this day incorporated under the Indian Companies’ Act VII of 1913, and that the Company is Limited.

Given under my hand at Bombay this Twenty-third day of January One Thousand Nine Hundred and Thirty-nine.

(Sd.) BEHRAMJI M. MODI,
the Registrar of Companies

The Seal of the Registrar of Companies, Bombay.
Certificate for Commencement of Business.

(Pursuant to section 103 (2) of the Indian Companies Act, 1913.)

I hereby certify that the Tata Chemicals Limited which was incorporated under the Indian Companies Act, 1913, on the Twenty-third day of January 1939, and which has this day filed a duly verified declaration in the prescribed form that the conditions of section 103(1) (a) to (d) of the said Act have been complied with, is entitled to commence business.

Given under my hand at Bombay this Twenty-seventh day of April one thousand nine hundred and Thirty-nine.

Registrar of Joint Stock Companies
[SECTION 18(1) OF COMPANIES ACT, 1956]

Certificate of Registration

OF ORDER OF COURT CONFIRMING ALTERATION OF OBJECTS

THE TATA CHEMICALS LIMITED, having by special Resolution altered the provision of its Memorandum of Association with respect to its objects such alterations having been confirmed by an order of THE HIGH COURT OF JUDICATURE AT BOMBAY, bearing date the TWENTY-SECOND day of MARCH One Thousand nine hundred and FIFTY-SEVEN.

I hereby Certify that certified copy of the said order together with the printed copy of the Memorandum of Association as altered has this day been registered.

Given under my hand at BOMBAY this day ELEVENTH JUNE, One thousand nine hundred and FIFTY-SEVEN.

Sd/- S. VENKATRAMAN,
Registrar of Companies,
BOMBAY.
The share holders of M/s TATA CHEMICALS LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 12/02/2015 altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section 13(1) of the Companies Act. 2013.

I hereby certify that the said Special Resolution together with the copy of the Memorandum of Association as altered has this day been registered.

Given under my hand at Murnbal this Seventeenth day of March Two Thousand Fifteen

T PANDIAN
Registrar of Companies
Registrar of Companies
Mumbai

Mailing Address as per record available in Registrar of Companies office:
TATA CHEMICALS LIMITED
BOMBAY HOUSE24 HOMI MODI ST, FORT,
MUMBAI - 400001,
Maharashtra, INDIA
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Tata Chemicals Limited

MEMORANDUM OF ASSOCIATION

AND

ARTICLES OF ASSOCIATION
MEMORANDUM OF ASSOCIATION
of
Tata Chemicals Limited

I. The name of the Company is “TATA CHEMICALS LIMITED”.

II. The Registered Office of the Company will be situated in the State of Maharashtra.

III. The Object for which the Company is established are :-

(1) To carry on business of manufacturers of and dealers in chemical products of any nature and kind whatsoever and as wholesales and retail chemists and druggists, analytical chemists, drysalters, oil and colour men, importers, exporters and manufacturers of and dealers in heavy chemicals, alkalis, acids, drugs, tannins, essences, pharmaceutical, photographic, sizing, medicinal, chemical, industrial and other waters, cements, oils, paints, pigments and varnishes, compounds, drug, dyestuff organic or mineral intermediates, paints and colour grinders, makers of and dealers in proprietary articles of all kinds, and of electrical, chemical, photographic, surgical and scientific apparatus and materials.

(2) To manufacture, refine, manipulate, import, export and deal in salts and marine minerals and their derivatives, by-products and compounds of any nature and kind whatsoever.

(3) To carry on business as manufacturers of chemicals, distillers, dye makers, gas makers, metallurgists, engineers, ship owners, and charterers and carries by land, sea and air, wharfingers, warehousemen, planters, farmers, saw will proprietors, timbers, merchants, sugar merchants and to buy sell grow prepare for the market manipulate import export and deal in timber wood and/or produce or products of the earth of all kind and to manufacture and deal in articles of all kinds in the manufacture of which timber wood or any such product is used.

(4) To acquire and take over the following concession undertaking business and works :-

   a) The concessions (with the rights privileges and licenses attached thereto granted to Tata Sons Limited by the Government of His Highness The Gaikwar of Baroda) in connection with the manufacturers of Salt and Marine Minerals and its and their derivatives and by-products.

   b) The undertaking and business of The Okha Salt Works Co., Ltd., at Mithapur

   and
(c) The works of The Pioneer Magnesia Works Ltd., also at Mithapur; and all or any of the assets or liabilities of the holders or proprietors of the said concessions and business respectively in connection therewith and with the view thereto to enter into and entry into and carry into effect with all such, if any, modifications or alterations as may be agreed upon (whether before or after execution) the agreements referred to in Article 3 of the Articles of Association of Company and to become parties to and to enter into and carry into effect all such other agreements deeds instruments and assurances as may be necessary or as may be deemed advisable or proper.

(5) To purchase, take on lease on otherwise acquire any lands, mines, mining rights, metalliferous, calcarius, or any other land and any interest therein and to explore, work exercise, develop and to turn to account the same.

(6) To crush, win, get, quarry, smelt, calcine, refine, dress, amalgamate, manipulate and prepare for marker all metal, cement, lime, mineral and calcarius substances of all kinds and to carry on any other metallurgical operation whatsoever.

(7) To carry on business as manufacturers of and dealers in manure, paper pulp, glass, bricks, pottery, terracotta, and sanitary and disinfecting preparations, coke, cement and artificial stones and to carry on business as quarry masters and stone merchants.

(8) To carry on the trades or business of manufacturers of blasting ballistic and pyrotechnic apparatus and other articles and things of a similar or analogous description or use on of and in the several component parts thereof.

(9) To carry on the trades or businesses of manufacturers of and dealers explosives, ammunition, fireworks and other explosive products and accessories of all kinds and of whatsoever composition and whether for military, sporting, mining or industrial purposes or for pyrotechnical display or for any other purpose.

(10) To carry on the business of manufacturers of every sort of missile, arm and weapon for warlike, sporting or other purposes.

(11) To carry on the business manufacturers and producers of fats, fertilisers, manures, dips, sprays, vermifugs, fungicides, medicines and remedies of all kinds of agricultural fruitgrowing or other purpose or as remedies for men or animals and whether produced from vegetable or animal matter or by any chemical process.

(12) To carry on business of waterproofers and manufactures or India rubber, leather, imitation leather, leather cloth, plastics oil cloth, linoleum, tar- paulins, hospital sheetings and surgical bandages.

(13) To carry on businesses of spinners, doublers and manufacturers of cotton, thread, silk, artificial silk, woolen, linen, flax, hemp, jute and other yarns and other fibrous materials and substances or any substitute or any of them.
(14) To cultivate, grow, produce or deal in any vegetable products for the time being required for any of the manufactures which the Company is authorised to undertake, and to carry on all or any of the businesses of farmers, dairymen, milk contractors, dairy farmers, millers, surveyors and vendors of milk, cream, cheese, butter, poultry and provisions of all kinds, growers of and dealers in corn, hay, and straw, seedsmen and nurserymen, and to buy, sell and trade in any goods usually traded in any of the above businesses, or any other business associated with the farming interest which may be advantageously carried on by the Company.

(14) # (a) To carry on the business of buyers, sellers, traders, importers, exporters, manufacturers, dealers whether by self or any third party, processors, commission agents, distributors, dealers and representatives in any legal form and also to process, produce, mix, pack, preserve, freeze, extract, refine and deal in all types of food including but not limited to confectionary, nutrition, milk and milk products, processed foods, performance nutrition, fibres, all kind of flour whether single or multi grain, health and wellness foods, protein foods, food products, agro foods, fast foods, packed foods, food grains, edible commodities, pulses or lentils whether processed or otherwise, water purifiers, water filters, systems, appliances, devices, products, methods or apparatus in relation to water dispensation, purification and treatment, value added food additive and food products, banking and cooking soda and products that contain the same including edible and non-edible applications, staples, cereals, pseudo cereals and processed derivatives thereof, spices, seasonings, ready to eat processed food products, nutritional solutions, natural, novel and processed foods, ingredients and formulations thereof, inorganic and organic materials and compounds based on novel processing and synthesis knowhow, ready to cook foods and spices, spice mixes and pastes or semi processed food products, sugar, sugar products, vegetable, ghee, edible oil, cooking oil, mineral oil, pre and pro biotic foods, sugar substitutes, natural foods, cocoa based, and other food products in and outside India.

(15) To carry on all or any of the business of engineers, iron, brass and other metal founders, machinists, tool makers, wire drawers, tube, pipe and tank manufactures, moulders, metallurgists and metal workers, fitters, millwrights, galvanizers, japanners, electroplaters and enamellers.

(16) To carry on the business of a water-works company in all its branches and to sink wells and shafts and to make build and construct lay down and maintain dams reservoirs water-works, cisterns culverts, filter-beds mains and other pipes and appliances and to execute and do all other acts and things necessary or convenient for obtaining storing, selling, delivering, measuring, distributing and dealing in water.

(17) To own, prospect for explore, acquire by lease licence purchase or otherwise, open, work, develop and maintain natural deposits of salt, brine, natron, soda, kieselguhr nitrates and other chemical substance of getting and supplying to other persons such salt, brine and other substances.

# The above Clause 14 (a) has been inserted vide Special Resolution passed by the members on February 12, 2015.
(18) To refine, treat and render merchantable and fit for use natural deposits of salts, brine, natron, soda kieselguhr nitrates and other chemical substances of all kinds obtained as aforesaid and to manufacture therefrom by any electrolytic, metallurgic or other forms of plant or process every kind of chemical and other products and by-products.

(19) To own, prospect for, explore acquire by lease, licence, purchase or otherwise, open, work, develop and maintain clay and sand pits, slate stone, and limestone quarries, coal mines, copper mines and mineral, mineral oil nitrate and mining properties of all kinds and to conduct the business of working and getting therefrom clay, sand, quarriable substances, coal, copper oil, nitrate and minerals of all kind.

(20) To manufacture, prepare and treat quarriable and mineral substances or products of all kinds obtained as aforesaid for sale or use or for manufacturing, building or any other purposes or processes and to manufacture therefrom every kind of product.

(21) Fit atmospheric nitrogen by the synthetic ammonia or by any other process and to manufacture its derivative compounds.

(22) To carry on all or of the businesses of manufactures of and dealers and workers in cement, lime, plasters, whiting, gravel, sand, bricks, artificial stone, and builders requisites and convenience of all kinds.

(23) To purchase, take on lease or in exchange, or otherwise acquire, either absolutely or by lease, license, concession, grant or otherwise, any lands, mines, mineral rights, easements, rights, and privileges, and to search for ores and minerals, mine and grant licenses for mining in or over any lands which may be acquired by the Company, and to lease out any such lands for building or agricultural use, and to sell or otherwise dispose of the lands, mines or other property of the company.

(24) To work mines or quarries and to find, win, get, work, crush, smelt, manufacture or otherwise deal with limestone, chalk, clay, ores, metals, minerals, oils, precious and other stones or deposits or products and generally to carry on the business of mining in all branches.

(25) To acquire by concession, grant, purchase, barter, lease license or otherwise any tract or tracts of country, in India or elsewhere together with such rights as may be agreed upon and granted by Government or the rulers or owners thereof, and to expand such sums of money as may be deemed requisite and advisable in the exploration, survey, and development thereof.

(26) To acquire by concession, grant, purchase, amalgamation barter, lease, license, or otherwise, either absolutely or conditionally and either solely or jointly with others any houses, lands, farms, quarries, water rights way leaves and
others works privileges rights and hereditaments and any machinery
plant utensils trade marks and other moveable and immovable property
of any description.

(27) To acquire, be interested in, construct, maintain or take on lease any omnibuses
and other vehicles ships, boats, barges, launches, aero planes, airships, balloons
and aircraft of every description and kind and to equip maintain work and
develop the same by electricity steam, oil, gas, petroleum, horses, or any other
motive power and to employ the same in the conveyance of passengers
merchandise and goods of every description, and to authorize any local authority,
company or persons to use and to work the same or any part thereof.

(28) To acquire provide and maintain hangers, garages, sheds aerodromes and
accommodation for or in relation to aerial conveyances.

(29) To carry on the business of railway, tramway, airway, omnibus van,
carriage and boat proprietors and carriers of passengers and goods by land,
sea or air.

(30) To search for and to purchase or otherwise acquire from any Government,
State or Authority any licenses, concessions, grants, decrees, right powers
and privileges whatsoever which may seem to the Company capable of being
turned to account and in particular any water rights or concessions either for
the purposes of obtaining motive power or otherwise, and to work develop
carry out, exercise and turn to account the same.

(31) To carry on the business of a general electric power supply company in all its
branches, and to construct, lay down, establish fix and carry out all
necessary power stations, cables, wires, lines, accumulators, lamps and
works and to generate, accumulate, distribute and supply electricity, and to
light cities, towns, streets, docks, markets, theatres, buildings and places,
both public and private.

(32) To acquire the rights to use or manufacture and to put up telegraphs, telephones,
phonographs, dynamos, accumulators and all apparatus now known or which
may hereafter be invented in connection with the generation, accumulation,
distribution, supply and employment of electricity, or any power that can be
used as a substitute therefore, including all cables, wires or appliances for
connecting apparatus at a distance with other apparatus, and including the
information of exchanges or centers.

(33) To carry on the business of electricians electrical, mechanical engineers,
suppliers of electricity for the purposes of light, heat, motive power or otherwise,
and manufacturers of and dealers in apparatus and things required for the
capable of being used in connection with the generation, distribution,
supply, accumulation and employment of electricity, galvanism,
magnetism, or otherwise.

(34) To manufacture, acquire, produce, use, sell and supply gas and electricity for
lighting, heating or power purposes and to deal with manufacture and render
saleable all residual products obtained in the manufacture of gas.
(35) To carry on the business of a telephone and telegraph company, and in particular to establish work manage control and regulate telephone exchange and works, and to transmit communication and messages.

(36) To construct, maintain, lay down, carry out work sell let on hire and deal in telephonic and all kinds of works machinery apparatus conveniences and things capable of being used in connection with any of these objects and in particular any cables wires lines stations exchanges reservoirs accumulators lamps meters and engines.

(37) To carry on all or any of the business of lithographers, printers, publishers and stationers.

(38) To establish provide, maintain and conduct, or otherwise subsidise research laboratories and experimental workshops for scientific and technical research and experiments and to undertake and carry on which all scientific and technical researches, experiments, and tests of all kinds and to promote studies and research both scientific and technical, investigation and invention by providing, subsidizing, endowing or assisting laboratories, exhibition scholarship prizes, grants and bursaries to students or independent students or otherwise and generally to encourages, promote and reward studies, researches, workshops, libraries, lectures meetings and conferences and by providing the remuneration of scientific or technical professors or teacher and by providing for the ward of investigation experiments tests and invention of any kind that may be considered likely to assist any of the business which the Company is authorized to carry on.

(39) To erect, construct, enlarge, alter and maintain buildings, and structures of every kind necessary or convenient for the Company’s business.

(40) To acquire, be interested in, construct, maintain, carry out, improve, work, alter, control and manage any tramways, railways, airways, steam boats roads tunnel water works, water rights, canals, irrigation works, gas works, electric works, reservoirs, water courses, furnaces, stamping works, smelting works, factories, warehouses and other works and conveniences which the Company may think conductive to any of its objects, and to contribute to and take part in the constructing, maintaining, carrying on, improving, working, controlling and managing of any such works or conveniences.

(41) To let out on hire all or any of the property of the Company whether immoveable or moveable including all and every description of apparatus or appliances, and to hold, use, cultivate, work, manage, improve, carry on and develop the undertaking land and immoveable and moveable property and assets of any kind of the company or any part thereof.

(42) To purchase or by any other means acquire and protect, prolong and renew, whether India in elsewhere, any patents, patent rights, brevets and invention, licenses, protections and concessions which may appear likely to be advantageous or useful to the Company, and to use and turn to account and manufacture under or grant licenses or privileges in respect of the same and to spent money in experimenting upon and testing and improving or seeking to
improve any patent, inventions or rights which the Company may acquire or purposes to acquire.

(43) To buy, sell, manufacture, refine, manipulate, import, export, and deal both wholesale and retail in commodities, substances, apparatus, articles and thing of all kinds capable of being used or which can conveniently be dealt in by the Company in connection with any of its objects.

(44) To transact and carry on all kinds of Agency business and to act as Managing Agents of any company or concern.

(45) To carry on any other trade or business, whether manufacturing or otherwise, which may seem to the Company capable of being carried on in connection with any of the Company’s objects, or calculate directly or indirectly to enhances the value of or render profitable any of the Company’s property or rights.

(46) To be interested in, promote and undertake the formation and establishment of such institutions, business or companies, (industrial agricultural, trading, manufacturing or other) as may be considered to be conductive to the profit and interest of the profit and interest of the Company, and to carry on any other business (industrial agricultural trading manufacturing or other) which may seem to the Company capable of being conveniently carried on in connection with any of these objects or otherwise calculated directly or indirectly to render any of the Company’s properties or rights for the time being profitable, and also to acquire promote, aid foster; subsidise or acquire interests in any or undertaking.

(47) To enter into partnership or into any arrangement for sharing or polling profits, amalgamation, union of interest, co-operation joint adventure, reciprocal concession or otherwise with any person firm or Company carrying on or transaction which the Company is authorized to carry on or engaged of being carried on or conducted so as directly or indirectly to benefit this Company.

(48) To amalgamate with any company or companies having objects altogether or in part similar to those of this Company.

(49) To pay for any properties rights or privileges acquires by the Company either in shares of the Company or partly in shares and partly in cash, or otherwise.

(50) To pay all the costs, charges, and expenses, if any, incidental to the promotion formation registration and establishment of the Company and the issue of its capital including any underwriting or other commission broker’s fees and charges in connection therewith, and to remunerate or make donations to (by cash or other assets or by the allotment of fully or partly paid shares or by a call or option on shares, debentures, debentures stock or securities of this or any other Company, or in any other manner, whether out of the Company’s capital or profits or otherwise) any person firm or company for business to the Company rendered or to be
rendered in introducing any property or business to the Company or in placing or assisting to place or guaranteeing the subscription of any shares, debentures, debenture stock or other securities of the Company, or in or about the formation or promotion of the Company or for any other reason which the Company may think proper.

(51) To enter into any arrangements with any government or authorities municipal, local or otherwise that may seem conductive to the Company’s objects or any of them and to obtain from any such government or authority, any rights, privileges and concessions, which the company may think it desirable to obtain and to carry out execute and comply with any such arrangements, rights, privileges and concessions.

(52) To draw accept and make and to endorse discount and negotiate promissory notes, hundies, bills of exchange, bills of landing and other negotiable or transferable instruments.

(53) To borrow or raise money or to money or to receive money on deposit at interest, or otherwise in such manner as the Company may think fit, and in particular by the issue of debentures or debenture stock perpetual or otherwise including debentures or debenture stock convertible into shares of this Company, or perpetual annuities; and in security of any such money so borrowed, raised, or received to mortgage pledge or charge the whole or any part of the property, assets or revenue of the company, present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may seem expedient; and to purchase, redeem, or pay off any such securities.

(54) To accumulate funds and to lend, invest or otherwise employ moneys belonging to or entrusted to the Company upon any shares securities or investments upon such terms as may be thought proper and form time to time to vary such transactions in such manner as the company think fit.

(55) To invest and deal with the money of the Company in any investments moveable or immoveable in such manner as may from time to time seem expedient and be determined.

(56) To sell and in any other manner deal with or dispose off the undertaking of the Company, or any part thereof, such consideration as the company may think fit, and in particular for shares, debentures and other securities of any other company having objects altogether or in part similar to those of the company.

(57) To sell, improve, manage, work, develop, lease, mortgage, abandon or otherwise deal with all or any part of the property rights and concessions of the Company.

(58) To create any depreciation fund, reserve fund, sinking fund, insurance fund, or any special or other fund whether for depreciation, or for repairing, improving, extending or maintaining any property of the Company or for redemption of
debentures or redeemable preference shares or for any other purposes whatsoever conducive to the interest of the Company.

(59) To construct, carry out, maintain, improve, manage, work control and superintend any hats, markets, reservoirs, waterworks tanks, bridges and works in connection therewith, hydraulic works, electrical works and factories, coolie lines and houses, and bustees, villages and other works and conveniences, which may seem, directly or indirectly, conducive to any of the objects of the Company, and to contribute to subsidise or otherwise aid or take part in any such operations.

(60) To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, bonds, debentures, debenture stock, contracts, mortgages, charges obligations, instruments and securities or any company or of any authority, supreme, municipal, local or otherwise or of any person, whomsoever, whether incorporated or not incorporated and generally to guarantee or become securities for the performance of any contacts or obligations.

(61) To undertake and execute any trust, the undertaking of which may seem to the Company desirable, and either gratuitously or otherwise.

(62) *(a) To provide for the welfare of Directors or employees or ex-employees of the Company or its predecessors in business and the wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses or dwelling or quarters or by grants of money, pensions, gratuities, allowances, bonuses or profits sharing bonuses or benefits or any other payments or by creating and from time to time subscribing or contributing to providing and other associations, institutions, funds, profits sharing or other schemes or trusts and by providing or subscribing or contributing towards places of instruction and recreations, hospitals and dispensaries, medical and other attendance and other assistance as the Company shall think fit.

(b) To subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public, political or any other useful institutions, objects or purposes, or for any exhibition.

*The above clauses 62(a)and 62(b) are substituted for clause 62 after confirmation of the Court to this alteration as required by Section 17(2) of the Companies Act, 1956.*
(63) To place to reserve or to distribute as dividend or bonus among the numbers or otherwise to apply as the Company may from time to time think fit, any moneys received by way of premium on shares or debentures issued of dividends accrued on forfeited shares, and moneys arising from the sale by the Company of forfeited shares or from unclaimed dividends.

(64) To adopt such means of making known the products of the company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations.

(66) To dedicate, present or otherwise dispose of either voluntarily or for value any property of the Company deemed to be of national, public or local interest, to any national trust, public body, museum, cooperation or authority or any trustees for or on behalf of any of the same or of the public.

(67) To appropriate use or lay out land belonging to the company for streets, parks, pleasure grounds, allotments, and other conveniences and to present any such land so laid out to the public or to any persons or company conditionally or unconditionally as the Company thinks fit.

(68) To aid, pecuniarily or otherwise, any association body or movement having for an object the solution, settlement, or surmounting of industrial or labour problems or troubles or the promotion of industry and trade.

(69) To do all or any of the above things and all such other things as are incidental or may be thought conducive to the attachment of the above objects or any of them and as principal agents contractors trustees or otherwise and by or through trustee, agents or otherwise and either alone or in conjunction with others, and so that the word “Company” in this Memorandum when applied otherwise than to this Company shall be deemed to include any authority partnership or other body persons, whether incorporated or not incorporated and the intention is that the objects set forth in each of the several paragraphs of this Clause shall have the widest possible construction and shall be in no wise limited or restricted by reference to or inference from the terms of any other paragraph of this Clause or the name of the Company.
IV The Liability of the Members is limited.

The Capital of the Company is Rs.270,00,00,000/- (RUPEES TWO HUNDRED SEVENTY CRORES) divided into 27,00,00,000 Ordinary Shares of Rs.10/- each with the rights, privileges and conditions attaching thereto as are provided by Articles of Association of the Company for the time being, with power to increase and reduce the Capital of the Company and to divide the shares in the capital for the time being, into several rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.

(This Clause has been amended, from time to time, in the following manner):

• Increased to Rs.37 Crores 50 lacs by an Ordinary Resolution passed the Extra Ordinary General Meeting held on May 13, 1985.

• Increased to Rs.50 Crores by an Ordinary Resolution passed at the Extra Ordinary General Meeting held on March 26, 1987.

• Increased to Rs.100 Crores by an Ordinary Resolution passed at the 50th Annual General Meeting held on December 7, 1989.

• Increased to Rs.115 Crores by an Ordinary Resolution passed at the 53th Annual General Meeting held on September 17, 1992.

• Increased to Rs.200 Crores by an Ordinary Resolution passed at the 56th Annual General Meeting held on September 26, 1995.

• Consequent to the Orders of High Court of Judicature at Bombay (dated October 14, 2003) and the High Court of Punjab and Haryana (dated May 19, 2004) sanctioning the arrangement embodied in the scheme of amalgamation of Hind Lever Chemicals Limited with Tata Chemicals Limited under Sections 391 to 394 of the Companies Act, 1956, the Authorised Share Capital of the Company stand increased from Rs.200 Crores to Rs.235 Crores.

• Increased to Rs.270 Crores by an Ordinary Resolution passed at the Extra Ordinary General Meeting held on January 18, 2005.

(On being amended at the ensuing Extraordinary General Meeting of the Company)
We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and respectively agree to take the number of shares in the Capital of the Company set opposite our respective names.

Dated this 23rd day of January 1939.

<table>
<thead>
<tr>
<th>Names of Subscribers</th>
<th>Address and Description of Subscribers</th>
<th>Number of Shares taken by Each Subscriber</th>
<th>Names, Addresses And Description of Witnesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>JEHANGIR R. D. TATA</td>
<td>Chairman, Tata Sons Ltd. Bombay House, Bruce Street, Bombay.</td>
<td>One Ordinary</td>
<td>B. Mancherjee, (Bar-at-Law) Bombay House Bombay</td>
</tr>
<tr>
<td>H. P. MODY</td>
<td>Director, Tata Sons Ltd. Bombay House Bruce Street Bombay.</td>
<td>One Ordinary</td>
<td>B. Mancherjee</td>
</tr>
<tr>
<td>J.H. BHABHA</td>
<td>Tata Power Co. Ltd. Bombay House, Bombay</td>
<td>One Ordinary</td>
<td>B. Mancherjee</td>
</tr>
<tr>
<td>BEHROZE J.M. CURSETJEE</td>
<td>Secretary Tata Iron and Steel Co. Ltd., Bombay</td>
<td>One Ordinary</td>
<td>B. Mancherjee</td>
</tr>
<tr>
<td>J.D. CHOKSI</td>
<td>Solicitor, Bombay House, Bombay.</td>
<td>One Ordinary</td>
<td>B. Mancherjee</td>
</tr>
<tr>
<td>R.D. LAM.</td>
<td>Secretary, Tata Sons Ltd. Bombay House, Bombay</td>
<td>One Ordinary</td>
<td>B. Mancherjee</td>
</tr>
<tr>
<td>K.M. MADAN.</td>
<td>Accountant, Tata Iron and Steel Co. Ltd. Bombay House, Bombay.</td>
<td>One Ordinary</td>
<td>B. Mancherjee</td>
</tr>
</tbody>
</table>
These Articles of Association were adopted by special Resolution on the 1st December 1961.

ARTICLES OF ASSOCIATION

of

Tata Chemicals Limited

TABLE A EXCLUDED

1. The regulation contained in table A, in the First Schedule to the companies Act,1956, shall not apply to this Company, but the regulations for the management of The company and for the observance of the Members thereof and their representatives Shall, subject to any exercise of the statutory powers of the company in reference to The repeal or alteration of, or addition to, its regulations by special Resolution, as Prescribed by the said Companies Act, 1956, be such as are contained in these Articles.

INTERPRETATION

2. In the interpretation of these Articles the following expressions shall have the following meanings, unless repugnant to the subject or context :-

“The Act” or “the said Act” means “The Companies Act, 1956” as amended upto date or other the Act or Acts for the time being in force in India containing the provisions of the Legislature in relation to Companies.

“The Board” or the “Board of Directors” means a meeting of the Directors duly called and constituted or as the case may be the Directors assembled at a Board, or the requisite number of Directors assembled at a Board, or the requisite number of Directors entitled to pass a Circular resolution in accordance with these Articles.

“The Company” or “This Company” means “Tata Chemicals Limited”.

“Directors” means the Directors for the time being of the Company or as the case may be the Directors assembled at a Board.

“Dividend” includes bonus.

Words importing the masculine gender, also include the feminine gender.

“Month” means a calendar month.

“Office” means the regarded office for the time-being of the company.

“Persons” includes corporations as well as individuals

Words importing the plural number, also include the singular number.
“These present” or “Regulations” means these Articles of Association as originally framed or altered from time to time and includes the Memorandum where the context so requires.

“Seals”. “Seal” means the Common seal for the time being of the Company.

Singular Number. Words importing the singular number include the plural number.

Writing”. “Writing shall include printing and lithography and any other mode or modes of Representing or reproducing words in a visible form.

**“Managing Agents or Managing Director(s)” Reference to the term “Managing Agents or Managing Director(s)” in these Articles shall be applicable if and so long as there are managing Agents or managing Director(s) as the case may be, respectively.**

Expression in the Act to bear the Same meaning in Articles. Subject as aforesaid any words or expression defined in the Act shall except where the Subject or context forbids bear the same meaning on these Articles.

Marginal Notes. The marginal notes shall not affect the construction hereof.

### PRELIMINARY

3. The Company has entered into the following Agreements:-

(1) An Agreement dated 15th February 1939 between Tata Sons Limited of the one part and the Company of the other part being as Agreement for taking over the concessions (with the rights privileges and licences attached thereto) in connection with the manufacture of salt and marine minerals and its and their derivatives and by-products.


(3) An Agreement dated 18th February 1939 between the Pioneer Magnesia Works Limited of the first part Behramji Sorabji Lallkaka, Jehangir Rustom Vakil and Nadershaw Sorabji Lalkaka carrying on business in co-partnership under the firm name and style of Pioneer Magnesia Works of the second part and the company of the third part being an Agreement for the sale and transfer of the Works at Mithapur of the Pioneer Magnesia Works Limited, Mentioned in clause III Sub-clause 4 of the Memorandum of Association.

(4) An Agreement dated 15th February 1939 and made between the Company of The one part and Messers. Tata Sons Limited of the other part which Agreement provides for the appointment of Messrs. Tata Sons Limited their successors and assigns as the Managing Agents of the Company.

4. Copies of the Memorandum and Articles of Association and other documents mentioned in section 39 of the Act shall be furnished by the Company to any member at his request within seven days of the requirement subject to the payment of a fee of Rupee One.

*This Article has been inserted by a special Resolution passed at the Twenty-ninth Annual General Meeting held on 20 December, 1968.*
4A. The Company shall have among its objectives the promotions and growth of the national economy through increased productivity, effective utilization of material and manpower resources and continued application of modern scientific and managerial techniques in keeping with the national aspirations and the Company shall be mindful of its social and moral responsibilities to the consumers, employees, shareholders, society and the local community.

**C A P I T A L**

**5.** The present Authorised Capital of the Company is Rs.270,00,00,000/- (RUPEES TWO HUNDRED SEVENTY CRORES) divided into 27,00,00,000 Ordinary Shares of Rs.10/- each.

6. The Preference Shares confer the right to a fixed cumulative preferential dividend at the rate of 5 per cent per annum free of Income-tax on the capital and arrears of dividend whether earned declared or not upto the commencement of the winding up in priority to the Ordinary Shares but shall not confer any further right to participate in the profits or assets.

**EXPLANATION:** In respect of the financial year ended 30th June 1960 and for each subsequent year or other period the fixed cumulative preferential dividend on Preference Shares shall be payable (or deemed to have been payable) at the rate of 7.14 per cent without any deduction there from on account of the Income-tax payable by the Company but subject to such deduction of tax at source in respect of tax payable by the shareholders as may be provided by sub-section (3D) of section 18 of the income-tax Act, 1922 or any statutory modification or replacement thereof or by any Finance Act or any other Act or Rule or Regulation for the time being in force and at such rates as may be prescribed thereby or by any competent authority.

6.A. Subject to the provisions of the Act and these Articles, any unclassified shares for the time being in the capital of the company may be issued either with the sanction of the Company in General Meeting or by the Directors and upon such terms and conditions and with such rights and privileges annexed thereto as by the General Meeting sanctioning the issue of such shares shall be

**(This Article has been amended, from time to time, in the following manner):

- Increased to Rs.37 Crores 50 lacs by an Ordinary Resolution passed at the Extra Ordinary General Meeting held on May 13, 1985.
- Increased to Rs. 50 Crores by an Ordinary Resolution passed at the Extra Ordinary General Meeting held on March 26, 1987.
- Increased to Rs. 100 Crores by an Ordinary Resolution passed at the 50th Annual General Meeting held on December 7, 1989.
- Increased to Rs. 115 Crores by an Ordinary Resolution passed at the 53rd Annual General Meeting held on September 17, 1992.
- Increased to Rs. 200 Crores by an Ordinary Resolution passed at the 56th Annual General Meeting held on September 26, 1995.
- Consequent to the Orders of High Court of Judicature at Bombay (dated October 14, 2003) and the High Court of Punjab and Haryana (dated May 19, 2004) sanctioning the arrangement embodied in the scheme of amalgamation of Hind Lever Chemicals Limited with Tata Chemicals Limited under Sections 391 to 394 of the Companies Act, 1956, the Authorised Share Capital of the Company stands increased from Rs.200 Crores to Rs.235 Crores.
- Increased to Rs. 270 Crores by an Ordinary Resolution passed at the Extra Ordinary General Meeting held on January 18, 2005.

(On being amended at the ensuing Extraordinary General Meeting of the Company)
directed and if no such direction be given and in all other cases as the Directors shall determine and in particulars such shares may be issued with a preferential or qualified right to dividends and in distribution of the assets of the company and any Preference Shares may be issued on the terms that they are or at the option of the Company are liable to be redeemed.

SHARES

7. Subject to the provision of the Act and Articles 64 and the other Articles, the shares in the capital of the company for the time being (including any shares forming part of any increased capital of the company) shall be under the control of the Directors who may allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at a par or (subject to compliance with the provisions of section 79 of the Act) at a discount and at such times as they may from time to time think fit and proper, and with full power subject to the sanction of the Company in General Meeting to give to any person the option to call for or be allotted shares of any class of the Company either at par or at a premium or subject as aforesaid at a discount such option being exercisable at such times and for such consideration the Directors think fit.

8. In addition to and without derogating from the powers for that purpose conferred on the Directors under Article 7 the Company in general meeting may determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members of holders of debentures of the Company or not) in such proportions and on such terms and conditions and either at a premium or at a par or, subject to compliance with the provision of section 79 of the Act, at a discount, as such general meeting shall determine and with full power to give to any person (whether a member or holder of debenture of the company or not) the option to call for or be allotted shares of any class of the company either at a premium or at a par or (subject to compliance with the provisions of section 79 of the Act) at a discount, such option being exercisable at such times and for such consideration as may be directed by such general meeting, or the company in general meeting may make any other provisions whatsoever for the issue, allotment or disposal of any shares. Subject to any direction given by general meeting as aforesaid the provisions of Article 64 hereof shall apply to any issue of new shares.

9. Subject to the provision of the Act and these Articles the Directors may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the company or the conduct of its business and any shares which may be so allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid-up shares.

*9A. In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such shares upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law.

10. The shares in the capital of the Company shall be numbered progressively according to their several denominations, and, except in the manner hereinafter mentioned, no share shall be sub-divided.

* Inserted vide Special Resolution passed at the Annual General Meeting held on September 17, 1998.
11. An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for purpose of these Articles be a member.

12. The money (if any) which the Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by him accordingly.

13. If by the conditions of allotment of any share the whole or part of the amount or issue price thereof is payable by installment every such installment, shall when due be paid to the Company by the person who for the time being and from time to time shall be registered holder of the share or his legal representative.

14. Except as required by law no person shall be recognised by the Company as holding any shares upon any trust and the Company shall not be bound by, or be compelled in any way, to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share, or (except only as by these Articles or as ordered by a Court of Competent jurisdiction or by law otherwise provided) any other rights in respect of any share except an absolute right holder to the entirely thereof in the registered.

UNDERWRITING AND BROKERAGE

15. The Company may subject to the provisions of section 76 and other applicable provisions (if any) of the Act at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or his procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any shares in or debentures of the company but so that the amount or rate of commission does not exceed in the case of shares 5% of the price at which the shares are issued and in the case of debentures 2½% of the price at which the debenture are issued. The commission may be satisfied by the payment of cash or the allotment of fully or paid shares or debenture or partly in the one way and partly In the other. The Company may also on any issue of shares or debenture pay such brokerage as may be lawful.

CERTIFICATES

16(a) The certificate of title to, shares shall be issued under the seal of the Company which shall be affixed In the presence of and signed by (i) two Directors or persons acting on behalf of the Directors under a duly registered Power of Attorney; and (ii) the secretary or some other person appointed by the Board for the purpose;

*Inserted by Special Resolution passed at the Twenty-ninth Annual General Meeting held on 20 December, 1968 and the Thirtieth Annual General Meeting held on 21 November, 1969.
PROVIDED ALWAYS that notwithstanding anything contained, in this Article, the certificate of title to shares may be executed and issued in accordance with such other provisions of the Act or the Rules made thereunder as may be in force for the time being and from time to time.

(b) Every member shall be entitled without payment to one certificate for all the shares registered in his name or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates each for one or more shares. Every certificate of shares shall specify the number and denoting numbers of the shares in respect of which it is issued and the amount paid thereon and shall be in such form as the Directors shall prescribe or approve.

17. The company shall within three months after the allotment of any of its shares or debenture and within two months after the application for the registration of the transfer of any such shares or debentures complete and have already for delivery the certificate of all shares and debentures allotted or transferred unless the conditions of issue of shares or debentures otherwise provide and the company shall otherwise comply with the requirements of section 113 & other applicable provisions (if any) of the Act.

18. If any certificate be worn out defaced or rendered useless then upon production thereof to the Directors they may order the same to be cancelled and may issue a new certificate in lieu thereof, and if any certificate be lost or destroyed then upon proof thereof to the satisfaction of the Directors and on such indemnity as the Directors deem adequate being given a new certificate in lieu thereof salary given to the party entitled to such lost or destroyed certificate. The sum of Re.1 shall be paid to the Company for every certificate issued under this Article, Provided that no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the cages on the reserve for recording transfers have been fully utilised.

CALLS

19. The Board of Directors may from time to time, but subject to the conditions hereinafter mentioned, make such calls as they think fit upon the members in respect of all monies unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the directors. A call may be made payable by installment.

20. Where after the commencement of the Act, any calls for further share capital are made on a uniform basis on all shares falling under the same class. For the purposes of this article, shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

21. No call shall exceed one-fourth of the nominal amounts of the share or be made payable within two months after the last proceeding call was payable.

22. Fifteen day’s notice at the least of every call otherwise than on allotment Shall be given specifying the time of payment; Provided that before the time for payment of such call the directors may by notice in writing to the members revoke the same.
23. A call shall be deemed to have been made at the time when resolution of
the board of Directors authorising such call was passed and may be made
payable by the members whose names appear on the Register of Member on
such date or at the discretion of the Directors on such subsequent date as shall
be fixed by the Directors.
24. The Directors may form time to time, at their discretion, extend the time
fixed for the payment of all or any call, and may extend such time as to all or
any of the members who from residence at a distance or other cause, the
Directors may deem entitled to such extension, but no member shall be
entitled to such extension save as a matter of grace and favor.
25. If by the terms of issue of any share or otherwise any amount is made
payable at any fixed time or by instalments at fixed times (whether on account
of the amount of the share or by way of premium) every such amount or
installment shall be payable as if it were a call duly made by the Directors and
of which due notice has been given and all the provisions herein contained in
respect of calls shall relate to such amount or installment accordingly.
26. If the sum payable in respect of any call or installment be not paid on or
before the day appointed for payment thereof the holder for the time being or
allottee of the share in respect of which a call shall have been made or the
installment shall be due shall pay interest on the same at such rate of interest
as may be determined by the Directors, from time to time, from the day
appointed for the payment thereof to the time of actual payment but the
Directors may waive payment of such interest wholly or in part.
27. Neither a judgment nor a decree in favor of the Company for call or other
moneys due in respect of any shares nor any part payment or satisfaction
thereunder nor the receipt by the Company of the portion of any money which
shall from time to time be due from any member in respect of any share either
by way of principal or interest nor any indulgence granted by the Company in
respect of the payment of any money shall preclude the forfeiture of such
shares as herein provided.
28. Subject to the provision of the Act and these Articles, on the trial or
hearing of any action or suit brought by the Company against any member or
his legal representative for the recovery of any money claimed to be due to
the Company in respect of any shares it shall be sufficient to prove that the
name of the member in respect of whose shares the money is sought to be
recovered appears entered on the Register of Members as the holder of the
shares in respect of which such money is sought to be recovered; that the
resolution making the call is duly recorded in the minutes book; and that
notice of such call was duly given in pursuance of these resents; and it shall
not be necessary to prove the appointment of the Directors who made such
call nor any other matter whatsoever, but the proof of the matters aforesaid
shall be conclusive evidence of the debt.
29. The Directors may, if they think fit, receive from any member willing to
advance the same, all or any part of the moneys due upon the shares, held by
him beyond the sums actually called for; and upon the moneys so paid in
advance or so much thereof as form time to time exceeds the amount of the
calls then made upon the shares in respect of which such advance has been
made the Company may pay Interest at such rate as the member paying such
sum in advance and the Directors

Call to date from
Resolution.

Directors may
extend Time.

Amount payable at
fixed time or by
installment as calls.

When interest on
call or installment
payable.

Judgment, decree
or partial payment
not to preclude
forfeiture.

Proof on trial of
suit for money due
on shares.

Payment in
anticipation of calls
may carry interest.

* Amended by a special Resolution passed at the thirty-fifth Annual General
  Meeting held on 17 December, 1974
** Article 26 & 36 Amended by Special Resolution passed at the Fifty-fourth Annual
  General Meeting held on 9th September, 1993.
agree upon and the Company may at any time repay the amount so advanced upon giving to such member three months’ notice in writing.

**FORFEITURE, SURRENDER AND LIEN**

<table>
<thead>
<tr>
<th>If call or instalment not paid, notice must be given.</th>
</tr>
</thead>
<tbody>
<tr>
<td>30. If any member fails to pay the whole or any part of any call or installment or any money due in respect of any shares either by way of principle or interest on or before the day appointed for the payment of the same the Directors may at any time thereafter during such time as the call or installment or any part thereof or other moneys remain unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part serve a notice on such member or on the person (if any) entitled to the share by transmission requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses (legal or otherwise) that may have been incurred by the Company by reason of such non-payment.</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Terms of notice.</th>
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</thead>
<tbody>
<tr>
<td>31. The notice shall name a day (not being less than 14 days from the date of notice) on which such call installment or such part or other moneys as aforesaid and such interest and expenses as aforesaid are or be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed the shares in respect of which the call was made or installment is payable will be liable to be forfeited.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>In default of payment shares to be forfeited.</th>
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</thead>
<tbody>
<tr>
<td>32. If the requirement of any such notice as aforesaid not be complied with, any of the shares in respect of which such notice has been given, may at any time thereafter before payment of all calls or instalments, interest and expenses or other moneys due in respect thereof, be forfeited by a resolution of the Directors to the effect. Such forfeiture shall include all dividends declared in respects of the forfeited shares and not actually paid before the forfeiture.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Entry of forfeiture in register of members.</th>
</tr>
</thead>
<tbody>
<tr>
<td>33. When any share has been so forfeited, an entry of the forfeiture with the date thereof shall be made in the Register of Members.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Forfeited shares to be property of the Company and may be solds etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>34. Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the original holder thereof, or to any other person, upon such terms and in such manner as the Directors shall think fit.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Power to annual forfeiture.</th>
</tr>
</thead>
<tbody>
<tr>
<td>35. The Directors may at any time before any share so forfeited shall have been sold re-allotted or otherwise disposed of annual the forfeiture thereof upon such conditions as they think fit.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Shareholder still liable to pay money owing at time of forfeiture and interest.</th>
</tr>
</thead>
<tbody>
<tr>
<td>36. Any member whose shares have been forfeited shall not withstanding the forfeiture be liable to pay and shall forthwith pay to the Company all call instalments interest expenses and other monies owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment at such rate of interest as may be determined by the Directors from time to time, and the Directors may enforce the payment of the whole or a portion thereof they think fit but shall not be under any obligation to do so.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Surrender of shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>37. The Directors may subject to the provision of the Act, accept a surrender of any share from by any member desirous of surrendering on such terms as they think fit.</td>
</tr>
</tbody>
</table>

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*Articles 36 Amended by a Special Resolution passed at the Fifty-fourth Annual General Meeting held on 9 September, 1993.*
38. The company shall have no lien on its fully paid shares. In the case of partly paid up shares the Company shall have a first and paramount lien only upon all money called or payable at a fixed time in respect of such shares. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company’s lien, if any, on such share. The Directors may at any time declare any shares to be whole or in part exempt from the provisions of this Article.

39. For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale be made until such periods as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such members or the person (if any) entitled by transmission to the shares and default shall have been made by them in payment. Fulfillment or discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the Purchaser thereof and the Purchaser shall registered as the holder of the shares comprised in any such transfer. Upon any such sale as aforesaid, the certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in lieu thereof to the purchaser or purchasers concerned.

40. The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards the satisfaction of such debts, liabilities or engagements of such members and the residue (in any) paid to such member or the person (if any) entitled by transmission to the shares so sold.

41. A certificate in writing under the hands of two Directors, and [so long as the appointment of Managing Agents in force] countersigned by the Managing Agents, that the call in respect of a shares was made, and notice thereof given, and that default In payment of the call was made, and that the forfeiture of the share was made, by a Resolution of the Directors so that effect, shall be conclusive evidence of the fact Stated therein as against all person entitled to such share.

42. The company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity In the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share.

**TRANSFER AND TRANSMISSION OF SHARES**

43. The company shall keep a book to be called the “Register of Transfers” and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share.

44. [Shares in the company may be transferred by an instrument in writing in such form and by such procedure as from time may be prescribed by law. Subject thereto the Directors may prescribed a common form for instrument of transfer, which may from time to time be altered by the Directors.]
FOR THE CONSIDERATION stated below the “Transferor(s)” named do hereby transfer to the “Transferee(s)” named the shares specified below subject to the several conditions on which the said share are now held by the Transferor(s) and the Transferee(s) do hereby agree to accept and hold the said shares subject to the conditions aforesaid.

<table>
<thead>
<tr>
<th>Full name of Company or Undertaking</th>
<th>No. in figures</th>
<th>Number in words</th>
<th>Description of Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distinctive Numbers</td>
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<tr>
<th>TRANSFER FROM</th>
<th></th>
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<tbody>
<tr>
<td>TRANSFEROR(S)</td>
<td>..........................................................</td>
<td>..........................................................</td>
<td></td>
</tr>
<tr>
<td>Name(S) in full</td>
<td>..........................................................</td>
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<td>(preferably typewriting or in block capitals)</td>
<td>..........................................................</td>
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</tr>
<tr>
<td>CONSIDERATION (in words)</td>
<td>Rupees ..........................................................</td>
<td>Rupees ..........................................................</td>
<td></td>
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</tbody>
</table>

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<thead>
<tr>
<th>TRANSFER TO</th>
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<tbody>
<tr>
<td>TRANSFEROR(S)</td>
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<tr>
<td>Name(s) in full</td>
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<td>(Preferably typewrite Or in block capitals)</td>
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</table>

SIGNED, SEALED and DELIVERED by the parties to this transfer this ...............day of

.................one thousand nine hundred and ............

| Signature of witness | .......................................................... | Signature(s) of Transferee(s) | .......................................................... |
| Address             | .......................................................... |                          | .......................................................... |
|..........................................................| .......................................................... |                          | .......................................................... |

| Signature of witness | .......................................................... | Signature(s) of Transferee(s) | .......................................................... |
| Address             | .......................................................... |                          | .......................................................... |
|..........................................................| .......................................................... |                          | .......................................................... |

<table>
<thead>
<tr>
<th>Mr. Mrs. or Miss</th>
<th>OCCUPATION</th>
<th>ADDRESS</th>
<th>FATHER’S/HUSBAND’S NAME</th>
</tr>
</thead>
<tbody>
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<td></td>
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<tr>
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</table>

The Directors may from to time alter or vary the form of such transfer.

45. (1) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee.

(2) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
(3) For the purposes of Sub-Clause(2) above notice to the transferee shall be deemed to have been duly given if it is despatched by prepaid registered post to the transferee at the address given in the instrument if transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

46. Every such instrument of transfer shall be signed both by the transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof.

47. The company shall not register a transfer of shares in the Company unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares, or of no such share certificate is in existence, along with the letter of allotment of the shares; Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, Provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of Law.

48. Subject to the provision of Section III of the Act, or any statutory modification thereof for the time being in force, the Directors may, at their own absolute and uncontrolled discretion and without assigning any reason decline to register or acknowledge any transfer of shares and in particulars may so decline in any case in which the Company has a lien upon the shares or any of them or whilst any moneys in respect of the shares desired to be transferred or any of them remain unpaid or unless the transferee is approved by the Directors and such refusal shall not be affected by the fact that the proposed transferee is already a member. The registration of a transfer shall be conclusive evidence of the approval by the Directors of the transferee.

49. If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within two months from the date on which the instrument of transfer or intimation of transmission was lodged with the Company send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and thereupon the provision of Section III of the Act or any statutory modification thereof for the time being in force shall apply.

50. A transfer of a share in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.

51. The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.
52. The Directors shall have power on giving not less than seven day’s
previous notice by advertisement as required by section 154 of the Act to
close the transfer books of the Company for such period or periods of time not
exceeding in the whole 45 days in each year but not exceeding 30 days at a
time as to them may seem fit.

53. The executors or administrators of a deceased member or a holder of a
Succession Certificate (whether European, Hindu, Mahomedan, Parsi or
otherwise not being one of two or more joint-holders) shall be the only person
whom the company will be bound to recognise as having any title to the
shares registered in the name of such member and the Company shall not be
bound to recognise such executors or administrators unless such executors
and administrators shall have first obtained Probate or Letters of
Administration as the case may be, from a duly constituted Court in India,
provided that in any case where the Directors in their absolute discretion think
fit, the Directors may dispense with production of Probate or Letters of
Administration or Succession Certificate and under the next Article, register
the name of any person who claim to be absolutely entitled to the shares
standing in the name of deceased member, as a member.

54. Subject to the provisions of the Act and these Articles, any person
becoming entitled to any share in consequence of the death, lunacy,
bankruptcy or insolvency of any member or by any lawful means other than
by a transfer in accordance with these presents may, with the consent of the
Directors (which they shall not be under any obligation to give) upon
producing such evidence that he sustain the character in respect of which he
proposes to act under this Article or of his title as the Directors shall require
either be registered as a member in respect of such shares or elect to have
some person nominated by him and approved by the Directors registered as a
member in respect of such shares; Provided nevertheless that if such person
shall elect to have his nominees registered he shall testify his election by
executing in favor of his nominee an instrument of transfer in accordance with
the provisions therein contained and until he does so he shall not be freed from
any liability in respect of such shares. This Clause if herein referred to as the
Transmission Clause.

55. Subject to the provision of the Act and these Article, the Directors shall
have the same right to refuse to register a person entitled by transmission to
any shares or his nominee as if he were the transferee named in an ordinary
transfer presented for registration.

56. Every transmission of share shall be verified in such manner as the
Directors may require and the Company may refuse to register any such
transmission until the same be so verified or until or unless an indemnity be
given to the Company with regard to such registration which the Directors at
their discretion shall consider sufficient, proved nevertheless that there shall
not be any obligation on the company or the Directors to accept any
indemnity.

57. A fee not exceeding annas four per share may be charged in respect of
the transfer or transmission to the same party of any number of shares of any
class or denomination subject to such maximum on any one transfer or
transmission as may from time to time be fixed by the Directors. Such
maximum, may be a single fee payable on any one transfer or on transmission
of any number of shares of one class or denomination or may be on a
graduated scale varying with the number of shares of any one class comprised
in one transfer or transmission or may be fixed in any other manner as the
Directors in their discretion determine. (*The Directors may, at their
desecration waive the payment of any transfer/transmission fee, either
generally or in any particular case or cases).

*Inserted by a Special Resolution passed at the Twenty-fifth Annual General Meeting held on 19 November, 1964.
58. The company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of share made, or purporting to be made by any apparent owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right title or interest to or in the same share notwithstanding that the Company may have had notice of such equitable right title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered to referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

CONVERSION OF SHARES INTO STOCK

59. The Company may, by ordinary resolution of the Company in General Meeting :-

(a) convert any paid-up shares into stock; and
(b) re-convert any stock into paid-up shares of any denomination.

60. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit; Provided that, the Board may, from time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the shares from which the stock rose.

61. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except dividends, participation in profits, of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

62. Such of the regulations of the Company as are applicable to paid–up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stockholder” respectively.

INCREASE, REDUCTION AND ALTERATION IN CAPITAL

63. (A) The Company may from time to time in General Meeting increase its share capital by the creation of new shares of such amount as it thinks expedient.

(b) Subject to the provisions of the Act, the new shares, shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as by the General Meeting creating the same shall be directed and if not direction be given as the Directors shall determine; and in particular such share may be issued with a preferential or qualified right to dividends and in distribution of assets of the Company and any Preference Shares may be issued on the terms that they are or at the option of the Company are to be redeemed.
64. Where it is proposed to increase the subscribed capital of the Company by allotment of further shares, then such further shares, shall be offered to persons who, at the date of the offer, are holders of the Ordinary Shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date, and such offer shall be made in accordance with the provisions of Section 81 of the Act. Provided that notwithstanding anything hereinbefore contained, the further shares aforesaid may be offered to any persons, whether or not those persons include the persons who, at the date of the offer, are holders of the Ordinary Shares of the Company, in any manner whatsoever:

(a) If a Special Resolution to that effect is passed by the Company in General Meeting, or

(b) Where no such Special Resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favor of the proposal contained in the Resolution move in that General Meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied on an application made by the Board of Directors in that behalf, that the proposal is most beneficial to the Company.

65. Except so far as otherwise provided by the conditions of issue or by these presents any capital raised by the creation of new shares shall be considered apart of the original ordinary capital and shall be subject to the provisions therein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, surrender, voting and otherwise.

66. (1) The Company shall not have the power to buy its own shares unless the consequent reduction of capital is effected and sanctioned in pursuance of Article 68 or in pursuance of Sections 100 to 104 or Section 402 or other applicable provisions (if any) of the Act.

(2) Except to the extent permitted by Section 77 or other applicable provisions (if any) of the Act the Company shall not give whether directly or indirectly and whether by means of a loan, guarantee, the provisions of security or otherwise any financial assistance for the purpose of, or in connection with the purchase or subscription made or to be made by any person of or for any shares in the Company.

(3) Nothing in this Article shall effect the right of the Company to redeem any redeemable Preference Shares issued under Article 63 or under Section 80 or other relevant provisions (if any) of the Act or of any previous Companies Law.

*66A. Notwithstanding anything contained in these Articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back such of the Company’s own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, as may be permitted by the law.

* Inserted vide Special Resolution passed at the fifty ninth Annual General Meeting of the Company held on September 17, 1998.
67. On the issue of redeemable Preference Shares under the provisions of Article 63 the following provisions shall take effect:-
(a) No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption;
(b) No such shares shall be redeemed unless they are fully paid;
(c) The premium, of any payable on redemption shall be provided for out of the profits of the Company or out of the Company’s share premium account, before the shares are redeemed;
(d) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a Reserve Account to be called “The Capital Redemption Reserve Account”, a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of a Company shall except as provided under Section 80 of the Act or herein, apply as if the Capital Redemption Reserve Account were the paid up share capital of the Company;
(e) Subject to the provisions of Section 80 of the Act and this Article the redemption of Preference Share hereunder may be effected in accordance with the terms and conditions of their issue and failing that in such manner as the Directors may think fit.

68. The Company may from time to time by Special Resolution reduce, its share capital in any way authorized by law and in particular may pay off any paid up share capital upon the footing that it may be called up again or otherwise and may if and so far as is necessary alter its Memorandum by reducing the amount of its share capital and of its shares accordingly.

69. The Company may in General Meeting alter the conditions of its Memorandum as follows:-
(a) Consolidate and divide all or any of its share capital into shares or larger amounts than its existing shares.
(b) Sub-divide its shares or any of them into shares of smaller amounts than originally fixed by the Memorandum subject nevertheless to the provisions of the Act and of these Articles.
(c) Cancel share which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

70. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of the issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

71. The Company shall not after 1st April, 1956, issue any shares (not being Preference Shares) which carry voting rights or rights in the Company as to divided capital or otherwise which are disproportionate to the rights attached to the holders of other shares (not being Preference Shares).

**MODIFICATION OF CLASS RIGHTS**

72. It at any time the share capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be varied, modified, abrogated or dealt with, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or

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*68. The Company may from time to time by Special Resolution reduce, its share capital in any way authorized by law and in particular may pay off any paid up share capital upon the footing that it may be called up again or otherwise and may if and so far as is necessary alter its Memorandum by reducing the amount of its share capital and of its shares accordingly.

*69. The Company may in General Meeting alter the conditions of its Memorandum as follows:-

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* Special Resolution passed at the Forty-fourth Annual General Meeting held on 14 October, 1983. Capital of the Company is reduced from 30 crores to 28.50 crores by cancellation of 7.149 Cumulative Preference Shares.
With the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of the class, and all the provisions contained in these Articles as to General Meetings (including the provisions relating to quorum at such meetings) shall *mutatis mutandis* apply to every such meeting.

**JOINT-HOLDERS**

73. Where two or more persons are registered as the holders of any share they shall be deemed the same as joint-tenants with the benefits of survivorship subject to the following and other provisions contained in these Articles:

(a) The Company shall be entitled to decline to register more than six persons as the holder of any share.

(b) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of the such share.

(c) On the death of any of such joint-holders the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they any deem fit and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.

(d) Any one of such joint-holders may give effectual receipt of any dividends or other monies payable in respect of such share.

(e) Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate relating to such share to receive documents (which expression shall be deemed to include all documents referred to in Article 218) from the company and any documents served on or sent to such person shall be deemed service on all the joint-holders.

(f) Any one of two or more joint-holders may vote at any meeting either personally or by attorney duly authorised under a power of attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy or by attorney then that one of such persons so presents whose name stands first or higher (as the case may be) on the Register in respect of such share shall alone be entitled to vote in respect thereof. Provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint-holder present by an attorney duly authorised under power of attorney or by proxy although the name of such joint holder present by an attorney or proxy although the name of such joint –holders present by an attorney or proxy stands first or higher in the Register in respect of such shares. Several executors or administrators of a deceased member in whose (deceased member’s) sole name any shares stands shall for the purpose of this sub-clause be deemed joint–holders.

**73A**

(i) **Definitions** : For the purpose of this Article:
- ‘Beneficial Owner’ means a person or persons whose name is recorded as such with a depository;
- ‘SEBI’ means the Securities and Exchange Board of India;
- ‘Depository’ means a company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992; and
- ‘Security’ means such security as may be specified by the SEBI Board from time to time.

(ii) **Dematerialisation of Securities.** Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to
offer securities in a dematerialised form pursuant to the Depositories Act, 1996.

(iii) Options for Investors: Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates of Securities.

If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

(iv) Securities in Depositories to be in fungible form: All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187A, 187B, 187C and 372 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

(v) Rights of depositories and Beneficial Owners
(a) Notwithstanding any thing to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
(b) Save and otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
(c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

(vi) Service of Documents: Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

(vii) Transfer of Securities: Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer or securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

(viii) Allotment of Securities dealt with in a Depository: Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

(ix) Distinctive numbers of Securities held in a depository: Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

(x) Register and Index of beneficial owners: The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.”

BORROWING POWERS

Power to borrow. *74. Subject to the provision of the Act and these Article and without prejudice to the other powers conferred by these Article the Directors shall have

*At the Extra Ordinary General Meeting held on 28 May, 1986 borrowing limit was increased to Rs. 300 Crores.
*At the 48th Annual General Meeting held on 16 September 1987 borrowing limit was increased to Rs. 400 Crores.
*At the 50th Annual General Meeting held on 7 December 1989 borrowing limit was increased to Rs 1000 Crores.
*At the 53rd Annual General Meeting held on 3 September 1991 borrowing limit increased to Rs. 1500 Crores.
*At the 55th Annual General Meeting held on 25 August 1994 borrowing limit increased to Rs 3000 Crores.
**Article 73 (A) added to provide for dematerialization for securities, 59th AGM held on 17 the September 1998.
the power from time to time at their discretion to borrow any sum or sums of money for the purpose of the Company provided that the total amount borrowed at any time together with the moneys already borrowed by the company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is so says, reserves not set apart for any specified purpose.

75. Subject to the provisions of the Act and these Articles the Directors may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think for and in particular by the issue if bonds, perceptual or redeemable, debentures or debenture-stock, or any mortgage or charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

76. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

77. Debentures, debenture-stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

78. Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or other securities may be issued at a discount premium or otherwise ad with any privileges and conditions as to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting.

79. If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed or if permitted by the Act by instrument under the Seal authorise the person in whose favour such mortgage or security is executed or any other person in trust for him to make calls on the members in respect of such uncalled capital and the provisions hereinbefore contained in regard to calls shall mutatia mutandis apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Directors power or otherwise and shall be assignable if expressed so to be.

80. Subject to the provisions of the Act and these Articles if the Director’s or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company the Directors may execute or cause to be executed any mortgage charge or security over to affecting the whole or any part of the assets of the Company by way if indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.
81. (1) the Company shall, in addition to any other meetings, hold a general meeting (herein called and “Annual General Meeting”) at the intervals and in accordance with the provisions herein specified. The Annual General Meeting of the Company shall be held within six months after the expiry of each financial year; Provided however that if the Register of Companies shall have for any special reason extended the time within which any Annual General Meeting shall be held by a further period not exceeding three months, the Annual General Meeting may be held within, the additional time fixed by the Registrar. Except in the case where the Registrar has given an extension of time as aforesaid for holding any Annual General Meeting, not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next.

(2) Every Annual General Meeting shall be called for a time during business hours and on such day (not being public holidays) as the Directors may from time to time determined it shall be held either at the Registered Office of the Company or at some other place within the City of Bombay. The Notice calling the meeting shall specify it as the Annual General Meeting.

82. All the General Meeting other than the Annual General Meeting shall be called Extraordinary General Meeting.

83. The Board of directors may call an Extraordinary General Meeting whenever they think fit.

84. (1) The Board of Directors shall, on the requisition of such number of members of the Company as hold in regard to any matter at the deposit of the requisition, not less than one-tenth of such of the paid-up capital of the Company as at that date carries the right of voting in regard to that matter, forthwith proceed duly to call an Extraordinary General Meeting of the Company and the provisions of Section 169 of the Act (including the provisions below) shall be applicable.

(2) the requisition shall set out the matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists, and shall be deposited at the registered office of the company.

(3) the requisition may consist of several documents in like form, each signed by one or more requisitionists.

(4) Where two or more distinct matters are specified in the requisitions, the provisions of sub-clause (1) above shall apply separately in regard to each such matter; and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that sub-clause is fulfilled.

(5) If the Board of Directors does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the meeting may be called by the requisitionists themselves or by such of the requisitionists as represented either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of such the paid-up share capital of the Company as is referred to in sub-clause (1) above whichever is less.

(6) A meeting called under sub-clause (5) above by the requisitionists or any of them shall be called in the same manner, as nearly as possible, as that in which
meeting are to be called by the Board, but shall not be held after the expiration of three months from the date of the deposit of the requisition.

(7) Any reasonable expenses incurred by the requisitionists by reason of the failure of the board duly to call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the company by way of fees or other remuneration for their services to such of the Directors as were in default.

85.(1) A General Meeting of the Company may be called by giving not less than 21 days notice in writing.

(2) However, a General Meeting may be called after giving shorter notice than 21 days, if the consent is accorded thereto;

(i) in the case of an Annual General Meeting by all the members entitled to vote thereat; and

(ii) in the case of any other meeting, by members of the Company holding not less than 95% of such part of the paid-up share capital of the Company as gives a right to vote at that meeting.

PROVIDED THAT where any members of the Company are entitled to vote only on some Resolution or Resolutions to be moved at the meeting and not on the others, those members shall be taken into account for the purpose of this sub-clause in respect of the former Resolution or Resolutions but not in respect of the latter.

86 (1) Every notice of a meeting of the Company shall specify the place, the date and hour of the meeting, and shall contain a statement of the business to be transacted thereat.

(2) In every notice there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself, and that a proxy need not be a member of the Company.

87.(1) In the case of Annual General Meeting all business to be transacted at the meeting shall be deemed special, with the exception of business relating to:-

(i) the consideration of the Account, Balance Sheet and profit and Loss Account and the Report of the Board of directors and of the Auditors;

(ii) the declaration of dividend;

(iii) the appointment of Directors in the place of those retiring;

(iv) the appointment of and the fixing of the remuneration of the auditors

(2) In the case of any other meeting all business shall be deemed special.

(3) Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such items of business including in particular, the nature of the concern or interest, if any, therein of every Director and *[so long as the appointment of the Managing Agents is in force of the managing Agents].

*Amended by a Special Resolution passed at the Twenty-ninth Annual General meeting held on 20 December, 1968
Provided, however, that where any item of special business as aforesaid to be transacted at a meeting of the Company relates to, or affects, any other Company, the extent of shareholding interest in that other Company of every Director, and the Managing Agents, of the Company [so long as the appointment of the Managing Agents is in force] shall also be set out in the Explanatory statement, if the extent if such shareholding interest is not less than 20 (twenty) per cent of the paid-up share capital of that other company.

(4) Where any item of business to be transacted at the meeting of the company consists of according the approval of the meeting to any document, the time and place where the document can be inspected shall be specified in the explanatory statement.

Service of notice

88. Notice of every meeting shall be given to every member of the Company in any manner authorised be sub-sections(1) to 94) of section 53 of the Act and these Articles. It shall be given to the persons entitled to a share in consequence of the death or insolvency of a member, by sending it through the post in a prepaid letter addressed of the insolvent, or by any like description, at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred. Provided that where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighborhood of the registered office of the Company under sub-section (3) of section 53 of the act, the Explanatory Statement need not be annexed to the notice as required by section 173 of the said Act, but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

Notice to be given to the Auditors.

89. Notice of every meeting of the Company shall be given to the Auditor or Auditors for the time being of the Company in any manner authorised by Section 53 in the case of any member or members of the Company.

As to omission to given notice.

90. The accident omission to give motive of any meeting to or the nonreceipt of any notice by any member or other person to whom it should be given shall not invalidate the proceeding at the meeting.

Resolutions requiring special notice

91. (1) Where, by any provisions contained in the Act or in these Articles special notice is required of any resolution, notice of the intention to move the resolution shall be given to be the Company not less than fourteen days before the meeting at which it is to moved, exclusive of the day on which notice is served or deemed to be served on the day of the meeting.

(2) The Company shall, immediately after the notice of intention move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable, shall given them notice thereof either by advertisement in a newspaper having an appropriate circulation in any other mode allowed by the Articles not less than seven days before the meeting.

(3) If, after notice of the intention to move such a resolution has been given to the Company a meeting is called for a date twenty-eight days or less after the notice has been given, notwithstanding anything contained in sub-clauses (1) and

Inserted by a Special Resolution passed at the Twenty-ninth Annual general Meeting held on 20 December, 1968.
(2) hereof, the notice, though not given within the time required by this Article, shall be deemed to have been properly given for the purposes thereof.

92. The Directors shall prepare the annual list of members and summary and forward the same to the Registrar of Companies, Bombay, in accordance with Section 159 of the Act.

**PROCEEDINGS AT GENERAL MEETING**

93. Five members entitled to vote and present in person shall be a quorum for a General Meeting and no business shall be transacted at any General Meeting unless the quorum requisite be present at the commencement of the business.

94. If within half an hour after the time appointed for the holding of a General Meeting a quorum be not present the meeting if convened on the requisition of shareholders shall be dissolved and in every other case shall stand adjourned to the same day in the next week at the same time and place or to such other day, time and place as the Directors may by notice to the shareholders appoint. If at such adjourned meeting a quorum be not present those members present shall be a quorum and may transact the business for which the meeting was called.

95. No business shall be transacted at any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place.

96. (1) [The Chairman (if any) of the board of Directors shall, if willing, preside, as chairman at every General Meeting, whether Annual or Extra-ordinary, but if there be no such chairman or in case of his absence or refusal, the Deputy Chairman or the vice-chairman (if any) of the Board of Directors shall, if willing, preside, as chairman at such meeting and if there be no such Deputy chairman or vice-Chairman, or in case of their absence or refusal, some one of the Directors (if any be present) shall be chosen to be Chairman of the Meeting].

(2) If at any meeting a quorum of members shall be present, and the chair shall not be taken by the Chairman of the board *[or by the deputy chairman or by the vice-Chairman] or by a Director at the expiration of fifteen minutes from the time appointed for holding the meeting or if before the expiration of that time all the Directors shall decline to take the chair the members present shall choose one of their own number to be Chairman of the meeting.

97 (1) No business shall be discussed at any General Meeting whilst the chair is vacant except the election of a chairman.

(2) If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and these Articles; the Chairman so elected on a show of hands exercising all the powers of the Chairman under the Act on these Articles.

(3) If some other person is elected Chairman as a result of the poll he shall be Chairman for the rest of the meeting

*Substituted by a Special Resolution passed at the thirty-fifth Annual general Meeting held on 17 December, 1974.
Chairman with consent may adjourn meeting.

98. The Chairman with the consent of any meeting at which a quorum is present may adjourn any meeting from time to time and from place to place in Bombay.

Notice to be given where a meeting adjourned.

99. When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

What would be evidence of the passing of a resolution where poll no demanded.

100. At any General Meeting, a resolution put to the vote of the meeting shall unless a poll is demanded, be decided on a show of hands. A declaration by the Chairman that on a show of hands a resolution has or has not been carried, or has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast In favor of or against such resolution.

Demand for poll.

*101. Before or on the declaration of the result of the voting on any resolution on a show of hands, poll may be ordered to be taken by the Chairman of the Meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member of members present in person or by proxy and holding shares in the Company which confer a power to vote on the Resolution not being less than one-tenth of the total voting power in respect of the Resolution or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the person or persons who make the demand.

Time and manner of taking poll.

102. A poll demanded on any question (other than the election of the Chairman or on a question of adjournment which shall be taken forthwith shall be taken at such place in Bombay and at such time not being later than forty-eight hours from the time when the demand as made, as the Chairman may direct, subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

Securities at poll.

103. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to whom. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and to fill vacancies in the office of scrutineers arising this Article, one shall always be a member (not being an officer or employee of the Company) present at the meeting, provided such a member is available and willing to be appointed.

Demanded for poll not to prevent transaction of other business.

104. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

Motion how decided in case of equality of votes.

105. In the case of an equality of votes, whether in a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place.

The Articles 101 has been substituted by a Special Resolution passed at the Forty-ninth Annual General Meeting held on 7 September, 1988.
or at which the poll is demanded, shall be entitled to a casting vote in addition to his own votes or votes to which he maybe entitled as a member.

106. At every Annual General Meeting of the Company there shall be laid on the table the Director’s Report and audited statement of accounts. Auditor’s Report (if not already incorporated in the audited statement of Accounts), the Proxy Register with proxies and the Register of director’s hold n maintained under Section 307 of the Act. The Auditor’s Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

*107. A copy of each of the following Resolutions (together with a copy of the Statement of material facts annexed under Section 173 to the notice of the meeting in which such Resolution has been passed) or Agreements shall, within *[thirty days] after the passing or making thereof, be printed or typewritten and duly certified under the signature of an Officer of the Company and filed with the Registrar;

(a) Special Resolutions;
(b) Resolutions which have been agreed to by all the members of the Company but which, if not so agreed to, would not have been effective for their purpose unless they had been passed as special resolution;
(c) Resolution of the Board or Agreement relating to the appointments, reappointment on the renewal of the appointment or variation of the terms of appointment of a Managing director (if any)
(d) Any agreement relating to the appointment, re-appointment or renewal of the appointment of a managing agent o secretaries and treasurers for the Company, or varing the terms of any such agreement, executed by the Company;
(e) Resolutions or Agreements which have been agreed to by all members of any class of shareholders but which, if nor so agreed to, would not have been effective for their purpose unless they had been passed by some particular majority or otherwise in some particular manner; and all resolutions or agreement which effectively bind all the members of any class of shareholders thought not agreed to by all those members;
(f) Resolutions requiring the Company to be wound up voluntarily passed in pursuance of sub-section (1) of Section 484 of the Act.
(g) Resolutions passed by the Company according consent on the exercise by its Board of Directors of any of the powers under clause (a), clause(d) and clause (e) of sub-section (1) of Section 293 of the act; and
(h) Resolutions passed by the Company approving the appointment of sole selling agents under Section 294 of the Act.

A copy of every Resolution which has the effect of altering the Articles of Association of the Company and a copy of every Agreement referred to in the above items (c), (d) and (e) shall be embodied in and annexed to every copy of the Articles issued after the passing of the Resolution or the Making of the Agreement.

*Amended by Special resolution passed at the Twenty-seventh Annual General Meeting held on 24 November, 1966.
### Minutes of General meeting.

108. The Company shall cause Minutes of all proceedings of every General Meeting to be kept in accordance with the provisions of Section 193 of the Act by making within *thirty days* of the conclusion of every such meeting concern entries thereof in Books kept for that purpose with their pages consecutively numbered. Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed by the Chairman of the same meeting within the aforesaid period *30 days* or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose. In no case the Minutes of the proceeding of a meeting shall be attached to any such book as aforesaid by pasting or otherwise. Any such minutes kept as aforesaid shall be evidence of the proceedings recorded therein.

### Inspection of minute books of General Meeting.

109. The book containing the aforesaid minutes shall be kept at the registered Office and be open during business hours to the inspection of any member without charges subject to such reasonable restrictions as the Company may be these Articles or in General Meeting impose in accordance with Section 196 of the Act. Any member shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of the minutes on payment of such amount for such number of words required to be copied as may be prescribed by the Government from time to time.

### Publication of report of proceedings of General Meeting

110. No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it included the matters require by these Articles or Section 193 of the Act to be contained in the Minutes of the proceedings of such meeting.

### VOTES OF MEMBERS

111. Subject to the provisions of the Act and these Articles, votes may be given either personally or by attorney or by proxy or in the case of a body corporate also by a representative duly authorised under Section 187 of the Act and Article 113.

112. (1) Subject to the provisions of the Act and these Articles, upon a show of hands every member entitled to vote and present in person (including a body corporate present by a representative duly authorised in accordance with the provisions of Section 187 of the Act and articles 113) or by attorney or in the case of a body corporate by proxy shall have one vote.

(2) Subject to the provisions of the Act and these Articles, upon a poll every member entitled to vote a present I [person (including a body corporate present as aforesaid) or by attorney or by proxy shall be entitled to vote and shall have the following voting rights:

- (a) In respect of every ordinary share his voting right shall be in the same proportion as the capital paid up on such ordinary share bears to the total paid up Ordinary capital of the company;

- **(b) In respect of every fully paid preference share his voting right shall be as provided in the Act.**

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*Amended by a special resolution passed at the Twenty-seventh Annual general Meeting held on 24 November, 1966

**Amended by a Special resolution passed at the Thirty-eighth Annual General Meeting held on 8 December, 1977

***Article 109 Amended by a special Resolution passed at the Fifty-fourth Annual General Meeting held on 9th September, 1993.
113. No member not personally present shall be entitled to vote on a show of hands unless such member is present by attorney or unless such member is a body corporate present by a representative duly authorised under Section 187 of the Act or by a proxy in which case such attorney or representative or proxy may vote on a show of hands as if he were a member of the company.

114. Any person entitled under the Transmission Clause (Article 54 hereof to transfer any shares may vote at any General Meeting in respect thereof as if he was the registered holder of such shares provided that at least 48 hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

115. Subject to the provision of the Act no member shall be entitled to be present or to vote at any General Meeting either personally or by proxy or attorney or as a proxy or attorney for any other member or be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member.

116. On a poll taken at a meeting of the Company, a member entitled to more than one vote, or his proxy, or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

117. Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself; but a proxy so appointed shall not have any right to speak at the meeting.

118. Every proxy shall be appointed by an instrument in writing signed by the appointer or his attorney duly authorised in writing, or, if the appointer is a body corporate, be under its Seal or be signed by an officer or an attorney duly authorised by it.

119. (a) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof or shall be deposited at the office of the Company not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall be valid after the expiration of twelve months from the date of its execution except in the case of the adjournment of any meeting first held previously to the expiration of such time. An attorney shall not be entitled to vote unless the power of attorney or other instrument appointing him or notarially certified copy thereof has either been registered in the records of the Company at any time not less than forty-eight hours before the time for holding the meeting at which the attorney proposes to vote or is deposited at the office of the Company not less than forty-eight hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or authority has been registered in the records of the Company, the Company may be notice in writing addressed to the member or the attorney given at least fourteen days before the meeting require him to produce the original power of attorney or authority and unless the same is hereon deposited with the Company not less than forty-eight hours before the time fixed for the meeting the attorney shall to be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-production and deposit.
Inspection of proxies

(b) Every member entitled to vote at a meeting of the Company according to the provisions of these Articles on any resolution to be moved thereat shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxied lodged, at any time during the business hours of the Company provided not less than three day’s notice in writing of the intention so to inspect is given in the Company.

Form of proxy.

120. An instrument appointing a proxy shall be in following form, or shall contain words to the following effect :-

"TATA CHEMICALS LIMITED.

I/We of in the district of of being a member/members of the above-named Company hereby appoint of in the district of or failing him as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting /Extraordinary General Meeting of the Company to be held on the day of and at any adjournment thereof.

Signed this day of 19."

Custody of the instrument.

121. If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine, in the custody of the Company; if embracing other object a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.

Validity of votes given by proxy notwithstanding death of member etc.

122. A vote given in accordance with the terms of an instrument of proxy or by an attorney shall be valid notwithstanding her previous death of the principal or revocation of the proxy or the power of attorney as the case may be or of the power of attorney under which such proxy was signed or the transfer of the share in respect which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the office before the meeting.

Time for objections to votes.

123. Subject to the provisions of the Act and these Articles, no objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote whether given personally or by proxy or by any means hereby authorized and not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

Chairman of any meeting to be the judge of validity of any vote.

124. Subject to the provisions of the Act and these Articles, the Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting, and subject as aforesaid, the Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

Number of Directors.

125. Until otherwise determined by a General Meeting the number of Directors shall not be less than three or more than twenty excluding the Ex-officio Director, the Special director, and Debenture Directors (if any).

* Amended by a Special Resolution passed at the 50th AGM held on 7 December, 1989 maximum No. of Directors increased from 17 to 20.
126. The first Director of the Company were:–
JAHANGIR RUTTONJI DADABHOY TATA, Esq.,
SIR ARDESHIR RUSTOMJI DALAL, Kt.,
SIR COWASJEE JEHANGIR, Bar., K.C.I.E., C.B.E.,
AMBALAL SARABHAI, Esq.,
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DINSHA KHARSEDIJ, Esq.,
WALCHAND HIRACHAND, Esq.,
RAJ RATNA KAPLIRAM VAKIL, M.Sc. Tech. (Mane);
LALA SHIRIAM.

First Directors.

127. Subject to the provisions of the Act, during such time as Tata Industries Private Ltd., on their successors and assigns shall be the Managing Agent of the Company that Company and their successors and assigns shall have the right to appoint an Ex-officio Director of the Company and such Director shall as such be not liable to retire by rotation or subject to the Provisions of the Act be removed from the said office.

Director Ex-officio

128. During such time as Tata Industries Private Ltd., or their successors Subject to the provisions of the Act, during such time as Tata Industries Private Ltd., or their successors and assigns shall be the Managing Agent of the Company that Company and their successors and assigns shall have a right to appoint another person whether a member of Tata Industries Private Limited or not as a Director of the Company. The Director appointed under this Article is herein referred to as “Special Director” and the term Special Director means the Director shall not be liable to retire by rotation or subject to the provisions of the Act be removed from the said office.

Special Director.

129. [The Government of Gujarat] shall have the right from time to time to appoint a Director of the Company and from time to time remove any Director so appointed. The Director appointed under this Article is herein referred to as the “Government Director”. The Government Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed from the said office by the Company.

Government Director

130. Any Trust Deed for securing debentures or debentures stock may, if so arranged, provide for the appointment from time to time by the trustees thereof or by the holders of the debentures or debentures stocks of some person to be a Director of the Company and may empower such trustees or holders of debentures or debenture stock from time to time to remove any Director so appointed. The Director appointed under this Article is herein referred to as the “Debenture Director” and the term “Debenture Director” means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or subject to the provisions of the Act be removed by the Company. The trust Deed may contain such ancillary provisions as may be arranged between the Company and the trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

Debenture Director

130A. Notwithstanding anything to the contrary contained in these Articles, so long as any monies shall be owing by the Company to the Industrial Credit

ICICI Director

*Inserted by a Special Resolution passed at the Thirty-fifth Annual General Meeting held on 17 December, 1974.
**Substituted by a Special Resolution passed at the Thirty-eighth Annual General Meeting held on 8 December, 1977.
& Investment Corporation of India Limited (ICICI) or so long as ICICI holds any Shares/Debentures in the Company as a result of direct subscription or underwriting or so long as any guarantee given by ICICI on behalf of the Company remains outstanding, ICICI shall have the right to appoint from time to time one person as Director on the Board of Directors of the Company (which Director is hereinafter referred to as “the ICICI Director”). The ICICI Director shall not be required to hold qualification shares and shall not be liable to retire by rotation of Directors. ICICI may at any time and from time to time remove the ICICI Director appointed by it and may, in the event of such removal and also in case of death or resignation of the ICICI Director appoint another in his place and also fill any vacancy which may occur as a result of the ICICI Director from office. Each such ICICI Director shall be entitled to attend all the General Meetings, Board Meetings and Meetings of the Committee of which he is a member and he and ICICI shall also be entitled to receive Notices of all such meetings as also the Minutes of all such Meetings. The ICICI Director shall be paid remuneration, fees, allowances, expenses and other monies to which other Directors of the Company are entitled. The ICICI Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company. The ICICI Director shall ipso facto vacate his office immediately the monies owing by the company to ICICI are paid and on ICICI ceasing to hold shares/debenture in the Company.

IFCI Director

130B. Notwithstanding anything to the contrary contained in these Articles, so long as any monies shall be owing by the Company to the Industrial Finance Corporation of India (IFCI), IFCI shall have the right to appoint from time to time one person as Director on the Board of Director of the Company (which director is hereinafter referred to as “the IFCI Director”). The IFCI Director shall not be required to hold qualification shares and shall not be liable to retirement by rotation of Directors. IFCI may at any time and from time to time remove the IFCI Director appointed by it and may, in the event of such removal and also in case of death or resignation of the IFCI Director appoint another in his place and also fill any vacancy which may occur as a result of the IFCI Director ceasing to hold office for any reason whatsoever. Such appointment or removal shall be made in writing by IFCI and shall be delivered to the Company at its Registered Office. The Board of Directors of the Company shall have no power to remove the IFCI Director from office. Each such IFCI Director shall be entitled to attend all the Company’s General Meetings, Board Meetings and Meetings of the Committee of which he is a member and he and IFCI shall also be entitled to received Notices of all such Meetings as also the Minutes of all such Meetings. The IFCI Director shall be paid remuneration, fees, allowances, expenses and other monies to which other Director of Company are entitled. The IFCI Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company. The IFCI Director shall ipso facto vacate his office immediately the monies owing by the Company to IFCI are paid.’

Appointment of Alternate Director

131. Subject to the provisions of the Act the Board of Directors of the Company may appoint an Alternate Director to act for a Director (hereinafter called “the original Director”) during his absence for a period of not less than three months from the State of Mahatastra and such appointment shall have effect and such appointee, whilst he holds office as Alternate Director shall be entitled to notice of

*Inserted by a Special Resolution passed at the Thirty- Seventh Annual General Meeting held on 30 November, 1976.
meeting of the Director and to attend and vote thereat accordingly. An Alternate Director appointed under this Article shall not hold office as such for a period longer than that permissible to the original Director in whose place he has been appointed and shall vacate office if and when the original Director returns to the State of Maharastra. If the terms of office of the original Director is determined before he so returns to the State of Maharastra, any provision in the Act or in these Article for the automatic reappointment of retiring Directors in default of another appointment shall apply to the original Director and not to the Alternate Director.

132. Subject to the provisions of Article 134 and Section 261, 262(2) and 284 (6) and other applicable provisions (if any) of the Act, any casual vacancy occurring in the office of a Director, whose period of office is liable to determination by retirement by rotation may be filled up by the Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date upto which the Director in whose place be is appointed would have held office, if the vacancy had not occurred.

133. Subject to the provision of Article 134 and Section 260,261 and 284(6) and other applicable provisions (if any) of the Act, the Director shall have powers at any time and from time to time appoint a person as Additional Director. The Additional Director shall retire from office at the next following Annual General Meeting, but shall be eligible for re-election.

134.(1) So long as the Company has a Meeting Agents and such Managing Agents is authorized by the Articles or by an Agreement to appoint a Director to the Board, none of the following persons shall be appointed as a Director of the Company whose period of office is liable to determination by retirement of Director by rotation or to fill a casual vacancy in the office of a Director under Section 262, or as an Additional Director under Section 260, or as Alternate Director under Section 313, except by a Special Resolution passed by the Company.

(a) Any person who is an officer or employee of, or who holds any office or place or place of profit under, the company or any subsidiary thereof, Provided that nothing in this sub-clause shall apply to Director of the Company or its subsidiary or to the holder of any office or place of profit under the Company or its subsidiary which may be held by a Director of the Company by virtue of Article 145 or Section 314 of the Act;
(b) Where any office or place of profit which would disqualify a person under sub-clause (a) about read with the proviso there to is held by any firm, any partner, in, or employee of the firm;
(c) where any such office or place of profit is held by a private Company any member, officer or employee of such Company;
(d) where any such office or place of profits is held by a body corporate, any officer or employee of such body corporate;
(e) any person who is entitled by virtue of any agreement to any share of, or any amount out of, the remuneration received by the Managing Agents;
(f) any associate or officer or employee of the Managing Agents; or
(g) any person who is an officer or employee of, or who holds any office or place of profit under any body corporate under the management of the Managing Agents or any subsidiary of such body corporate; provided
that nothing in this sub-clause shall apply to the Director of such body corporate or subsidiary or to the holder of any officer or place of profit under such body corporate by virtue of Article 145 and Section 314 of the Act.

(2) Special notice shall be given of any resolution appointing or approving the appointment of any person referred to in clause 1(a) to (g) of this Article as a Director or an Additional or Alternate Director of the Company or to fill a casual vacancy in the office of a Director. The notice given to the Company to its members shall set out the reasons which make the resolution necessary.

**Share Qualification of Director.**

* 135. A Director of the Company shall not be required to hold qualification shares.

**Remuneration of Directors.**

* * 136. (1) The maximum remuneration of a Director for his services shall be such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board of Directors attended by him; and subject to the limitation provided by the Act such additional remuneration as may be fixed by the Director, may be paid to any one or more of their number for services rendered by him; and the Directors shall be paid further remuneration (if any) as Company in General Meeting shall from time to time determine, and such further remuneration shall be divided among the Directors in such proportion and manner as the Directors may from time to time determine, and in default of such determination within the year equally.

(2) Subject to the limitations provided by the Act the Directors may allow and pay to any Director who is not a bona fide resident of Bombay and who shall come to Bombay for the purpose of attending a meeting such sum as the Directors may consider fair compensation for traveling expenses, in addition to his fees for attending such meeting as above specified, and subject as aforesaid the Directors may from time to time fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the Directors in terms of these articles, and may pay the same.

137. Subject to the limitation provided by the Act if any Director, being willing, shall be called upon to perform extra services, or to make any special exertions in going or residing out of Bombay or otherwise, for any of the purposes of the Company shall remunerate such Director either by a fixed sum or by a percentage of profits or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution for his share in the remuneration above provided.

138. The continuing Directors may act notwithstanding any vacancy in their body; but so that subject to the provisions of the Act if the number falls below the minimum number above fixed and notwithstanding the absence of a quorum, the Directors may be act for the purpose of filling up vacancies or for summoning a General Meeting of the Company or in emergencies.

*Substituted by a Special Resolution passed at the Thirty-fifth Annual General Meeting held on 17 December, 1974.

**Substituted by a Special Resolution passed at the Forty-ninth Annual General Meeting held on 7 September, 1988 – sitting fee increased to Rs.1,000/-.

***Sitting fees increased to Rs.2,000/- on 2nd November, 1993.
139. (I) Subject to the provisions of Section 283(2) of the Act the office of a Director shall become vacant if:

(a) he fails to obtain within the time specified in Article 135 and subsection (1) of section 270 of the Act, or at any time thereafter ceases to hold, the share qualification if any, required of him by these Articles; or

(b) he is found to be for unsound mind by a Court of competent jurisdiction; or

(c) he applies to be adjudicated an insolvent; or

(d) he is adjudged an insolvent; or

(e) he fails to pay any call made on him in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call unless the Central Government has, by notification in the Official Gazette, removed the disqualification incurred by such failure; or

(f) any office or place of profit under the Company or any subsidiary thereof is held by him in contravention of Section 314(1) of the Act; or

(g) he absents himself from three consecutive meetings of the Board of Directors from all meetings of the Board of Directors for a continuous period of three months, whichever, is longer, without obtaining leave of absence from the Board of Directors; or

(h) he becomes disqualified by an Order of the Court under Section 203 of the Act; or

(i) he is removed in pursuance of Articles 159 or Section 284 of the Act; or

(j) he (whether by himself or by any person for his benefit or on his account) or any firm in which he is a partner or any private company of which he is a Director, accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Article 146 of Section 295 of the Act; or

(k) he acts in contravention of Section 299 of the Act and by virtue of such contravention shall have been deemed to have vacated office; or

(l) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months;

(m) he having been appointed a director by virtue of his holding any office or other employment in the Company, or as a nominee of the managing agent of the company, ceases to hold such office or other
employment in the company, or as the case may be, the managing agency come to an end.

(2) Subject to the provisions of the Act a Director may resign his office at any time by notice in writing addressed to the Company or to the Board of Director.

Directors may contract with Company.

140. (1) Subject to the provisions of sub-clauses, (2), (3), (4) and (5) of this Article and the restrictions imposed by Article 147 and the other Articles hereof and the Act observance and fulfillment thereof no Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested, be avoided not shall any Director for any profit realized by any such contract or arrangement by reason only or such Director holding that office, or of the fiduciary relation thereby established, but it is declared that the nature of his interest must be disclosed by him as provided by sub-clauses (2), (3) and (4) hereof.

Disclosure of interest.

(2) Every Director who is in any way whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board of Directors or as provided by sub-clause (4) hereof.

(3) (a) In the case of a proposed contract or arrangement, the disclosure required to be made by a Director under sub-clause (2) above, shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the end of the meeting concerned or interest in the proposed contract or arrangement at the first meeting of the Board held after he becomes so concerned or interested.

(b) In the case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.

General notice of Interest.

(4) For the purpose of this Article, a general notice given to the Board of Directors by a Director to the effect that he is a Director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may after the date of the notice be entered into with that body corporate or firms shall be deemed to be sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for further periods of one financial year at time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. The general notice aforesaid and any renewal thereof shall be given at a meeting of the Board of Directors or the Director concerned shall take reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

(5) Nothing in sub-clauses (2), (3) and (4) hereof shall apply to any contract or arrangement entered into or to be entered into between the Company and any other company. Where are one of the Directors of the Company or two or more of them together holds or hold not more that 2 per cent of the paid-up share capital in the other company.
(6) An interested Director shall not be take any part in the discussions of, or vote on, any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any way, directly or indirectly, concerned or interested in the contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; Provided that this prohibition shall not apply

(i) to any contract of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or a surely for Company;

(ii) to any contract or arrangement entered into with a public company or private company which is a subsidiary of a public company in which the interest of the Director consists solely in his being a director of such company and the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such director by the Company or in his being member holding not more that two per cent of the paid-up share capital of such company.

(iii) in case a notification is issued under sub-section (3) of Section 300 of the Act to the extent specified in the notification.

141. (1) The Company shall keep on or more Registered in which shall be entered separately particulars of all contracts or arrangements to which Section 297 or Section 299 of the Act applies, including the following particulars to the extent they are applicable in each case, namely :-

(a) the date of the contract or arrangement;

(b) the names of the parties thereto;

(c) the principal terms and conditions thereof;

(d) in the case of a contract of which Section 297 of the Act applies or in the case of a contract or arrangement to which sub-section (2) of Section 299 of the Act applies, the date on which it was placed before the Board;

(e) the names of the Directors voting for and against the contract or arrangement and the names of those remaining neutral.

(2) Particulars of every such contract or arrangement to which Section 297 of the Act or, as the case may be sub-section (2) of Section 299 of the Act applies, shall be entered in the relevant Register aforesaid :-

(a) in the case of a contract or arrangement requiring the Board’s approval, within seven days (exclusive of public holidays) of the meeting of the Board at which the contract or arrangement is approved;

(b) in the case of any other contract or arrangement, within seven days of the receipt at the registered office of the Company of the particulars of such other contract or arrangement or within thirty days of the date of such other contract or arrangement, whichever is later;

and the Register shall be placed before the next meeting of the Board and shall then be signed by all the Directors present at the meeting.
(3) The Registered aforesaid shall also specify, in relation to each Director of the Company, the names of the firms and bodies corporate of which notice has been given by him under sub-section (3) of Section 299 of the Act.

(4) Nothing in the foregoing sub-clauses (2), and (3) shall apply to any contract or arrangement for the sale, purchase or supply of any goods, materials or services, if the values of such goods and materials or the cost of such services does not exceed one thousand rupees in the aggregate in any year.

(5) The Register aforesaid shall be kept at the registered office of the Company and shall be open during business hours to the inspection of any member and extracts may be taken therefrom and copies thereof may be required by any member of the Company to the same extent in the same manner and on payment of the same fee as in the case of the register of members of the Company and the provisions of Section 163 shall apply accordingly.

142. A Director of this Company may be, or become a Director of any company promoted by this company, or in which it may be interested as a vendor, member or otherwise, and subject to the provisions of the Act and these Articles, no such Director shall be accountable for any benefits received as Director or member such company.

143. A Director, shall within twenty days of his appointment to or relinquishment of his office as Director, Managing Agent, Managing Director, Manager or Secretary in any other body corporate which are required to be specified under Section 303(1) of the Act. The Company shall enter the aforesaid particulars in a register kept for that purpose in conformity with Section 303 of the Act.

144. A Director shall give notice in writing to the Company of his holding of shares and debentures of the Company or its subsidiary, together with such particulars as may be necessary to enable the Company to comply with the provisions of Section 307. If such notice be not given at a meeting of the Board the Director shall take all reasonable steps to secure that it is brought up and read at the meeting of the Board next after it is given. The Company shall enter particulars of the Directors’ holding of shares and debentures as aforesaid in a register kept for that purpose in conformity with Section 307 of the Act.

145. (1) **Except with the consent of the Company accorded by a special resolution :-

(a) no director of the Company shall hold any office or place of profit and
(b) no partner or relative of such a director, no firm in which such a director or relative is a partner, no private company of which such a director is a director or member, and no director, managing agent, secretaries and treasurers, or manager of such a private company shall hold any office or place of profit carrying a total monthly remuneration or five hundred rupees or more.

except that of managing director, managing agent, secretaries and treasurers manager, legal or technical adviser, banker or trustee for the holders of debentures of the Company :-

(i) under the Company; or

** Amended by a Special Resolution passed at the twenty-seventh Annual General Meeting of the Company held on November 24, 1966
(ii) under any subsidiary of the Company, unless the remuneration received from such subsidiary in respect of such office or place of profit is paid over to the Company or its holding Company;

PROVIDED that is shall be sufficient if the Special Resolution according to consent of the Company is passed at the general meeting of the Company held for the first time after the holding of such office or place of profit;

PROVIDED further that were a relative of a Director, or a firm in which such relative is a partner, is appointed to an office or place of profit under the Company or a subsidiary thereof without the knowledge of the Director, the consent of the Company may be obtained either in the general meeting aforesaid or within three months from the date of the appointment, whichever is later.

Explanation: For the purpose of this sub-clause, a special resolution according consent shall be necessary for every appointment in the first instance to an office or place of profit and to every subsequent appointment to such office or place of profit on a higher remuneration not covered by he special resolution, except where an appointment on a time scale has already been approved by the special resolution.

(2) Nothing is sub-clause (1) shall apply where a relative of a director or a firm in which such relative is a partner holds any office or place of profit under the Company or subsidiary thereof having been appointed to such office or place before such director becomes a director of the Company.

 *[3] If any office or place of profit is held in contravention of the provisions of sub-clause (1) above or except as provided by sub-clause (2) above, the director, partner, relative firm, private company, managing agent, secretaries and treasurers or the manager, concerned, shall be deemed to have vacated his or its office as such on and from the date next following the date of the general meeting of the Company referred to in the first proviso to sub-clause (1) above or, as the case any be, the date of the expiry of the period of three months referred to in the second proviso to sub-clause (1) above, and shall also be liable to refund to the Company any remuneration received or the monetary equivalent of any perquisite or advantage enjoyed by him or it for the period immediately preceding the date aforesaid in respect of such office or place of profit.]

(4) Every individual firm, private company or other body corporate proposed to be appointed to any office or place of profit to which this Article applies shall, before or at the time of such appointment, declare in writing whether he or its is or is not connected with a director of the Company in any of the ways referred to in sub-clause (1) hereof.

(5) For the purpose of this Article, the expressions “any office” or “place of profit” shall have the same meaning as given them in sub-section (3) of Section 314 of the Act.

146. The Company shall observe the restrictions imposed on the Company in regard to grant of loans to Directors and other persons as provided in Section 295 and other applicable provisions (if any) of the Act.
147. (1) Except with the consent of the Board of Directors of the Company and except as provided herein a Director of the Company or his relative, a firm in which such a Director or relative is a partner, any other partner in such a firm, or a private company of which the Director is a member or director, shall not enter into any contract with the Company (a) for the sale, purchase or supply of any goods, materials or service, or (b) for underwriting the subscription of any shares in, or debentures of the Company.

(2) Nothing contained in the foregoing sub-clause (1) shall effect:

(a) the purchase of goods and materials from the Company or the sale of goods and materials to the Company, by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or

(b) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials and services in which either the Company or the Director, relative, firm, partner, or private company as the case may be, regularly trades or does business;

Provided that such contract or contracts do not relate to goods and materials the value of which, or services the cost of which, exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts.

(3) Notwithstanding anything contained in the foregoing sub-clauses (1) and (2), a Director, relative, firm, partner or private company as aforesaid may, in circumstances or urgent necessity, enter, without obtaining the consent of the Board into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract; but in such a case, the consent of the Board shall be obtained at a meeting within three months of the date on which the contract was entered into.

(4) Every consent of the Board required under the clause shall be accorded by a Resolution passed at a meeting of the Board and not otherwise, and the consent of the Board required under sub-clause (1) above shall to be deemed to have been given within the meaning of that sub-clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into.

(5) If consent is not accorded to any contract under this clause anything done in pursuance of the contract shall be voidable at the option of the Board.

(6) The Directors, so contracting or being so interested shall not be liable to the Company for any profit realized by any such contract or the fiduciary relationship thereby established.
148. (1) Not less than two-thirds of the total number of Directors of the Company shall be persons whose period of office is liable to determination by retirement of Directors by rotation and save as otherwise expressly provided in the Act and these Articles, be appointed by the Company in General Meeting.

* (2) The remaining Directors shall be appointed in accordance with the provisions of these Articles (and the Act).

149. At the Annual General Meeting in each year one-third of the Directors for the time being as the liable to retire by rotation or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office.

150. Subject to the provisions of the Act and these Articles, the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lost. Subject to the provisions of the Act, a retiring Director shall retain office until the dissolution of the meeting at which his re-appointment is decided or his successor is appointed.

151. Subject to the provisions of the Act and these Articles, a retiring Director shall be eligible for re-appointment.

152. Subject to the provisions of Section 261 and other applicable provisions (if any) of the Act and these Articles, the Company at the Annual General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.

153. (1) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday till the next succeeding day which is not a public holiday, at the same time and place.

(2) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless-

(a) at that meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost;
(b) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed;
(c) he is not qualified or is disqualified for appointment;
(d) a resolution whether special or ordinary, is required for the appointment or re-appointment in virtue of any provisions of the Act;
(e) ** Article 155 or sub-section (3) of Section 263 of the Act is applicable to the case.

* Inserted by a Special Resolution passed at the Twenty-fourth Annual General Meeting held on 29th November, 1963
154. (1) Subject to the provisions of the Act and these Articles any person who is not a retiring director shall be eligible for appointment to the office of director at any general meeting, if he or some member intending to propose him has at least fourteen clean days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office, as the case may be along with a deposit of five hundred rupees which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a Director. The Company shall duly comply with the provisions of Section 257 of the Act for informing its members of the candidature of the Directors concerned.

**(2) Every person (other than Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 257 signifying his candidature for the office of a Director) proposed as a candidature for the office of a Director shall sign and file with the Company, his consent in writing to act as a Director, if appointed.

**(3) Every person other than

- (a) a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or
- (b) an Additional or Alternative Director, or a person filling a casual vacancy in the office of the Director under Section 262 of the Act, appointed as a Director or re-appointed as an Additional or Alternate Director, immediately on the expiry of his term office, or
- (c) a person named as a Director of the Company under its Articles as first registered.

shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filled with the Register his consent in writing to act as such Director.]

155. At a General Meeting of the Company, a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. A resolution moved in contravention of this Article shall be void whether or not objection was taken at the time to its being so moved; Provided that where a resolution so moved is passed no provision for the automatic re-appointment of retiring Directors by virtue of these Articles or the Act in default of another appointment shall apply.

*Amended by a Special Resolution passed at the Twenty-seventh Annual General Meeting held on 24 November, 1966.
**Substituted by a Special Resolution passed at the Twenty-seventh Annual general Meeting held on 24 November, 1966.
*** Article 154 further amended by a Special Resolution passed at the Forty-ninth Annual General Meeting held on 7 September, 1988.
156. [ * ]
157. [ * ]
158. [ * ]

* Articles 156, 157, 158 deleted by a Special Resolution passed at the Twenty-Seventh Annual General Meeting of the Company held on November 24, 1966.

REMOVAL OF DIRECTORS

159. (1) The Company may (subject to the provisions of Section 284 and other applicable provisions of the Act and these Article) remove any Directors before the expiry of his period of office.

(2) Special notice as provided by Article 91 or Section 190 of the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.

(3) On receipt of notice of a resolution to remove a Director under this article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (Whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.

(4) Where notice is given of a resolution to remove a Director under this article and the director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests their notification to members of the Company, the Company shall, unless the representations are received by it too late for it to do so (a) in the notice of there solution given to members of the Company state the fact of the representations having been made, and (b) send a copy of there presentations to every members of the Company, and if a copy of the representations is not sent as aforesaid because they were received too late or because of the Company’s default, the Director may (without prejudice to his right to be heard orally) required that the representations shall be read out at the meeting; Provided that copies of the representations need not be sent or read out at the meeting If on the application either of he Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter.

(5) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board in pursuance of Article 132 or Section 262 of the Act be filled by the appointment of another Director in his stead by the meeting at which he is removed; Provided a special notice of the intended appointment has been given under sub-clause (2) hereof. A Director so appointed shall hold office until the date up to which his predecessor would have held office if he had not been removed as aforesaid.

(6) If the vacancy is not filled under sub-clause (5), it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable, of Article 132 or Section 262 of the Act and the provisions of that Section shall apply accordingly.

(7) A director who was removed from office under this Article shall not be reappointed as a Director by the Board of Directors.
(8) Nothing contained in this Article shall be taken:-
(a) as depriving a person removed thereunder of any compensation or
damages payable to him respect of the termination of his appointment as
director or of any appointment terminating with that as Director; or
(b) as derogating from any power to remove a Director which may exist apart
from this Article.

***INCREASE OR REDUCTION IN THE NUMBER OF
DIRECTORS AND ALTERATION IN THEIR QUALIFICATIONS

160. Subject to the provisions of the Act and these Articles, the Company may
by Ordinary Resolution from time to time increase or reduce the number of
Directors and alter their qualification; Provided that any increase in the number
of Directors except an increase which is within the permissible maximum of
20 (excluding the Ex-Officio Director, the Special Director and Debenture
Director, if any) under the Articles in force as on the 21st day of July 1951
shall not have any effect unless approved by the Central Government and shall
become void if and so far as it is disapproved by that Government.

PROCEEDINGS OF BOARD OF DIRECTORS

*161. The Directors may meet together as a Board for the dispatch of business
from time to time and shall so meet at least once in every three calendar
months and not more than (three months and at least four such meetings shall
be held every year), and they may adjourn and otherwise regulate their
meetings and proceedings as they deem fit. The provisions of this Articles
shall not be deemed to be contravened merely by reason of the fact that a
meeting of the Board which had been called in compliance with the terms
herein mentioned could not be held for want of quorum.

**162. A Director may at any time (and as long as their appointment is in
force) and the Managing Agents upon the request of a Director, shall convene
a meeting of the Directors. Notice of every meeting of the Directors of the
Company shall be given in writing to every Director for the time being in India
and at his usual address in India to every other Director.

163. Subject to the provisions of Section 287 and other applicable provisions
(if any) of the Act, the quorum for a meeting of the Board of Directors shall be
one-third of the total strength of the Board of Directors (excluding Directors
shall be whose places may be vacant at the time and any fraction contained in
that one-thirds being rounded off as one) or two Directors, whichever is
higher; Provided that whereat any time the number of interested Directors
exceeds or is equal to two-thirds of the total strength, the number of the
remaining Directors, that is to say, the number of Directors who are not
interested and are present at the meeting, not being less than two shall be the
quorum during such time. A meeting of the Directors for the time being at
which a quorum is present shall be competent to exercise all or any of the
authorities, powers and secretion by or under the Act or the Articles of the
Company, for the time being vested is or exercisable by the Board of Directors
generally.

164. If a meeting of the Board cannot be held for want of quorum, then the
meeting shall stand adjourned to such day, time and place as the Director or
Directors present at the meeting may fix.

165. (1) The Directors may elect a chairman of their meetings, and determine
the period for which he is to hold office.

* Substituted by Special Resolution passed at the Twenty-seventy Annual General Meeting
held on 4 November, 1966.
** Substituted by a Special Resolution passed at the Twentyninth Annual General Meeting
held on 20 December, 1968.
*** Amended by special Resolution passed at 50th AGM held on 7th December 1989
increased from 17 to 20
(2) The Directors may appoint a Deputy Chairman or Vice-Chairman of the Board of Directors.

(3) All meetings of the Board of Directors shall be presided over by the Chairman Ex-Officio if present, but if at any meeting of Directors the Chairman be not present at the time appointed for holding at same, [the Deputy-Chairman or] Vice-Chairman if present shall preside and if he be not present at such time, then and in that case the Directors shall choose one of the Directors then present to preside at the meeting.

Questions at Board Meetings how decided

166. Questions arising at any meeting shall be decided by a majority of votes, and in case of an equality of votes the Chairman of the meeting shall have a second or casting vote.

Directors may appoint Committees

167. Subject to the provisions of Section 292 of the Act and Article 175, the Directors may delegate any of their powers to Committees consisting of such member or members of their body as they think fit and they may from time to time revoke and discharge any such Committee so formed shall, in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Directors, all acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. Subject to the provisions of the Act the Board may from time to time fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the Board in terms of these Articles, and may pay the same.

Meetings of committees how be governed.

168. The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

Resolution by circular.

169. (1) A resolution passed by circular, without a meeting of the Board or a Committee of the board appointed under Article 167 shall subject to the provisions of sub-clause 2 hereof and the Act be as valid and effectual as a resolution duly passed at the meeting of the Directors or of a Committee duly called and held.

(2) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, if the resolution has been circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the Committee then in India (not being less in number than the quorum for a meeting of the Board or committee as the case may be), and to all other Directors or members of the Committee at their usual address in India and has been approved by such of the Directors or members of the Committee as are then in India or by a majority of such of them as are entitled to vote on the resolution.

*(3) Subject to the provisions of the Act a statement signed by the Managing Agent [if any, or the Managing Director] or other person authorized in that behalf by the Directors certifying the absence from India of any Director shall for the purpose of this Article be conclusive.

* Substituted by a Special Resolution passed at the Twenty-ninth Annual General Meeting held on 20 December, 1968.
** Substituted by a Special Resolution passed at the Thirty Fifth Annual General Meeting held on December 17, 1974.
170. Subject to the provisions of the Act and these Articles, all acts done by any meeting of the Directors or by a Committee of Directors or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or person acting as aforesaid, or that they or any of them were or was disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

171. The Company shall cause Minutes of the Meetings of the Board of Directors of the Committees of the Board to be duly entered in a book or books provided for the purpose in accordance with the relevant provisions of Section 193 of the Act. The Minutes shall contain a fair and correct summary of the proceedings at the meeting including the following:

(i) the names of the Directors present at the meetings of the Board of Directors or of any Committee of the Board.

(ii) all orders made by the Board of Directors or Committee of the Board and all appointments of officers and Committees of Directors;

(iii) all resolutions and proceedings of the meetings of the Board of Directors and the Committees of the Board;

(iv) in the case of each resolution passed at a meeting of the Board of Directors or committee of the Board, the names of the Directors, if any, dissenting from or not concurring in the resolution.

172. All such minutes shall be signed by the Chairman of the meeting as recorded, or by the person who shall preside as Chairman at the next succeeding meeting and all minutes purported to be so signed shall for all purposes whatsoever be prima facie evidence of the actual passing of the resolutions recorded, and the actual and regular transaction or occurrence of the proceedings so recorded and of the regularity of the meeting at which the same shall appear to have taken place.

**POWER OF DIRECTORS**

173 (1) Subject to provisions of the Act and these Articles, the Board of Directors of the Company shall be entitled to exercise all such power, and to do all such acts and things, as the Company is authorized to exercise and do; Provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or any other Act or by the Memorandum or these Articles or otherwise, to be exercised or done by the Company in General Meeting; Provided further that in exercising any such power or doing such act or thing the Board shall be subject the provisions contained in that behalf in the Act or in the Memorandum or in these Articles or in any regulations not inconsistent therewith duly made thereunder including regulations made by the Company in General Meeting.

(2) No regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation has not been made.

174. The Board of Directors shall not except with the consent of the Company in General Meeting.
(a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, of where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking.

(b) remit, or give time for the repayment of, any debt due by a Director;

(c) invest otherwise than in trust securities, the amount of compensation received by the Company in respect of the compulsory acquisition after 1st April 1956 of any such undertaking as is referred to in sub-clause (a) above, or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time.

(d) borrow moneys in excess of the limits provided in Article 74;

(e) contribute, to charitable and other funds not directly relating to be business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed twenty-five thousand rupees or five per cent of its average net profits as determined in accordance with the Act during the three financial years, immediately preceding which ever is greater.

175. (1) without derogating from the powers vested in the Board of Directors under these Articles of Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board:-

(a) The power to make calls on shareholders in respect of money unpaid on their shares;

(b) the power to issue debentures;

(c) the power to borrow moneys otherwise than on debentures;

(d) the power to invest the funds of the Company;

(e) the power to make loans.

**Provided that the Board may by resolution passed at a meeting delegate to any Committee of Directors, (or the Managing Director), the Managing Agents *(if any) or any other principal officer of the Company or to principal officer of any of its branch offices, the powers specified in (c), (d) and (e) of this sub-clause to the extent specified below on such conditions as the Board may prescribe.

(2) Every resolution delegating the power referred to in sub-clause (1) (c) shall specify the total amount outstanding at any one time upto which moneys may be borrowed by the delegates, Provided however, that where the Company has an arrangement with its Bankers for the borrowing of moneys by way of overdraft, cash credit or otherwise the actual day to day operation of the overdraft, cash credit or other accounts by means of which the arrangement so made in availed of shall not require the sanction of the Board.

*Substituted by a Special Resolution passed at the Twenty-ninth Annual General Meeting held on 20 December, 1968.

** Substituted by a Special Resolution passed at the Thirtieth Annual General Meeting held on 21 November, 1969.
(3) Every resolution delegating the power referred to in sub-clause (1)(d) shall specify the total amount upto which the funds may be invested and the nature of the investments which may be made by the delegates.

(4) Every resolution delegating the power referred to in sub-clause (1)(e) shall specify the total amount upto which loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.

(5) Nothing in this Article contained shall be deemed to affect the right of the Company in General Meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in (a), (b), (c), (d) and (e) of sub-clause (i) above.

*176. Without prejudice to the powers conferred by Article 74 and 173 and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, it is hereby declared that the Director shall have the following powers, that is to say, powers:-

(1) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereout under the provisions of Sections 76 and 208 of the Act and Articles 15 and 187.

(2) Subject to the provisions of the Act and these Articles to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or other acquisition to accept such title as the Directors may believe or any be advised to be reasonably satisfactory.

(3) At their discretion and subject to the provisions of the act, to pay for any property or rights acquired by or services rendered to the Company, either wholly or partially in cash, or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

(4) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings machinery goods stores produce and other moveable property of the Company either separately or conjointly, also to insure all or any portion of the goods produce machinery and other articles imported or exported by the Company to sell assign surrender or discontinue any policies of assurance effected in pursuance of this power.

(5) To open accounts with any bank or bankers or with any company, firm or individual and to pay money into and draw money from any such account from time to time as the Directors may think fit.

(6) To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the
Company and its unpaid capital for the time being or in such other manner as they think fit.

(7) To attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquire by the Company, or in payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit.

(8) To accept from any member on such terms and conditions as shall be agreed a surrender of his shares or stock or any part thereof, so far as may be permissible by law.

(9) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company and property belonging to the Company or in which it is interested, or for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for remuneration of such trustee or trustees.

(10) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company of its officers, or otherwise Concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, or of any claim or demands by or against the Company.

(11) To refer any claim or demand by or against the Company or any difference to arbitration and observe and perform any awards made thereon.

(12) To act on behalf of the Company in all matters relating to bankrupts, and insolvents.

(13) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.

(14) To determine from time to time who shall been entitled to sign on the Company’s behalf bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes.

(15) Subject to the provisions of the Act and these Articles to invest and Deal with any moneys of the Company not immediately required for the purposes thereof; upon such security (not being shares of this Company), or without security and in such manner as they may think fit, and from time to time to vary or realize such investments, shall be made and held in the Company’s own name.

(16) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any person liability whether as principal or as surety for the benefit of the Company such mortgages of the Company’s property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, convenants, provisions and agreements as shall be agreed on.
(17) To give to any Director, officer or other person employed by the Company an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as a part of the working expenses of the Company.

(18) (a) To provide for the welfare of the Directors, employees or ex-employees of the Company or its predecessors in business and the wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses or dwellings or quarters or by grants of money, pensions, gratuities, allowances, bonuses or profits sharing bonuses or benefits or any other payments or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, profit sharing of other schemes or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Company shall think fit.

(b) To subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public political or any other useful institutions, objects or purposes, or for any exhibitions.

Provided that when contributing (a) to any political party or (b) for any political purpose to any individual or body, the provisions of Section 293 A of the Act shall be complied with.

(19) Before recommending an dividend to set aside out of the profits of the Company such sums as they may think proper for depreciation, to a Depreciation Fund, General Reserve, Reserve, a Reserve Fund, Sinking Fund or any special or other fund or account or accounts to meet contingencies, to repay redeemable Preference Shares, debentures or debenture-stock for special dividends, or equalising dividends, for repairing, improving, extending and maintaining any part of the property of the Company, and/or for such other purposes, (including the purposes referred to in the last two proceeding Sub-Clauses) as the Directors may, in their absolute discretion think conducive to the interests of the Company, and to invest the several sums so set aside or so much thereof as require to be invested upon such investments (subject to the restrictions imposed by the Act) as the Directors may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expand all or any part thereof for the benefit of the company, in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company notwithstanding that the matters to which the Directors apply or upon which they expand the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended and to divide the Reserve, General Reserve, or the Reserve Fund into such special funds as the Directors may think fit, and to employ the assets constituting all or any of the above funds or accounts, including the Depreciation Fund, in the business of the company or in the purchase or repayment or redeemable Preference Shares debentures or debenture-stock and that without being bound to keep the same separate from the other assets, and without being bound to keep the same separate from the other assets, and without being bound to pay or allow interest on the same, with power however to the Directors at their discretion to pay or allow interest on the same, with power however to the Directors at their discretion to pay or allow to the credit of such fund interest at such rate as the Directors may think proper.
(20) Without thereby prejudicing the appointment of the Managing Agents and the position, rights and powers of such Managing Agents by virtue of Articles 181 to 186 (inclusive) and by virtue of any Agreement entered into between them and the Company, to appoint and at their discretion remove or suspend such managers, secretaries, officers, clerks, agents and employees for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fit their salaries or emoluments and require security in such instances, and to such amounts as they may think fit. And also without prejudice as aforesaid, from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India in such manner as they think fit and the provisions contained in Sub-Clauses 22, 23, 24 and 25 following shall be without prejudice to the general powers conferred by this Sub-Clause.

(21) To comply with the requirements of any local law which in their opinion it shall in the interests of the Company be necessary or expedient to comply with.

(22) From time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such local Boards, or any managers or agents and to fix their remuneration.

(23) Subject to the provisions of Section 292 of the Act and Article 175 from time to time, and at any time to delegate to any such Local Board, or any member or members thereof or nay managers or agents so appointed any of the powers, authorities and discretions for the time being invested in the Board of Directors, and so authorize the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies; and any such appointment or delegation under Sub-Clause (22) of this Article may be made no such terms, and subject to such conditions as the Board of Directors may think fit, and the Board of Directors may at any time remove any person so appointed, and may annual or vary any such delegation.

(24) At any time and from time to time by power of attorney to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board of Directors under these presents and excluding the powers which may be exercised only by the Board of Directors under the Act or these Articles) and for such period and subject to such conditions as the Board of Directors may from time to time think fit; and any such appointment may (if the Board of Directors think fit) be made in favour of the members or any of the members of any Local Board, established as aforesaid or in favour of any company, or the members, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body or persons whether nominated directly or indirectly by the Board of Directors and any such power of attorney may contain such powers for the protection or convenience of persons dealing with such delegate all or any of the powers, authorities and discretion for the time being vested in them.

(25) Generally subject to the provisions of the Act and these Articles to delegate the powers, authorities and discretions vested in the Directors to any person, firm, company, or fluctuating body or persons as aforesaid.
(26) Subject to the provisions of the Act and these Articles for or In relation to any of the matters aforesaid or otherwise for the purpose of the Company, enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

**REGISTERS, BOOKDS AND DOCUMENTS**

177. (1) The Company shall maintain Registers, Books and Documents as required by the Act or these Articles including the following namely:-

(a) Register of Investment not kept in Company’s name according to section 49 of the Act;

(b) Register of Mortgagees, Debentures and charges according to Section 143 of the Act;

(c) Register of Members and an Index of Members according to Sections 150 and 151 of the Act;

(d) Register and Index of Debentureholders according to Section 152 of the Act;

(e) Register of Contracts, Companies and Firms in which Directors are interested according to Section 301 of the Act;

*(f)* Register of Directors, (Managing Directors) and Managing Agents, according to section 303 of the Act;

(g) Register of Directors’ Shareholding and Debentureholdings according to Section 307 of the Act;

(h) Register of Appointment of Managing Agents or associate as selling agent of the company, according to section 356 of the Act;

(i) Register of Particulars of every Contract under Section 359(1) of the Act;

(j) Register of Particulars of all Contracts between a Managing Agents or associate For the sale or purchase of goods or supply or services according to Section 360 of the Act;

(k) Register of Investment in shares or Debentures of bodies corporate according to section 372 of the Act;

(l) Books of account in accordance with the provisions of Section 209 of the Act;

(m) Copies of Instruments creating any charge requiring registration according to Section 136 of the Act;

(n) Copies of Annual Returns prepared under section 159 of the act together with the copies of Certificates required under Section 161;

*Inserted by a Special Resolution passed at the Thirtieth Annual General Meeting held on 21 November, 1969.*
(o) Register of Renewed and Duplicate Certificates according to Rule 7(2) of the Companies (Issue of Share Certificates) Rules, 1960.

(2) The said Registers, Books and Documents shall be maintained in conformity with the applicable provisions of the Act and shall be kept open for inspection by such persons as may be entitled thereto respectively, under the Act, on such days and during such business hours as may, in that behalf be determined in accordance with the provisions of the Act, or these Articles and extracts shall be supplied to the persons entitled thereto in accordance with the provisions of the Act of these Articles.

The company may keep a Foreign Register of Members in accordance with Section 157 and 158 of the Act. Subject to the provisions of Sections 157 and 158, the Directors may from time to time make such provisions as they may think fit in respect of the keeping of such Branch Registers of Members and/or Debentureholders.

THE SEAL

178. The Directors shall provide a Seal for the purposes of the company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Directors shall provide for the safe custody of the seal for the time being and the seal shall never be used except by the authority of the Directors or a Committee of Directors previously given.

Deeds how executed

*179. Every Deed or other instrument to which the Seal of the Company is required to be affixed, shall unless the same is executed by a duly constituted attorney of the Company, be signed by two Directors (and so long as the appointment of the Managing Agents is in force), countersigned by the Managing Agents or by two Directors alone in case the same is an instrument in favour of the Managing Agents or in case the Managing Agents are a party to it. Provided nevertheless that Certificates of Debentures may be signed by one Director only or by an attorney of the Company duly authorised in this behalf and countersigned by the Managing Agents; * (so long as the appointment of Managing Agents is in force) and certificates of shares shall be signed as provided in Articles 16(a).

“Every deed or other instrument to which the Seal of the Company is required to be affixed shall be signed by (a) two Directors, or (b) one Director and the Secretary or (c) one Director and such other authorized person, as the Board or a duly constituted Committee thereof may appoint for the purpose, provided nevertheless that certificates of debentures may be signed by one Director only or by Attorney of the Company duly authorized in this behalf and certificates of shares shall be signed as provided in Article 16(a).”

Seals abroad.

180. The Company may exercise the power conferred by Section 50 of the Act and such powers shall accordingly be vested in the Directors.

MANAGING AGENTS

181. Subject to the provisions of the Act, Tata Industries Private Ltd their successors in business and assigns shall be the Managing Agents of the Company from the 23rd day of January 1959, for the period and upon the terms, provisions and conditions set out in the Agreement dated 15th Day of January 1959 approved by the Company in general Meeting held on 18th day of November 1958 and by the Central Government. The said agreement, may (subject to the provisions of the Act) be modified from time to time in such a manner as may be mutually agreed upon between the Managing Agents and the company. (*If on the expiry of the period mentioned in the aforesaid Agreement, Tata Industries Private Limited are reappointed for any further terms or terms, they shall continue to manage the affairs of the company upon such terms and conditions as may be agreed upon between the Company and the Managing Agents with the approval of the Central Government*).
182. Whenever the Company proposes to enter into contract for the
appointment of a managing Agent in which contract any Director of the
Company is concerned or interested, the Company shall send an abstract of
the terms of such contract or variation, as the case may be together with a
memorandum clearly specifying the nature of the concern or interest of the
Directors in such contract or variation, to every member of the Company in
sufficient time before the General Meeting of the Company at which the
proposal is to be considered and the Company shall comply with the
provisions of Section 302 and the applicable provisions (if any) of the act
relating to the appointment of such Managing Agent.

183. (1) The Managing Agents, subject to the provisions of the act and these
Articles, shall be entitled to the management of the whole of the affairs of the
Company, and they shall exercise their powers as such Managing Agents
including the powers conferred on them by the Managing Agency Agreement
dated 15th January 1959* (or any extension or renewal thereof) subject to the
superintendence, control and direction of the Board of Directors of the
Company and subject also to the restrictions contained in Schedule VII of the
act and Article 185.

(2) The Managing Agents shall have the power from time to time to provide
for the management and transaction of the affairs of the Company in any
specified locality in India or elsewhere in such manner as they think fit.

184. Subject to the provisions of the Act and these Articles, the managing
Agents shall be authorised to sub-delegate all or any of the powers, authorities
and discretion’s for the time being vested in them,, and in particular from time
to time to provide, by the appointment of an attorney or attorneys, for the
management and transaction of the affairs of the Company in any special
locality, in such manner as they may think fit.

185. The Managing Agents shall not exercise any of the following powers
Except after obtaining the previous approval of the Board of Directors of the
Company in regard to each such exercise:-

(a) Power to appoint as an Officer or member of the staff of the Company
payable from its funds (as distinguished from the funds of the Managing
Agents or from out of any remunerations payable to the Managing agents by
the Company) any person;

   (i) on a remuneration or scale of remuneration exceeding the limits
laid down by the Board in this behalf; or
   (ii) who is a relative of any director or member of the Managing
Agents Company;

(b) power to purchase capital asses for the Company except where the
purchase price is within the limits prescribed by the Board in this behalf;

(c) power to sell the Capital assets of the Company, except where the sale
price is within the limits prescribed by the Board in this behalf;

(d) power to compound, or sanction the extension of time for the satisfaction
or payment of, any claim or demand of the Company against( including
any debt climbed to be due to it from) the Managing Agents or any
associate of the Managing Agents, the term ‘associate’ to mean an
associate as defined in Section2(3) of the Companies Act, 1956;
(e) Power to compound any claim or demand made against the Company including any debt claimed to be due from it) by the Managing Agents or any such associate of the Managing Agents as aforesaid.

186. (1) Any contract between the Company and its Managing agent or an associate of the Managing agent;

(a) for the sale, purchase or supply of any property movable or immovable or for the supply or rendering of any services other than that of managing agent; or

(b) for the underwriting of any shares or debentures to be issued or sold by the Company;

shall not be valid against the Company:-

(i) unless the contract has been approved by the company by a Special resolution passed by it; and

(ii) where the contract is for the supply or rendering of any service other than that of managing agent, unless further the contract has been approved by the Central Government;

either before the date of the contract or at any time within three months next after that date.

(2) The specials Resolution aforesaid shall—

(a) set out the material terms of the contract proposed to be entered into; or entered into; and

(b) provide specially that for any property supplied or sold or any services supplied or rendered, by the Company, the Managing agent or associate shall make payment to the Company within one month from the date of the supply or sale of the property, or the supply or rendering, of the services, as the case may be;

(3) Every such contract and all particulars relating there to shall be entered in a separate register maintained by the Company for the purpose.

(4) Nothing in clause (a) of sub-clause (1) shall affect any contract or Contracts for the sale, purchase or supply of any property or the supply or rendering of any services, in which either the Company or the Managing agent or associate, as the case may be, regularly trades or does business, provided that the value of such property or the cost of such services does not exceed five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts.

MANAGING DIRECTOR(S)

* [186A: subject to the provisions of Section 197A of the Act and subject further to the provisions of Section 267, 268, 269, 309, 310, 311, 316 and 317 and other applicable provision, if any, of the act and of these Articles, the Directors may

* Inserted by a Special Resolution passed at the Twenty-ninth Annual General Meeting held on 20 December, 1968.
from time to time appoint one or more of their body to be a managing Director or Managing Directors (in which expression shall be included a Joint Managing director) of the Company for such term not exceeding five years at a time as they may think fit, to manage the affairs and business of the Company if and when Tata Industries Private Limited cease to be the Managing Agents of the company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

186 B: Subject to the provision of the act and of these Articles, a Managing Directors shall not, while he continues to hold that office be subject to retirement by rotation under Article 148 but he shall subject to the provisions of any contract between him and the Company be subject to the same provisions as to resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a Managing Directors if he cease to hold office of director from any cause, provided that if at any time the number of Directors (including the Managing Director) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being, then such Managing Director or Managing Directors as the Directors shall form time to time select shall be liable to retirement by rotation in accordance with Article 148 to the intent that the Directors not liable to retirement by rotation shall not exceed one-third of the total number of directors for the time being.

186C: The remuneration of a Managing Director( subject to section 309 and other applicable provisions of the act and of these articles and of any contract between him and the Company shall from time to time be fixed by the Directors, and may be by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any or all of those made. A Managing Director shall not receive or be paid any commission on sales or purchases made by or on behalf of the Company.

186D. Subject to the superintendence, control and direction of the Board of Directors the day to day management of the Company shall be in the hands of the Managing director. The Directors may from time to time entrust to and confer upon a exercisable under these present by the Directors as they may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient and they may subject to the [provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for all or any of the powers of the directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers].

**WHOLE-TIME DIRECTORS(S)**

* [186E: Subject to the provisions of the act, the directors may from time to time appoint one or more of their body to be a whole-time director or Directors of the Company for such term not exceeding five years at a time as they may think fit, as and when Tata Industries Private limited cease to be the managing Agents of the Company, and may from time to time (subject to the provisions of any

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* Inserted by a Special Resolution passed at the Thirtieth Annual general Meeting held on 21 November, 1969
contract between him or them and the company remove or dismiss him or them from office and appoint another or others in his or their place or places.

186F: Subject to the provisions of the Act and of these Articles a whole-time Directors shall not, while he continues to hold that office, be subject to retirement by rotation under Article 148 but he shall, subject to the same provisions as to resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a whole-time Director if he ceases to hold the office of Directors from any cause. Provided that if at any time the number of Directors (including the Managing Director appoint under Article 186A or whole-time Director) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being, then such whole-time Director or Directors as the Directors may from time to time select shall be liable to retirement by rotation in accordance with Article 148 to the intent that the Directors not liable to retirement by rotation shall nor exceed one-third of the total number of Directors for the time being.

186G: the remuneration of a Whole-time Director (subject to section 198 and 3 other applicable provisions Act and of these Articles and of any contract between and the Company) shall from time to time be fixed by the Directors, subject approval of the Company in General Meeting and may be by way of fixed sa commission on profits of the company, or by participation in any such profits any or all of those modes or in any other form. A whole-time Director shall not be paid any commission on sale or purchases made by or on behalf of the company.

186H: Subject to the superintendence control and direction of Board of Directors, the day to day management of the company may be entrusted to the Director or directors appointed under Article 186a or Article 186E, with power to the Directors to distribute such day to day management functions among such Directors, if more than one, on any manner as directed b the board, or to delegate such power of distribution to any one of them. The Directors may from time to time entrust to and confer upon Whole-time Director for the time being save as prohibited in the Act such of the powers exercisable under these presented by the Directors as they may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient, and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of or in substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

INTEREST OUT OF CAPITAL

187. Where any shares are issued for the purpose of raising money to defray the Expenses of the construction of any works or buildings, or the provisions of any plant, which are not be made profitable for lengthy period, the Company may pay interest on so much of that share capital, as is for the time being paid up, for the period, at the rate, and subject to the conditions and restrictions provided by section 208 of the Act, and may charge the same to capital as part of the cost of construction of the work or building or the provision of plant.

DIVIDENDS

188. The profits of the company subject to any special rights relating thereto created or authorised to be created by the Memorandum or these Articles and Subject to the provision of these Articles shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively.
189. Where capital is paid up in advance of calls upon the footing that the
same shall carry interest, such capital shall not, whilst carrying interest, confer
a right to participate in profits.

190. The company may pay dividends in proportion to the amount paid up or
Credited as paid up on each shares, where a larger amount is paid out or
credited as paid up on some shares than on others.

191. The Company in General Meeting may subject to Section 205 of the Act
declare a dividend to be paid to the members according to their respective
rights and interest in the profits and subject to the provisions of the act may
fix the time for payment. When a dividends has been so declared, the warrant
in respect thereof shall be posted within forty-two days from the date of the
declaration to the shareholders entitled to the payment of the same.

192. No larger dividend shall be declared than is recommended by the
Directors but the Company in General Meeting may declare a smaller
dividend. No dividend shall be payable except out of the profits of the year or
any other undistributed profits or otherwise than in accordance with the
provisions of Section 205, 206, and 207 of the Act and no dividend shall carry
interest as against the Company. The declaration of the Directors as to the
amount of the net profits of the company shall be conclusive.

193. Subject to the provisions of the Act, the directors may, from time to time,
pay to the members such interim dividends as in their judgement the position
of the Company justifies.

194. Subject to the provision of the Act the Directors may retain the dividends
payable upon shares in respect of which any reasons is under Articles 54
hereof, entitled to become a member or which any person under that Article is
entitled to transfer until such person shall become a member in respect of such
shares or shall duly transfer the same.

195. Subject to the provisions of the Act no member shall be entitled to
receive payment of any interest or dividend in respect of his share or shares,
whilst any money may be due or owing form him to the company in respect
of such share or shares or otherwise howsoever , either alone or jointly with
any other person or persons; and the Directors may deduct form the interest
or Dividend payable to any member all sums of money so due form him to the
Company.

196. A transfer of shares shall not pass the right to any dividend declared
thereon before registration of the transfer.

197. Unless otherwise directed any dividend may be paid by cheque or
warrant sent thought post to the registered address of the member or person
entitled or in case of joint holders to that one of them first named in the
register in respect of the joint holding. Every such cheque shall be made
payable to the order of the person to whom it is sent. The Company shall not
be liable or responsible for any cheque or warrant lost in transmission or for
any dividend lost to the member or person entitled thereto.
198. Dividend unclaimed for one year after having been declared may be invested or otherwise used by the Directors for the benefit of the Company until claimed and all dividends unclaimed for six years having been declared may be forfeited by the Directors for the benefit of the Company. Provided however the Directors may at any time annual such forfeiture and pay any such dividend.

199. Any General Meeting declaring a dividend may make a call on the members for such amount as the meeting fixes, but so that the call be each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend, may, of so arranged between the Company and the members, be set off against the calls

**CAPITALIZATION**

200. Any General Meeting may resolve that any amount standing to the credit of the share premium account or the Capital Redemption Reserve Account or any monies, investments or other assets forming part of the undivided profits including profit or surplus monies arising form the realization and where permitted by law form the appreciation in value of any capital assets of the Company ) standing to the credit of the General Reserve, Reserve or any Reserve Fund or any other Fund of the Company or in the hands of the Company and available for dividend be capitalised:-

*[(a) by the issue and distribution , as fully paid up, of shares, and if and on to the extent permitted by the Act, of debentures, debenture stocks, bonds or other obligations of the company, or]

(b) by crediting shares of the company which may have been issued and are not fully paid up, with the while or any part of the sum remaining unpaid thereon.

Provided that any amounts standing to the credit of the share premium account or the Capital Redemption reserve Account shall be applied only in crediting the payment of capital on shares of the Company to be issued to members (as herein provided) as fully paid bonus shares.

(2) Such issue and distribution under (1) (a) above and such payment to credit of unpaid share capital under (1) (b) above shall be made to, among and in favor of the members or any class of them or any of them entitled thereto and in accordance with their respective rights and interest and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under (1) (a) or payment under (1) (b) above shall be made on the footing that such members become entitled thereto as capital.

(3) The Directors shall gives effect to any such resolution and apply such portion of the profits, General Reserve, Reserve or Reserve Fund or any other fund or account as aforesaid as may be required for the purpose of making payments in full for the shares, debentures or debentures stock, bonds or other obligations of the Company so distributed under (1) (a) above or (as the case may be) for the purpose of paying, in whole or in part the amount remaining unpaid on the share which may have been issued and are not fully paid up under (1) (b)above, provided that no such distribution or payment shall be made unless recommended by the Directors and if so recommended such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalized sum.

* substituted by a Special Resolution passed at the twenty-ninth Annual General Meeting held on 20 December, 1968.
(4) For the purposes of giving effect to any such resolution the Directors may shall any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fraction; certificates and may fix the value for distribution of any specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash, shares, debentures, debenture stock, bonds or other obligations in trusters upon such trusts for the persons entitles thereto as may seem expedient to the directors and generally may make such arrangement for the acceptance, allotment & sale of such shares, debentures, debenture stock, bonds or other obligations and fractional certificates or otherwise as they may think it.

(5) When deemed requisite proper contract shall be field in accordance with the Act the Board may appoint any person to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be effective.

201. Subject to the provisions of the Act and these Articles in ceases where some of the shares of the Company are fully paid and others are partly paid only such capitalization may be effected by the distribution of further shares in aspect of the fully paid shares, and by crediting the partly paid shares with the whole or part of the unpaid liability thereon but so that as between the holders of the fully paid shares, and the partly paid shares the sums so applied in the payment of such further shares and in the extinguishment or diminution of the liability on the partly paid share shall be so applied pro rate in proportion to the amount then already paid or credited as paid on he existing fully paid and partly paid shares respectively.

ACCOUNTS

*[202.  (1) The Company shall kept proper books of account with respect to:-

(a) All sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;
(b) All sales and purchases of goods by the Company; and
(c) The assets and liability of Company]

(2) If the Company shall have a branch office, whether in or outside India, proper books of account relating to the transactions effected at that office shall be kept at that office and proper summarised returns, made upto date at intervals of not more than three months, shall be sent by the branch office to the Company at its Roistered office or other place in India, as the Board thinks fit, where the main books of the Company are kept.

(2) All the aforesaid books shall give a fair and true view of the affairs of the company or of its branch office ,as the case may be, with respect to the matters aforesaid and explain its transaction.

(3) The books of account and other books and proper shall be open to inspection by any Director during business hours.

(4) The books of account of the company relating to a period of not less than eighth years immediately preceding the current year together with the vouchers relevant to any entry in such books of account shall be preserved in good order.

* Substituted by a special Resolution passed at the Twenty-seventh Annual General Meeting held on 24 November, 1966.
<table>
<thead>
<tr>
<th>Books of account kept at places other than Registered Office.</th>
</tr>
</thead>
<tbody>
<tr>
<td>203. The books of account shall be kept at the registered office of the Company or at such other place in India as the directors think fit. Provided that when all or any of the books of account aforesaid are kept at such other place in India as the board may decide, the Company shall within seven days of such decision of the Board file with the Registrar a notice in writing giving the full address of that other place.</td>
</tr>
<tr>
<td>Inspection by members of accounts and books of the Company.</td>
</tr>
<tr>
<td>204. The directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Directors or by the Company in General Meeting.</td>
</tr>
<tr>
<td>Statement of accounts to be furnished to General Meeting</td>
</tr>
<tr>
<td>205. The Board of Directors shall lay before each Annual General Meeting a Profit and Loss Account for the financial year of the Company and a Balance Sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or where an extension of time has been granted by the Registrar under the provisions of the Act, by more than six months and the extension so granted.</td>
</tr>
<tr>
<td>Balance sheet and Profit and Loss Account.</td>
</tr>
<tr>
<td>206. (1) Subject to the provisions of Section 211 of the Act, every Balance Sheet and Profit and Loss Account of the Company shall be in the Forms set out in Parts I and II respectively of Schedule VI of the Act, or as near order as circumstances admit.</td>
</tr>
<tr>
<td>(2) There shall be annexed to every Balance Sheet a Statement showing the bodies corporate [including separately the bodies corporate in the same groups within the meaning of Section 372(11) of the Act] in the shares of which investments have been made by it (including all investment whether existing or not, made subsequent to the dates as at which the previous balance sheet, was made out) and the nature and extent of the nature and extent of the investment so made in each body corporate.</td>
</tr>
<tr>
<td>(3) So long as the Company is holding a Company having a Subsidiary, the Company shall conform to Section 212 and other applicable provisions of the Act.</td>
</tr>
<tr>
<td>(4) If in the opinion of the board, any of the current assets of the Company have not a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.</td>
</tr>
<tr>
<td>Authentication of Balance sheet and Profit and Loss Account.</td>
</tr>
<tr>
<td>“**207. (1) Every Balance sheet and every Profit and Loss Account of the Company shall be signed on behalf of the Board of Directors by the Managing Agents if any or secretary, if any, and by not less than two Directors of the Company, one of whom shall be a Managing director when there is one”].</td>
</tr>
<tr>
<td>(2) Provided that when only one Director is for the time being in India, the Balance Sheet and Profit and Loss Account shall be signed by such Directors and in such a case there shall be attached to the Balance sheet and the Profit and Loss</td>
</tr>
</tbody>
</table>

substituted by a Special Resolution passed at the Twenty-ninth Annual general Meeting held on 20 December 1968.
Account a statement signed by him explaining the reason for non-compliance
with the provisions of sub-clause (1).

(3) The Balance Sheet and the Profit and Loss Account shall be approved by
the board of Directors before they are signed on behalf of the Board in
accordance with the provisions of this Article and before they are substituted
to the Auditors for their report thereon.

208. The Profit and Loss Account shall be annexed to the Balance Sheet and
the Auditors Report (including the Auditor’s separate special or
supplementary Report if any) shall be attached thereto.

209. (1) Every Balance Sheet laid before the company in General Meeting
shall have attached to it a report by the board of Directors with respect to the
state of the Company’s affairs; the amounts, if any, which I proposes to carry
to any Reserve in such Balance sheet; and the amount if any, which it
recommends to be paid by way of dividend and material changes and
commitments, if any, affecting the financial position of the company which
have occurred between the end of the financial year of the Company to which
the Balance sheet related and the date of the Report.

(2) The report shall so far as it is material for the appreciation of the state of
the Company’s affairs by its members and will not in the Board’s opinion be
harmful to the business of the company or of any of its subsidiaries, deal with
any changes which have occurred during the financial year in the nature of the
Company’s business; in the company’s subsidiaries or in the nature of the
Business carried on by them and generally in the classes of business in which
the company has an interest.

(3) The board shall also give the fullest information and explanation in its
report on in cases failing under the provision to section 222 of the act in an
addendum to that report on every reservation, qualification or adverse remark
contained in the Auditor’s Report.

(4) The Board’s Report and addendum (if any) thereto shall be signed by its
Chairman if he is authorised in that behalf by the board; and where he is not
so authorised shall be signed by such number of Directors as are required to
sign the Balance Sheet and the Profit and Loss Account of the Company by
virtue of sub-Clauses (1) and (2) of Article 207.

(5) The board shall have the right to charge any person not being a Director
with the duty of seeing that the provisions of sub-clauses (1) to (3) of this a
Article are complied with.

210. The company shall comply with the requirement of section 219 of the
Act.

**ANNUAL RETURNS**

211. The Company shall make the requisite annual returns in accordance with
Section 159 and 161 of the Act, and shall file with the Registrar three copies
of the Balance Sheet and Profit and Loss Account in accordance with Section
220 of the Act.

**AUDIT**

212. Once at least in every year the accounts of the Company shall be
balanced and audited and the correctness of the Profit and Loss Account and
balance sheet ascertained by one or more Auditor or Auditors.
213. The Company at the Annual General Meeting in each year shall appoint an Auditors or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting, and shall within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is a retiring Auditor.

(2) At any Annual General Meeting retiring Auditor, by whatsoever authority appointed, shall be re-appointed unless:

(a) he is not qualified for re-appointment;

(b) he has given the Company notice in writing for his unwillingness to be re-appointed.

(c) a resolution has been passed at that meeting appointed somebody instead of him or providing expressly that he shall not be re-appointed; or

(d) where notice has been given of an intended resolution to appoint some person or persons in the place of a retiring Auditor, and by reason or the death, incapacity or disqualification of that person or of all those persons, as the case may be, the resolution cannot be proceeded with.

(3) Where at an Annual General Meeting no Auditors are appointed or re-appointed, the Central government may appoint a person to fill the vacancy.

(4) The company shall, within seven days of the Central Government’s power under sub-clause(3) becoming exercisable, given notice of that fact to that Government.

(5) The directors may fill any casual vacancy in the office of Auditor, but while any such vacancy continues, the surviving or continuing Auditor or Auditors (if any), may act, but where such vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.

(6) A person, other than a retiring Auditor, shall not be capable or being appointed at an Annual general Meeting unless special notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with section 190 of the Act and all the other provisions of Section 225 of the Act shall apply in the matter, the provisions of this sub-clause shall also apply to a resolution that retiring Auditor shall not be re-appointed.

(7) The persons qualified for appointment as Auditors shall be only those referred to in section 226 of the Act.

(8) None of the persons mentioned in Section 226 of the Act as not qualified for appointment as Auditors shall be appointed as Auditors of the Company.

214. The Company shall comply with the provisions of section 228 of the Act in relation to the audit of the accounts of branch offices of the Company except to the extent to which any exemption may be granted by the Central government in that behalf.
215. The remuneration of the Auditors of the Company shall be fixed by the Company in general Meeting except that the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors.

216. (1) Every Auditor of the Company shall have the right of access at all time to the books and vouchers of the Company and shall be entitle to require from the Directors and officers of the Company such information and explanation as may be necessary for the performance of the duties of the Auditors.

(2) All notices of and other communications relating to, any General Meeting of the Company which any member of the company is entitled to have sent to him shall also be forwarded to the Auditors of the Company; and the Auditor shall be entitled to attend any general Meeting and to be heard at any general Meeting which he attends on any part of the business which concerns him as Auditor.

(3) The Auditor shall make a report to the Members of the Company on the accounts examined by him and on every Balance sheet and Profit and Loss Account, and every other document declared by the Act to be part of or annexed to the Balance sheet or Profit and Loss Account, which are laid before the Company in General Meeting during his tenure of office, and the Report shall state, whether in his opinion and to the best of his information and according to the explanation given to him, the said accounts give the information required by the Act in the manner so required and give true and fair view:

(i) in the case of the Balance sheet of the state of the Company’s affairs as at the end of its financial year, and

(ii) in the case of the Profit and Loss Account of the Profit and Loss for its financial year.

(4) The Auditor’s Report shall also state:-

(2) (a) Whether he has obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit;

(b) Whether, in his opinion, proper books of accounts as required by law have been kept by the Company so far as appears from his examination of those books, and proper returns adequate for the purposes of his audit have been received from branches not visited by him;

(b) Whether the report on the accounts of any branch office audited under Section 228 by a person other than the Company’s Auditor has been Forwarded to him as required by clause(c) of sub-section(3) of that Section and how he has dealt with the same in preparing the Auditor’s Report.

(c) Whether the Company’s Balance Sheet and Profit and Loss Account dealt with by the Report are in agreement with the books of accounts and returns.

(5) Where any of the matters referred to in Clause (i) and (ii) of sub-section (2) of section 227 of the act, or in clause (a) (b) (bb) and (c) of sub-section of Section 227 of the Act or sub-clauses 4(a), (b), (c) and (d) hereof is answered in the negative or with a qualification, the Auditor’s Report shall state the reason for the answer.
(6) The account of the company shall not be deemed as not having been and the Auditor’s Report shall not state, that those accounts have not been properly drawn up on the ground merely that the Company has not disclosed certain matters if any:—

(a) Those matters are such as the company is not required to disclose by virtue of any provisions contained in the Act, or any other Act, and

(b) Those provisions are specified in the balance sheet and Profit and Loss Account of the Company.

217. Every account when audited and approved by a General Meeting shall be conclusive except as regard any error discovered therein within three months next after the approval thereof, Whenever any such error is discovered within that period, the account shall forthwith be corrected, and henceforth shall be conclusive.

DOCUMENTS AND SERVICE OF DOCUMENTS

218. (1) A document (which expression for this purpose shall be deemed to include and shall include any summons, notice, requisition, process, order, judgement or any other document in relation to or in the winding up the company may be served or sent by the Company on or to any member either personally or by sending it by post to him to his registered address or (if he has no registered address in India) to the address if any within India supplied by him to the company for the giving of notices to him. (2) Where a document is sent by post:

(a) Service thereof shall be deemed to be affected by properly addressing prepaying and posting a letter containing the notice provided that where a member has intimated to the Company in advance that documents should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the company a sum sufficient to defray the expenses of doing so, service of the document shall not be deemed to the effected unless it is a sent in the manner intimated by the member; and

(b) such service shall be deemed to have been effected
(i) in the case of a meeting, at the expiration of forty-eight hours after the letter containing the notice is posted, and
(ii) in any other case, at the time at which the letter would be delivered in the ordinary course of post.

219. If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notice to him a document advertised in a newspaper circulating in the neighborhood of the registered office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.

220. A document may be served by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name or by the title of representatives of the deceased or assignee of the insolvent or by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.
221. Subject to the provision of the Act and these Articles notices notice of General Meetings shall be given.

(i) to members of the Company as provided by Article 88 in any manner authorised by Articles 218 and 219 as the case may be or as authorised by the Act;

(ii) to the persons entitled to a share in consequence of the death or insolvency of a member as provided by Articles 220 or as authorised by the Act.

(iii) to the Auditor or Auditors for the time being of the Company, in any manner authorised by Article 218 or the Act in the case of any member or members of the Company.

222. Subject to the provision of the Act any documents required to be served or sent by the Company on or to the members, or any of them, and not expressly provided for any these presents, shall be deemed to be duly served or sent if advertised once in one daily English and one daily Vernacular newspaper circulating in Bombay.

223. Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any share shall be bound by every document in respect of such share which, previously to his name and address being entered on the Register, shall be duly served on or sent to the person form whom he derived his title to such share.

*224. Any person to be given by the Company shall be signed by the Managing Agents (if any) or by such officers as the Directors may appoint, and such signature may be written or printed or lithographed.

AUTHENTICATION OF DOCUMENTS

225. Saves as otherwise expressly provided in the Act or these Articles, a documents or proceeding requiring authentication by the Company may be signed by a Director, the Managing Agents * (if any ), or authorised officer of the Company and need not be under its Seal.

WINDING UP

226. If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so, that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the Winding up, on the shares held by them respectively. And if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of then capital paid up the commencement of the winging up, the excess shall distributed amongst the members on proportion to the capital at the commencement of the winding up paid up or which ought to have been paid up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

*Inserted by a Special Resolution passed at the Twenty-nine Annual General Meeting held on 20 December,1968.
Distribution in specie or kind

227. (1) If the Company shall be wound up, whether voluntarily or otherwise, the liquidator may, with the sanction of an Extraordinary Resolution, divide amongst the contributors, in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories, or any of them, as the liquidators with the like sanction shall think fit.

(2) If thought expedient any such division may subject to the provisions of The Act be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined on, any contributory who would be prejudiced thereby shall have a right to dissent and ancillary right as if such determination were a Special Resolution passed pursuant to Section 494 of the Act.

(3) In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within ten days after then passing of the Extraordinary Resolution by notice in writing direct the liquidators to sell his proportion and pay him the net proceeds and the liquidators shall if practicable act accordingly.

Rights of shareholders in case of sale.

228. A special Resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 of the Act, may subject to the Provisions of the Act in like manner as aforesaid determine that any shares or other consideration receivable by the liquidators be distributed amongst the members otherwise than in accordance with their existing right and any such determination shall be binding upon all the members subject to the right of dissent and consequential rights conferred by the said section.

INDEMNITY AND RESPONSIBILITY

Directors and others right to indemnity.

(a) Subject to the provisions of Section 201 of the Act every Director of the company or of the managing agents, Manager, Secretary and other officer or employer of the Company shall be indemnified by the Company to pay all costs, losses and expenses (including travelling expenses) which any such Director of the, Managing Agents, officers or employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such director, officer or servant or in any way in the discharge of his duties.

(b) Subject as aforesaid every Director, Managing Director, member of the Managing Agents Company, Manager, Secretary or other officer or employer of the Company shall be indemnified against any liability incurred by him in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is given to him by the Court.

Not responsible for Acts of others.

230. Subject to the proviso of Section 201 of the Act no Director or Directors of the managing Agents or other officer of the Company shall be liable for the acts, receipt, neglect or defaults of any other Director or officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order.
of the Directors for or on behalf of the Company, or for the insufficiency or
deficiency of any security in or upon which any of moneys of the Company
shall be invested, or for any loss or damage arising form the bankruptcy.
Insolvency or tortious act of any persons, company or corporation, with
whom any moneys, securities or effects shall be entrusted or deposited, or for
any loss occasioned by error of judgement or oversight on his part, or for any
other loss or damage or misfortune whatever which shall happen in the
execution of the duties of his office or in relation thereto, unless the same
happen through his own dishonesty.
IN THE HIGH COURT OF JUDICTURE AT BOMBAY

BOMBAY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 558 OF 1985

(Connected with Company Application No. 142 of 1985)

In the matter of Section 591 and 101 of
The Companies Act, 1956;

And

In the matter of Tata chemicals Limited

And

In the matter of Scheme of Arrangement
between Tata chemical limited and its
Shareholders, including reduction of its
Share Capital.

Tata Chemical limited, an existing
Company under the Companies Act,
1956 and having its Registered Office
at Bombay house 24 Homi Mody
Street, Fort Bombay 1.

Petitioner

Coram : Pratap J.

UPON THE PETITION of Tata Chemicals limited, the Company above named, presented to this Court on the 15th day of October, 1965, prays for the sanction of an Arrangement embodied in the proposed Scheme of Arrangement of Tata Chemical Limited between Tata Chemicals limited, the Petitioner and its shareholders. for cancellation of 59,970 7.14% Cumulative Preference Shares of Rs. 100/- each and upon such cancellation to issue and allot secured non-Convertible Bonds of Rs. 100/- each to Member of the Petitioner Company holding the said 7.14% Cumulative preference Shares of Rs. 100/-each in the manner and on the terms and conditions mentioned in the scheme, and for other consequential relief as prayed for therein and the said Petition being this day called on for bearing and final disposal AND UPON READING the said Petition and the Affidavit of Shri Dara Nasarvanji Vaghchhipawalla, the financial Accountant and constituted Attorney of the petitioner Company, dated the 15th day of October, 1985, in support thereof AND UPON READING the order dated the 10th day of July 1985 passed in company Application No. 142 of 1985, whereby the Petitioner Company was order to convene two separate Meeting of the Members of the Petitioner Company holding respectively 7.14% Cumulated Preference shares of Rs. 100/- each and Ordinary shares of Rs. 10/- each, on Monday, the 23rd day of September 1985 at 3.15 P.M. and 4.00 P.M respectively, at Bombay House Auditorium, 24 Homi Mody street, fort Bombay 1, for the purpose of considering And if thought fit approving with or without modifications the said scheme of Arrangement between the Applicant Company and its shareholders AND UPON persuing the issue of the Indian Express (Bombay Edition) dated the 19th day of August 1985. The Maharashtra government Gazette dated the 8th day of August 1985, the Loksatta dated the 21st day of August
1985, and the Bombay Samachar dated the 23rd day of August 1985 AND UPON READING the Affidavit of Darbari Shah Seth, the Chairman of the Petitioner Company dated the 13th day of September, 1985 proving publication of the Notice and service of the Notices convening the said two separate meeting upon the Members of the Petitioner Company AND UPON READING the said two Reports of Siddharth sumant Metha, the chairman appointment for the said two separate meetings, both dated the 8th day of October 1985 as to the results of the said two meeting AND upon READING the two Affidavit of Siddharth Sumat Metha dated the 6th day of October 1985 verifying the said two Reports AND UPON READING the Affidavit of Noshir Edalji Patel dated the 12th day of October, 1985, proving publication of the Notice if hearing of the above petition in newspapers and the Maharashtra Government Gazette as directed by the order dated the 23rd day of October, 1985 passed herein AND UPON READING Shri. I. M. chagla 9with Shri V. V. Tulgapurkar ) , Advocate for the Petitioner Company in support of the said Petition and Shri B.J. Rele (with Smt. S. I. Shah ) advocate for the Regional Director, Company Law Board, Western, Region, Bombay ) Who appear in pursuance of the Notice dated the 18th day of November 1985, issued under Section 394A of the Companies Act, 1956 AND it appearing form the said two Reports of the Chairman of the said two separate Meetings that the proposed Arrangement as embodied in the said Scheme has been approved by a majority of not less than three-fourths in value of the Members of the Petitioner Company present and voting in person or by Proxy at the said two Separate Meeting AND no person entitled to appear at the Hearing of the said Petition appearing this day either in support of the said Petition or to show Cause against the same THIS COURT DOTH HEREBY SANCTION the Arrangement embodies in the Scheme of arrangement as modified referred to in a paragraph 33 of the said Petition being Exhibit “D” to the Petition and as set forth in the schedule I hereto annexed AND THIS COURT DOTH HEREBY DECLARE the same to be binding on the Petitioner Company and its shareholders AND THIS COURT DOTH FURTHER ORDER that the scheme of Arrangement between the Petitioner Company and its shareholders shall becomes effective as provided in the Scheme of Arrangement has modified being Exhibit “D” to the Petition and as set Forth in the Schedule I hereto annexed (hereinafter referred to as “ the Effective Date”) AND THIS COURT DOTH FURTHER ORDER that on and form the Effective date, the said 7.14% Cumulative Preference Shares of Rs. 100/- each to stand cancelled and the Authorised Share Capital of the Petition Company do stand Reduced to Rs. 35,00,00,000/- divided into 3,50,00,000/- Ordinary Shares of Rs. 10/- each and the Issued Share Capital of the Petitioner Company do stand reduced to Rs. 27,19,02,710/- divided into 2,17,90,271/- ordinary Shares of Rs. 10/- each AND THIS COURT DOTH FURTHER ORDER that the reduction of the Share Capital resolved by the Special Resolution set out in paragraph 17 of the petition and in Schedule II hereto annexed be and is hereby confirmed AND THIS COURT DOTH FURTHER ORDER that the Subscribed Share Capital of the Petitioner company do stand reduced to Rs. 27,18,98,700 divided into 2,71,89,870/- ordinary shares of Rs. 10/- each AND THIS COURT DOTH FURTHER ORDER that the reduction of the Share Capital resolved by the Special Resolution set out in paragraph 17 of the petition and in Schedule II hereto annexed be and is hereby confirmed AND THIS COURT DOTH FURTHER ORDER that Form of Minute to be registered under Section 103 (1) (b) of the Companies Act, 1956, set out in Schedule III hereto annexed be and is hereby approved AND THIS COURT DOTH FURTHER ORDER THAT on and form the Effective Date, the Petitioner Company do allot secured Non-Convertible Bonds of Rs. 100/- each on the Effective Date, in the manner and subject to the following terms and conditions-

I. Every holder of the said 7.14% Cumulative Preference Shares of Rs.100/- each on the Effective Date be issued one Board of the face value of Rs.100/- for every one of the said 7.14% Cumulative Preference Share of Rs.100/- each held;
II The Bonds do carry interest at the rate of 15% per annum payable half-yearly;

III The Bonds be secured by a floating Charge on the Petitioner Company’s assets other than the Fixed Assets and Investments. Such charge shall be subject to all existing and further Charges and shall also be subject to Mortages/Charges that may hereinafter be created by the Petitioner company on its properties and asset;

IV. The bonds be repaid at par at the end of twelve years from the date of Allotment with an option to the Petitioner Company to repay the amount in Instalment by drawing lots at any time after the end of the tenth year from the date of the allotment;

V. A Letter of Allotment be issued is respect of the Boards that the holders of 7.14% Cumulative Preference shareholders are entitled to in accordance with the Scheme within two months from the Effective Date;

AND THIS COURT DOTH HEREBY FURTHER ORDER that the Petitioner Company (by and through its Board of Directors) do assent to any modification of the Scheme, which the court may deem fit to approve or impose or to any other modifications, if any, which any of the Authorities whose sanction or consent is required for the Scheme, may suggest and the Board of Directors are hereby Authorised to give such directions or to do such acts, deeds and thing as it may consider necessary or expedient or fit and proper, and to issue directions in connection therewith and to sole any questions or difficulties which may arise under the Scheme or in regard to its implementation and in all matters connected therewith, including in regard to the issue and allotment of the Bonds under the Scheme and the execution of a Deed, if any, in connection therewith AND THIS COURT FURTHER ORDER THAT if the Scheme does not become effective before 31st Day of December, 1986, or within such further periods as may be extended by the Board of Directors of the Petitioner Company from time to time, which it is hereby Authorised to do, the Scheme shall become null and void AND THIS COURT FURTHER ORDER that the Scheme is conditional on and subject to the requisite sanction or approval, if any of the Controller of Capital Issues under the Capital Issue Control Act, 1947, of the Reserve Bank of India under the Foreign Exchange Regulation Act, 1973 and of any other appropriate Authorities concerned being obtained and granted in the matter in respect of which such sanctions or approvals shall be required and also to it being sanctioned by the Hon’ble the High Court of Judicature at Bombay under the provisions of the Companies Act, 1956 and this scheme shall take effect finally upon and after the date in which any of the aforesaid or approvals or orders shall be last obtained AND THIS COURT FURTHER ORDER THAT within thirty days from the date of this order, the Petitioner Company do cause a Certified Copy of the Order and a Certified Copy of the form of Minute to be registered under Section 1032(1) (b) of the Companies Act, 1956 to be delivered to the Register of Companies, Maharashtra, Bombay AND THIS COURT FURTHER ORDER THAT notice of registration of a Certified copy of this order and a Certified copy of the Form of Minute with the Register of Companies, Maharashtra, Bombay be published once in an issue of Indian Express (Bombay Edition) and the Maharashtra Government Gazette and a Marathi Translation thereof be published in an Issue of Loksatta and Gujarati Translation thereof be published in an Issue of Bombay Samachar within thirty days of the date of registration of the said Certified copies of the Order and From of Minute AND THIS COURT
DO TH FURTHER ORDERED that liberty be reserved to the Petitioner Company and to persons interested to apply to this hon'ble Court herein as and when occasion may arise for any directions that may be necessary AND THIS COURT DO TH HEREBY ORDER that the Petitioner Company do pay the cost of the regional Director, Company Law Board, Western Region, Bombay quantified at Rs.1000/-.

WITHNESS SHRI MADHUKAR HIRALAL KANIA, Acting Chief Justice at Bombay aforesaid this 25th day of March, 1986.

Order sanctioning the scheme of Arrangement under Sections 391 and 101 of the Companies Act, 1956 drawn on the Application of m/s Mulkla & Mulla and Craigie Blunt and abovenamed.

By the court
For Prothonotary & senior Master.
WHEREAS:

(a) The existing Authorised share Capital of the Tata Chemical Limited (hereinafter referred to as “the Company”) is Rs. 37,50,00,000/- divided into 2500007.14% Cumulative Preference shares of Rs. 100/- each and 3,50,00,000 Ordinary Shares of Rs. 10/- each.

(b) Issued Share Capital of the Company is Rs. 20,02,11,750/- divided into 60,000 7.14% Cumulative Preference Share of Rs. 100/-each and 1,94,21,175 Ordinary Shares of Rs. 10/- each.

(c) Subscribed Shares Capital of the Company is Rs. 20,02,04,740/- divided into 59,970 7.14% Cumulative Preference Shares of Rs.100/- each and 1,94,20,774 Ordinary Shares of Rs. 10/- each.

(d) It is intended to cancel the said 59,970 7.14% Cumulative Preference Shares of Rs. 100/- each (hereinafter referred to as “the said Preference Shares”) and upon such cancellation to issue and allot secured non-convertible Bonds of Rs.100/-each to the member of the Company holding the said Preference Shares in the manner and on the terms and conditions hereinafter mentioned.

NOW THE FOLLOWING SCHEME OF ARRANGEMENT is made between the company and its members.

1. The date on which this Scheme will become effective is hereinafter referred to as “the Effective Date”.

2. On the Scheme becoming effective, the said Preference shares will be cancelled and:

(a) Authorised Capital of the Company will stand reduced to Rs. 35,00,00,000/- divided into 3,50,00,000 Ordinary Shares of Rs. 10/- each.

(b) The Issue Capital of the Company will stand reduced to Rs. 19,42,11,750/- divided into 1,94,21,175 Ordinary Shares of Rs. 10/- each.

(c) The Subscribed Capital of the company will stand reduced to Rs.19,42,07,740/- divided into 1,94,20,774 Ordinary Shares of Rs. 10/- each.

3. On the Scheme becoming effective, the Company will issue 59,970 Non Convertible Bonds of Rs. 100/- each of the aggregate value of Rs. 59,97,000/- (hereinafter referred to as “the bond”) to the person who shall be Members of the Company holding one or more of the said Preference Shares on the effective date, in the manner and subject to the following terms and conditions:-
(i) Every holder of the said Preference Shares of Rs. 10/- each on the said effective date will be issued one bond of the Face Value Rs. 100/- for every one of the said Preference Shares held;

(ii) The Bond will carry interest at the rate of 15% per annum payable half-yearly;

(iii) The Bonds will be secured by the floating charge on the Company’s Assets other than the fixed assets and investments. Such shares shall be subject to all the existing and future charges and shall also be subject to Mortgage/Charges that may hereinafter be created by the company on its properties and assets;

(iv) The Bonds will be repaid at par at the end of 12 years from the date of allotment with an option to the Company to repay the amount in installments by drawing lots at any time after the end of the 10th year from the date of allotment.

(v) The allotment of the Bonds to the extend they relate to the non-resident members of the Company shall be subject to the approval of the Reserve Bank of India under the Foreign Exchange Regulation Act, 1973;

(vi) A Letter of Allotment will be issued in respect of the Bonds that a Preference Shareholders is entitled to in accordance with this Scheme, within two months from the effective date;

(vii) Application will be made to list the Bonds on the Stock Exchanges at Bombay and Ahmedabad; and

(viii) Such further and other terms and conditions as the Board of Directors may decide including in regard to the execution or otherwise of any documents (and the terms and conditions thereof) in connection with the issue of such Bonds.

4 (a) The Company (by and through its Board of Directors ) may assent to any modifications of this Scheme which the Court may deem fit to approve and assent to any other modifications, if any, which may of the Authorities whose sanction or consent is required for this Scheme may suggest.

(b) The Board of Directors are hereby authorised to give such directions and to do such acts, deeds and things as it may consider necessary or expedient or fit and proper and to issue directions in connection therewith and to solve any question or difficulties which may arise under the Scheme or in regard to its implementations and in all matters connected therewith including in regard to the issue and allotment of the Bonds under this Scheme and the execution of a Deed, if any, in connection therewith.

5. If this Scheme does not become effective before 31st day of December, or within such further periods or periods as may be extended by the Board of Directors of the Company from time to time as it is hereby authorised to do, this Scheme shall become null and void.
6. (a) This Scheme is conditional on and subject to the requisite sanction or approval, if any, of the Controller of capital Issues under the Capital Issues Control Act, 1947 of the Reserve Bank of India under the Foreign Exchange Regulation Act, 1973, and of any other appropriate Authorities concerned being obtained and granted in the matter in respect of which such sanction or approval shall be required and also to it being sanction by the Hon’ble the High court of Judicature at Bombay under the provisions of the companies Act, 1956.

(b) This scheme shall take effect finally upon and after the date on which any of the aforesaid sanctions or approval or Orders shall be last obtained.
SCHEDULE II

SPECIAL Resolution passed at the 44th Annual general Meeting
Of the Petitioner Company held on Friday, the 14th day of October, 1983.

"RESOLVED that the parts set out of (a) and (b) below be and are hereby approved as parts of one integrated, composite Scheme which will come into effect from a date to be decided upon by the Board of Directors of the Company in their entire discretion, after all the necessary sanctions from the court, the Government, the Controller of Capital Issues, the Financial Institutions and any other concerned authorities have been obtained :-.

(a) Reduction of capital:-

"RESOLVED THAT pursuant to the applicable provisions, if any, of the companies Act, 1956 and Article 68 of the Article of Association and subject to the sanction of the High court at Bombay and other approval if necessary the capital of the company be reduced from Rs. 30,00,00,000/- divided into 2,50,000 7.14% Cumulative Preference shares of Rs. 100/- each, Rs. 2,65,00,000 Ordinary Shares of Rs. 10/- each and 10,00,000 unclassified Shares of Rs. 10/- each to Rs. 28,50,00,000/- divided into 2,65,00,000 Ordinary Shares of Rs. 10/- each and 10,00,000 Unclassified Shares of Rs. 10/- each by the cancellation of the 2,50,000 7.14 % Cumulative Preference shares of Rs. 100/- each in the capital of the Company and the extinguishment of the entire liability on such shares.

"RESOLVED FURTHER that consequential amendments be made in the capital clause of the Memorandum and article of Association after the said reduction in the Capitals of the Company becomes effective”

(b) Issue of Non-Convertible Bonds:

"RESOLVED that in accordance with the provisions of Section 81 and other applicable provisions (if any) of the Companies Act, 1956 and subject to the approval of the Controller of Capital Issues and such other approvals, directions of the High Court and Orders as may be necessary and subject to such conditions and modifications as may be prescribed in granting such approval and which may be agreed to by the Board of Directors of the Company, the consent of the Company be and is hereby accorded to the Board of Directors to issue at par 59,970 secured Non-convertible Bonds of Rs. 100/- each on an aggregate value of Rs. 59,97,000/- to the persons who shall be the holders of the 7.14% Cumulative Preference Shares of Rs. 100/- each of the Company on such date as may be decided by the Board of Directors (“the said date”) in the manner and upon the following terms and conditions:-

(i) The issue will consist of 59,970 Non-convertible Bonds of Rs. 100/- each;

(ii) Every holder of 7.14 % Preference Shares of Rs. 100/- each on the said date will be issued one Bond for every 7.14 % Preference Shares held;

(iii) The bonds will carry interest at the rate of 15% per annum payable half-yearly;
(iv) The Bonds will be secured by a floating charge on the Company’s assets other than fixed assets and investment, subject to the existing and future charges.

(v) The Bonds will be redeemed at par at the end of 12 years from the date of allotment with an option to the Company to redeem the same in installments by drawing lost at any time after the end of the 10th year from the date of allotment;

(vi) The allotment of the Bonds to the extent they relate to the non-resident members of the Company shall be subject to the approval of the Reserve Bank of India under the Foreign Exchange Regulation Act, 1973;

(vii) A letter of allotment will be issued in respect of the bonds that a Preference Shareholder is entitled to in accordance with the above mentioned Proposal within the months from the said date;

(viii) Application will be made to list the Bonds on the Stock Exchanges at Bombay and Ahmedabad”.

“RESOLVED FURTHER that for the purpose of giving effect to the above, the Directors be and are hereby authorised to give such directions as they, may think fit and proper including directions for setting any questions or difficulties that may arise in regard to the issue and allotment of Bonds and to do all acts, deed, matters and things of whatsoever nature as the Directors in their absolute discretion consider necessary, expedient and proper.”
SCHEDULE III

The Form of the Minute to be registered under Section 103 (1) (b) :-

“The Authorised Capital of the Company is henceforth Rs. 35,00,00,000/- divided into 3,50,00,000 Ordinary Shares of Rs. 10/- each, reduced from Rs. 37,50,00,000/- divided into 3,50,00,000 Ordinary Shares of Rs. 10/- each and 2,50,000 7.4% Cumulative Preference Shares of Rs. 100/- each. On the 25\textsuperscript{th} March 1986, 2,71,90,271 Ordinary Shares of Rs. 10/- each have been issued and out of which 2,71,89,870 Ordinary Shares are deemed to be fully paid-up and 401 Ordinary shares have been forfeited.”

HIGH COURT
O.O.C.J.


(Connected with Company Application No. 142 of 1985)

In the matter of Sections 391 and 101 of the Companies Act, 1956.

and

In the matter of Tata Chemicals Limited;

and

In the manner of Scheme of Arrangement between Tata Chemicals Limited And its Shareholders, including reduction of its share capital.

Tata Chemicals Limited Petitioner

CERTIFIED COPY OF


Dated this 25\textsuperscript{th} day of March, 1986.

Filed this 7\textsuperscript{th} day of August, 1986.

Mulla & Mulla & Craigie Blunt and Caroe,
Advocates for the Petitioners,
Jehangir Wadia Building,
51, Mahatma Gandhi Road,
Bombay 1.
IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 558 OF 1985

(Connected with Company Application No. 142 of 1985)

In the matter of Section 391 and 101 of
the Companies Act, 1956;

And

In the matter of Tata Chemicals Limited

And

In the matter of Scheme of Arrange ment
between Tata Limited and its Shareholders,
including reduction of its Share capital.

Tata Chemicals Limited.

Petitioner

Tata Form of the Minute proposed to be registered under Setion 103(1) (b) of the
Companies Act, 1956 is as follows :-

“The Authorised Capital of the Company is henceforth Rs. 35,00,00,000/- divided into
3,50,00,000 Ordinary Shares of Rs. 10/- each reduced from Rs. 37,50,00,000/- divided
into 3,50,00,000 Ordinary shares of Rs. 10/- each 2,50,000 7.14 % cumulative Preference
Shares of Rs. 100/-each on the 25th March , 1986; 2,71,90,271 Ordinary Shares of Rs.
10/- each have been issued and out of which 2,71,89,870 Ordinary Share are deemed to
be fully paid-up and 401 Ordinary shares have been forfeited.”

Sd/- G.L. Saravia
Company Registrar


CERTIFICATE TO BE A TRUST COPY,
This 14th day of August , 1986.

For Prothonatary and Senior Registrar
HIGH COURT
O.O.C.J.

Company Petition No. 558 of 1985

(Connected with Company Application No. 142 of 1985)

In the matter of Sections 391 and 101 of the Companies Act, 1956.

and

In the matter of Tata Chemicals Limited;

and

In the matter of Scheme of Arrangement between Tata Chemicals Limited and its Shareholders, including reduction of its Share Capital.

Tata Chemicals Limited Petitioner

CERTIFIED COPY OF

Form of the Minute proposed to be registered under section 103 (1) (b) of the Companies Act, 1956.

Coram: Pratap J.

Sd/- G.L.Saravia
Company Registrar


Mulla & Mulla & Craigie Blunt and Caroe,
Advocates for the Petitioners,
Jehangir Wadia Building,
51, Mahatma Gandhi Road,
Bombay- 400 023
SCHEDULE

SCHEME OF AMALGAMATION

OF

TATA FERTILISERS LIMITED

WITH

TATA CHEMICALS LIMITED

1. This Scheme of Amalgamation provides for the amalgamation of Tata Fertilisers Limited having its Registered Office at Bombay House, 24, Homi Mody Street, Bombay-400 001 (hereinafter called “the transferor Company”) with Tata Chemicals Limited also having its Registered Office at Bombay house, 24, Homi Modi Street, Bombay 400 001 (hereinafter called “the Transferee Company”), pursuant to the relevant provisions of the companies Act 1956 (hereinafter called “the said Act”).

2. (a) With effect from commencement of 1st April 1989 (hereinafter called “the Appointed date”) and subjects to the provisions of this scheme in relation to the mode of transfer and vesting, the undertaking and the entire business and all properties, assets, investments, powers, authorities, allotments, approvals and consents, licenses, registrations, contracts, engagements, arrangements, rights, titles, interests benefits and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession of or vested in or granted in favor of or enjoyed by the Transferor Company, including but without being limited to all patents, trade marks, trade names and other industrial rights of any nature whatsoever and licenses in respect thereof, privileges, liberties, easement, advantages, benefits, leases, tenancy rights, ownership flats, quota rights, permits, approvals, authorizations, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, reserves, provisions, funds benefits of all agreements and all other interest including those arising to the Transferor Company (hereinafter called the “Fertilizer Project”), (hereafter collectively referred to as “the said Assets”) shall be transferred into and/or deemed to be transferred and vested in the Transferee Company pursuant to provisions of Section 394 of the said Act for all the estate, right, title and interest of the Transferor Company therein.

(b) The transfer/vesting as aforesaid shall be subject to existing charges/ hypothecation/ mortgage (if any as maybe subscribing) over or in respect of the said Assets or any part thereof. Provided however, any reference in any security documents or arrangements to which the Transferor Company is a party, to the Assets of the Transferor Company offered or agreed to be offered as Security for any Financial Assistance, or obligations, to the secured creditors of the Transferor Company shall be construed as reference only to the Assets pertaining to the undertaking of the Transferor Company as are vested in the Transferee Company by virtue of the aforesaid Clause to the end and intent that such security, mortgage and charge shall not extend or be deemed to extend to any of the assets or to any of the other units or divisions of the Transferee Company, unless specifically agreed to by the Transferee Company with such secured creditors, and subject to the consent and approvals of the existing secured creditors of the Transferee Company.
(c) It is expressly provided that in respect of such of the said assets as are moveable or are otherwise capable of transfer by manual delivery or by endorsement and deliver, the same shall be so transferred by the transferor Company and shall become the property of the Transferor Company in pursuance of the provisions of Sections 394 of the said Act as an integral part of the undertaking.

(d) In respect of such of the said Assets other than those referred to in sub-para (c) above, the same shall as more particularly provided in sub-clause (a) above, without any further act instrument or deed, be transferred to and vested in and/or be deemed to be transferred and vested in the Transferee Company on the Appointed Date pursuant to the provisions of Sections 394 of the Act.

(e) The Transferee Company may at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute Deeds of Communication, in favour of the Secured Creditors of the Transferee Company or in favor of any party to any contract or arrangement to which the Transferee Company is a party or any writing as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the scheme be deemed to be authorised to execute any such writing on behalf of the transferor to above on the part of the Transferee Company to be carried out or performed.

3. With effect from the “Appointed Date”, all debts, liabilities, duties and obligations, of the transferor Company (hereinafter referred to as “he said liabilities) shall also be and stand transferred or deemed to be transferred, without further act instrument or deed to the Transferee company, pursuant to the provisions of Section 394 of the said Act so as to become as and further that in shall not be necessary to obtain the consent or arrangement by virtue of which such debts, liabilities, duties and obligation have arisen in order to give effect to the provisions of this clause.

4. This Scheme, through effective from the Appointed date shall be operative from the last of the following of such other as the Court may direct namely:

(a) The date on which the last of all the consents, approvals, permissions, resolutions, sanctions and orders as are hereinafter referred to have been obtained or passed, and

(b) The date on which certified copies of the order of the Court under Sections 391, 392 and 394 of the said Act are field with the Registrar of Companies;

and such date shall be hereinafter referred to as “the Effective Date”.

5. With effect from the Appointed Date unto the date on which this scheme finally takes effect (viz., the Effective Date):

(a) The Transferor Company shall carry on and be deemed to have carried on all its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all the said Assets for and on account of and in trust for the Transferee Company.
(b) all the profits or incomes accruing or arising to the Transferor Company or expenditure or losses arising to the Transferor company shall for all purposes be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of the Transferee Company, as the case may be.

(c) the transferee Company shall carry on its business activities with reasonable diligence, business prudence and shall not alienate, charge, mortgage, encumber or other wise deal with the said Assts or any part thereof, except in the ordinary course of business, or without the prior consent of the Transferee Company or pursuant to any pre-exciting obligation under taken by the Transferee Company prior to the Appointed Date.

(d) Save as specifically provided in this Scheme, either the Transferee Company nor the Transferee Company shall make any charge in their capital structure either by any increase. (by issue of rights shares, Equity or Preference shares, bonus shares, convertible debentures or otherwise) decrease, reduction, reclassification, sub-division or consolidation re-organisation, or in any other manner which may in anyway affect the share exchange ration or value of the ‘cash option’ prescribed in Clause 10 and Clause 13 respectively, except by mutual consent of the Board of Directors of both the companies.

(e) The Transferee Company shall also be entitled, pending the sanction of the scheme to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law (including without limitation under the Industries (Developing & Regulation) Act 1957, Monopolies & Restrictive Trade Practices Act, 1969, Capital Issues control Act 1973 etc.,) for such consents, approvals and sanctions which the Transferee Company, may require with a view to avoiding any delay in implementation of the said “Fertilizer Project” on the scheme being sanctioned in the national and public interest.

6. All suits actions and proceedings by or against the Transferor Company pending and/or arising on or before the date on which this Scheme shall finally take effect shall be continued and be enforced by or against the Transferee company as effectually as if the same had been pending and/or arising against the Transferee Company.

7. Subject to the provisions of this Scheme all contracts deeds bonds, agreements, arrangements and other instruments of whatsoever nature to which the Transferor Company is a party or the benefit of which the Transferor company, may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effective against or in favour of the Transferee Company as the case may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee company had been a party to beneficiary thereto. There Transferee Company shall enter into and/or issue and and/or execute deeds, writings or confirmation or enter into any Tripartite Arrangement, confirmations or novations to which the Transferor Company will, if necessary also be a party in order to give formal effect to the provisions of this Clause, if so required or becomes necessary.

8. The transfer of the said Assets and the said liabilities of the Transferor Company to the Transferee Company and the continuance of all the contracts or
proceedings by or against the Transferee Company shall not affect any contracts or proceedings relating to the said Assets or the said liabilities already concluded by the Transferor Company on or after the Appointed Date.

9. (a) This Authorised share capital of the Transferor Company is Rs.100,00,00,000/- (Rupees One Hundred Crores Only) divided into 3,00,00,000 (Three Crores only) equity shares of Rs. 10/- (Rupees Ten Only) each and 7,00,00,000 (Seven Crores only) 10% Cumulative Convertible Preference Shares Rs. 10/- (Rupees Ten Only) each. The Issued, subscribed and Paid Up Share Capital of Transferor Company consists at present, of 1,95,06,800 (One Crore ninety-five lakhs six thousand eight hundred only) equity shares of Rs. 10/- each aggregating Rs.19,50,68,000 (Rupees Nineteen Crores Fifty Lakhs sixty eight Thousand only) 10% Cumulative convertible Preference Shares of Rs. 10/- each, aggregating to Rs. 65,49,32,000/- (Six crores fifty-four lakhs ninety-three thousand two hundred only) 10% Cumulative Convertible Preference Shares of Rs. 10/- each, aggregating to Rs.65,49,32,000/- (Rupees Sixty-five Crores, Forty-nine Lakhs Thirty-two Thousand Only) and thus the aggregate Issued, Subscribed and Paid Up Capital of the Transferor Company is Rs. 85,00,00,000/- (Rupees Eighty-five Crores only).

(b) The Authorised Share Capital of the Transferee Company is Rs.50,00,00,000 (Rupees Fifty Crores only) divided into 5,00,00,000/- (Five Crores only) Ordinary Shares Rs. 10/- (Ten) each. The Issued, Subscribed and Paid Up Share Capital of the Transferee Company is Rs.44,91,86,940/- (Rupees Forty-four Crores Ninety-one Lakhs Eighty-six Thousand Nine Hundred Forty only) divided into 4,49,18,694 (Four Crores, Forty-nine Lacs Eighteen Thousand Six Hundred Ninety-four only) Ordinary Shares of Rs. 10/- (Ten) each and a further amount of Rs.3,000/- (Rupees Three Thousand) representing the amount of paid up forfeited shares.

10. (a) Upon the Scheme becoming finally effective, in consideration of the transfer of and vesting of the said Assets and said liabilities of the Transferor Company in terms of this Scheme, the Transferee Company shall without any further application or deed, issue and allot Ordinary Shares of Rs. 10/- (Ten) each credited as fully paid up, to the share holders of the Transferor Company whose names are recorded in its Register of Members, on a date (Record Date) save and except the Transferee Company to be fixed by the Board of Directors of the Transferee Company in the ratio of 17 (Seventeen) Ordinary Shares of the face value of Rs. 10/- (ten) each of the Transferee Company for every 100 (One Hundred) Equity Shares and/or Cumulative Convertible Preference Shares of the face value of Rs.10/- (ten) each in the Transferor Company.

(b) The Transferee Company holds on the Appointed Date 5,20,00,000 (Five Crores and Twenty lacs) Cumulative Convertible Preference Shares of Rs. 10/- each fully paid up and 80,00,000 (Eighty lacs) equity shares of Rs. 10/- each fully paid up in the Transferor Company. No ordinary Shares or other shares of the Transferee company shall be allotted in lieu or exchange of the holding of the Transferee Company in the Transferor Company.

(c) No fractional Certificates shall be issued by the Transferee company in respect of the fractional entitlements, if to which the members of the Transferor Company may be entitled on issue and allotment of the Shares of the Transferee Company as aforesaid. The Directors of the Transferee Company shall instead consolidate all such fractional entitlements to which the members of the Transferor Company may be entitled on issue and allotment of the Shares of the Transferee Company as aforesaid and thereupon issue and allot Shares in lieu thereof to a Director or an officer of the Transferee Company.
with the express understanding that such Director or Officer to whom such Shares be allotted shall sell the same in the market at the best available price and pay to the Transferee Company, the net sale proceeds thereof whereupon the Transferee Company shall distribute such net sale proceeds to the members of the Transferor Company in the proportion to their fractional entitlements.

(d) For the purpose as aforesaid, the Transferee Company shall, if and to the extent required, apply for and obtain the consent of the Controller of Capital Issues, the Reserve Bank of India and other concerned authorities, for the issue and allotment by the Transferee Company to the respective members of the Transferor Company, the Ordinary Shares in the said reorganised share capital of the Transferee Company in the ratio aforesaid.

(e) The restrictions, if any, in respect of the Transfer/Hypothecation/sale, as may be applicable to the existing shares for to the holders of shares of the Transferor Company, and as may be existing on the Record Date referred to in Clauses 10(a) of this Scheme or the date on which shares are actually allotted pursuant to the foregoing provisions shall be deemed to be abrogated and cease to apply or be attached to the Ordinary Shares in the Transferee company to be issued and allotted in exchange or in lieu thereof as provided in this scheme, unless specifically provided by the Controller of Capital Issues to the contrary.

11. Upon this Scheme becoming finally effective, all shareholders of the Transferor Company shall surrender their share certificates for cancellation thereof to the Transferee company. Notwithstanding anything to the contrary, upon the new shares in the Transferee Company being issued and allotted by it to the eligible shareholders of the Transferor Company whose names shall appear on the Register of Members of the Transferor Company on such Record Date fixed as aforesaid, the share certificates in relation to the shares held by them in the Transferor Company shall be deemed to have been cancelled and be of no effect, on and from such Record Date.

12. (a) At any time and from time to time after the Appointed Date, the Transferor company and the Transferee Company shall be entitled to declare and pay dividends whether interim and/or final to their respective Shareholders for any Financial Year or any period to the Effective Date. Both the Transferor Company and the Transferee shall declare and pay dividend only out of the disposable profits earned by respective Companies during such period, as permissible in law and shall not transfer any amount from the reserves for the purposes of payment of dividends, unless agreed to by the Board of Directors of both the Companies. The Transferor Company may declare dividend only after obtaining the approval of the Board of Directors of the Transferee Company.

(b) Subject to the provisions of the Scheme, the Ordinary Shares of the Transferee Company to be issued and allotted to el Shareholders of the Transferor Company as provided in Clause 10 hereof, shall rank pari passu in all respects with the existing ordinary Shares of Transferee Company, including the proportionate right or entitlement to dividend in respect of any dividends declared for the accounting period commencing from the Appointed Date. The ordinary Shares of the Transferee Company so issued and allotted to the Shareholder of the Transferor company in accordance with Clause 10 hereof shall not rank for dividend for any period prior to the Appointed Date, irrespective of the fact that they may have been issued in lieu of Shares held in the Transferor Company which may be Equity Shares or Cumulative Convertible Preference Shares.

(c) It is clarified that upon issuance and allotment of the ordinary Shares of the Transferee Company in lieu of Cumulative Convertible Preference Shares in the
Transferor Company or upon exercise of the option conferred in Clause 13 hereof and payment of the sum mentioned therein such holder shall be deemed to have accepted full satisfaction of all claims pertaining to such Cumulative Convertible Preference Shares including any claims for arrears of dividend if any, for any period whether earned declared or not against the Transferor Company and/or the Transferee Company.

13. (a) If any members of the Transferor Company holding Cumulative Convertible Preference Shares does not desire to be allotted the Ordinary Shares of the Transferee company in exchange and in lieu of the Cumulative Convertible Preference Shares of the Transferor Company so held by him, such member shall subject to the provision of sub-clause (b) hereof, be entitled at his option, in lieu of the entitlement of the appropriate number of Ordinary Shares of the Transferee Company to receive from the Transferee company a sum of Rs.15 (fifteen) in cash for every fully paid Cumulative Convertible Preference Shares held by the member in the Transferor Company, in full and final satisfaction and discharge of all his claims in respect of such Cumulative Convertible Preference Shares held by him and upon receipt of such cash sum all his right, title and interest including arrears of dividend, if any, in respect thereof shall be deemed to be fully extinguished and paid off.

(b) The member holding the Cumulative Convertible Preference Share shall be entitled to exercise his option only in entirely and not partially for the Cumulative Convertible Preference Shares held by the member and only by notice in writing sent by such member and served upon the Transferor Company on behalf of the Transferee Company either by Registered Post or hand deliver with acknowledgement, not later than 30 days after passing of the Resolutions approving the Scheme of Amalgamation by the members of the Transferor Company. Such member shall deposit along with the notice in writing exercising the option, the original share certificates of Cumulative Convertible Preference shares in respect of which the option is exercised by the member. On the Scheme being sanctioned and approved by the Court with effect from the Effective Date, the Cumulative Convertible Preference Shares in respect of which the option is exercised shall be deemed to be extinguished/cancelled. Payment for such Cumulative Convertible Preference Shares shall however be made by the Transferee Company referred to in Clause 10.

(c) The exercise of the option by the member of the Transferor Company holding Cumulative Convertible Preference Shares shall be irrevocable, final and binding on all persons concerned with such shares.

(d) In case the Scheme shall not take effect or become null and void, the Transferor Company shall unconditionally return to every such member who exercised the option for the Cumulative Convertible Preference Shares, the original certificate deposited with the Transferor Company by such members as aforesaid. The members further agree to save harmless the Transferor Company/Transferee Company of any pro tem loss of investment by reason of the aforesaid exercise of the irrevocable option pertaining to the Cumulative Convertible Preference Shares.

14. (a) All Employees of the Transferor Company in service on the date immediately preceding the date on which this Scheme finally takes effect i.e. the Effective Date shall become the employees of the transferee Company on such date without any break or interruption in service and on the terms and conditions not less favourable than those subsisting with reference to Transferor Company as on the said date.
(b) It is expressly provided that as far as the Provident Fund, Gratuity Funds, Superannuation Fund or any other Special Fund created or existing for the benefit of the employees of the Transferor Company are concerned upon the Scheme becoming finally effective, the Transferee Company shall, stand substituted for the Transferor Company for all purposes whatsoever related to the administration or operation of such Scheme or funds or in relation to the obligation to make contributions to the said funds in accordance with provisions of such schemes, funds as per the terms provided in the respective Trust Deeds. It is the end and intent that all the rights, duties, powers and obligation of the Transferor Company in relation to such funds shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continuous for the purpose of the aforesaid funds or provisions.

15. It is further provided that upon the scheme coming into effect, the debit balances appearing under the head “Miscellaneous Expenditure” in the books of the Transferor Company shall be debited by the Transferee Company to “Miscellaneous Expenditure (Fertilizer Project) Account” and the same shall thereafter be dealt with in the same manner as they would have been, had they been created by the Transferee Company in its own books.

16. Subject to the provisions of Clause 15 above, the excess of the value of the net assets of the Transferor Company (which shall include the balance under the head “Miscellaneous Expenditure” mentioned in clause 15 above) as appearing in their books of Account, and after giving due effect to cancellation of the shares held by the Transferee Company in the Transferor Company in the Transferor Company over the paid up value of the shares to be issued and allotted pursuant to the terms of Clause 10 above, shall be accounted for and dealt with in the books of the Transferee Company as follow :-

(i) An amount equal to the balance lying to the credit of the General Reserve in the books of the Transferor Company shall be credited by the Transferee Company to its General Reserve and shall constitute the transferee company’s free Reserve as effectively as if the same was created by the Transferee Company out of its own earned and distributable profits.

(ii) An amount equal to the balance lying to the credit of “Profit and Loss Account” in the books of the Transferor Company shall be credited by the Transferee Company to its General Reserve and shall constitute the Transferee Company’s free reserve as effectively as if the same was created by the Transferee Company out of its own earned and distributable profits.

(iii) The balance shall be credited by the Transferee Company to an account to be styled as “Amalgamation Reserve Account”. The said account shall be considered as a free reserve and shall form part of the net worth of the Transferee Company.

17. The Transferor Company shall with all reasonable dispatch, make applications/petitions under Section 391 and 394 and other applicable provisions of the said Act to the High Court of Judicature at Bombay for sanctioning of this Scheme and for dissolution of the Transferor Company without winding up under the provisions of law.

18. The Transferee Company shall also with all reasonable dispatch make applications/petitions under Section 391 and 394 and other applicable provisions of
the said Act to the High Court of Judicature at Bombay for sanctioning of this Scheme under the provisions of law.

19. The transferee Company shall, if required by law with reasonable dispatch, apply to the Central Government for sanction of the Scheme of Amalgamation under Section 23(2) of the Monopolies and Restrictive Trade Practices Act, 1969. Such application shall be without prejudice to its contentions that it is not necessary to seek such approval by reason of the provisions of Section 23 (3) thereof.

20. The Transferor Company (by its Directors) and the Transferee Company (by its Directors) may assent from time to time on behalf of all persons concerned to any modifications or amendments of this scheme or of any conditions or limitations which the Court and/or any other authorities under law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out the Scheme and to do and execute all acts, deeds, matters and things necessary for putting the Scheme into effect.

21. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof, the Directors of the Transferee Company may give and are authorized to give all such directions as are necessary including directions for settling any questions of doubt or difficulty that may arise.

22. This Scheme is specifically conditional upon and subject to:

(a) the sanction or approval under any law or of the Central Government of any other Agency, Department or Authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required.

(b) the approval of an agreement to the Scheme by the requisite majorities of such classes of persons of the Transferor Company and the Transferee Company as may be directed by the High Court of Judicature at Bombay on the applications made for directions under Section 391 of the said Act for calling meetings and necessary resolutions being passed under the said Act for the purpose.

(c) the requisite Resolution under the applicable provisions of the said Act being passed by the Shareholders of the Transferee Company under the applicable provisions of the said Act, for any of the matters provided for or relating to the Scheme as may be required or be necessary.

(d) the sanction of the High Court of Judicature at Bombay being obtaining under Sections 391 and 394 and other applicable provisions of the said Act if so required on behalf of the Transferor Company and the Transferee Company.

(e) the requisite consent, sanction or approval of the Controller of Capital Issues (the Central Government) under the capital Issue (Control) Act, 1947 being obtained.

(f) the requisite approval of the Reserve Bank of India under the provisions of Foreign Exchange Regulation Act, 1973 for the issue of shares in the Transferee Company to the non-resident shareholders of the Transferor Company in accordance with the provisions of the Scheme being obtained.
(g) the requisite approval of the Central Government for sanction of the scheme, if and to the extent required under the provisions of Section 23 of the Monopolies and Restrictive Trade Practices Act, 1969 being obtained.

23. In the event of any of the said sanctions and approvals referred to in the preceding clause 22 above not being obtained and/or the order or orders not being passed as aforesaid before 30th June 1990 or within such further period or periods as may be agreed upon between the Transferor Company by its Directors (and which the Board of Directors of Both the Companies are hereby empowered and authorized to agree to and extend from time to time without any limitation), the scheme of arrangement shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

24. All costs, charges and expenses of the Transferor Company and Transferee Company respectively in relation to or in connection with this Scheme and of and incidental to the completion of the amalgamation of the said undertaking of Transferor Company in pursuance of this Scheme shall, except as specifically provided herein be borne and paid by the Transferee Company.
IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 443 OF 1989

CONNECTED WITH COMPANY APPLICATION NO. 162 OF 1989

In the matter of Companies Act (I of 1956)
(the said Act)

AND

In the matter of Section 391 to 394 of the
companies Act, 1956;

AND

In the matter or Tata Fertilisers Limited,

AND

In the matter of Tata Fertilisers Ltd. A
Company incorporated under the Indian
Companies Act 1956, and having its
Registered Office at Bombay House, 24,
Homi Mody Street, Bombay-400 001.

AND

In the matter of a Scheme of
Amalgamation of Tata Fertilisers Ltd. With
Tata Chemicals Ltd.;

Tata Fertilisers Limited, a Company
incorporated under the Indian
Companies Act, 1956 and having its
Registered Office at Bombay House,
24, Homi Mody Street,
Bombay-400 001.

. . . . Petitioner.

Coram : Pendse J.

Date : 7th September, 1989.

UPON the Petition of Tata Fertilisers Ltd., the Petitioner’s Company
abovename, Solemnly declared on 21st July, 1989 and presented to this Hon’ble
Court on the 21st July, 1989 for sanctioning of an arrangement embodied in the
Scheme of Amalgamation of Tata Fertilisers Ltd. (hereinafter called the Transferor
Company) with Tata Chemicals Ltd. (hereinafter called the Transferee Company)
so as to be being on all the parties concerned including the equity shareholders,
10% cumulative convertible preference shareholders and un-secured creditors of
the Transferor Company all classes of shareholders and creditors of the Transferee
Company and for consequential reliefs as mentioned in the said Petition AND
the said Petition being this day called for hearing and final disposal AND UPON
READING the said petition and Affidavit of Shri S.U.K. Menon solemnly affirmed
on 21st day of July, 1989 verifying the said Petition AND UPON PERSUISING the
issue of the Indian Express and Loksatta both dated 1st of August, 1989 both
containing advertisements of the date of hearing of the said Petition AND UPON
PERSUING the Maharashtra Government Gazette Part II of serial No.246 dated
3rd day of August, 1989 containing the Notice of date of the hearing of the said Petition “AND UPON READING the Affidavit of Mr. N.S. Karvir, solemnly affirmed on the 5th day of September, 1989 providing publication of Notice in the said newspapers and in the said Maharashtra Government Gazette AND UPON READING the Order dated 31st day of May, 1989 passed in Company Application No.162 of 1989 whereby convertible preference shareholders and un-secured creditors of the Transferor Company including notice to be advertised in the Newspaper, filing or Chairman’s Report, Explanatory statement under section 393 of the Companies Act, 1956 AND UPON READING the report of the Official Liquidator dated 6th day of September, 1989 wherein he optioned that the affairs of the transferor Company have not been conducted in a manner prejudicial to the interest of its members of to the public interest AND UPON HEARING Mr. K. S. Cooper Advocate instructed by M/s. Amarchand & Mangaldas & Hirallal Shroff & Co., Advocates of the Transferor Company and Miss. S.I. Shah, Advocate for the Regional Director, Company Law Board, Bombay, who appeared in pursuance of the notice of hearing dated 27th day of July, 1989 of the Petition under Section 391 to 394 of the Companies Act, 1956 (hereinafter called the “said Act”), THIS COURT DOTH HEREBY SANCTION the arrangement embodied in the Scheme of Amalgamation of Tata Fertilisers Ltd., the Scheme of Amalgamation of Tata Fertilisers Ltd., the Transferor Company with Tata Chemicals Ltd., the Transferee Company as set for the in the Exhibit “H” to the Petition and annexed as Schedule hereto AND THIS COURT DOTH HEREBY FURTHER ORDER that with effect from 1st day of April, 1989 (hereinafter called “the Appointed Date”) and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, the undertaking and the entire business and all the properties, assets, investments, powers, authorities, allotments, approvals and consents, licences, registrations, benefits and advantages of whatsoever nature and wheresoever situate, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of all patent, trade marks, tradenames and other industrial rights or any nature whatsoever and licences in respect thereof, privileges, liberties, easements and additions, benefits, leases, tenancy rights, ownership flats, quota rights, permits, approvals, authorization, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and the services, reserves, provisions, funds, benefits of all agreements and all the interest including those arising to the Transferor Company in the course of implementation of the project for manufacture of Fertilisers at Babrala, District Badaun in the state of Utter Pradesh being set up by the Transferor Company shall be transferred to and pursuant to the Section 394 of the said Act for all the assets rights, title and interest of the Transferor Company therein AND THIS COURT DOTH HEREBY FURTHER ORDER that the transfer/vesting as aforesaid shall be subject to the existing charges/hypothecation/mortgage if any over or in respect of the said to the assets or any part thereof. Provided however, any reference in any security documents or arrangements to which the Transferor Company is a party, to the assets of the assistance or obligations, to the secured creditors of the Transferor Company taking or the Transferor Company as are vested in the Transferee Company to the end and intent that such security, mortgage and charge shall not extend to any of the assets or to any of the other or division of the Transferee Company specifically agreed by the Transferee Company that such secured creditors of the Transferee Company AND THIS COURT DOTH HEREBY FURTHER ORDER that it is expressly provided that in respect of such of the said assets as are movable in nature or otherwise capable of transfer by manual delivery or by endorsement and capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company and shall become the property of the Transferee Company in pursuance of the provisions of Section 394 of the said Act as an integral part of the undertaking and respect of such of the said
assets other than those referred to in sub-clause 2 (C) of the Scheme, the same shall, as more particularly set out in the sub-clause 2(a) of the Scheme, without any further act, instrument or deed shall be transferred to and vested in and/or deemed to be transferred and vested in the Transferee Company on the Appointed Date, pursuant to Section 394 of the Said act for all the estate right, title and interest of the Transferor Company therein AND THIS COURT DOTH FURTHER ORDER that with effect form Appointed Date all debts, liabilities, duties and obligations of the Transferor Company shall also be and shall stand transferred or deemed to be transferred without further act, instruments or deed to the Transferee Company, pursuant to the provisions of Sections 394 of the said Act so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other persons who is a party to the contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of Clause 3 of the Scheme of Amalgamation AND THIS COURT DOTH FURTHER ORDER that though the scheme is effective from the Appointed Date shall be operative and shall finally come into effect form the last of the following dates:-

(a) the date on which the last of all the consents, approvals, permissions resolutions, sanctions and orders as are hereinafter referred to have been obtained or passed; and

(b) the date on which certified copies of the Order of the Court under Sections 391, 392 and 394 of the said Act are filed with the Registrar of Companies.

AND THIS COURT DOTH FURTHER ORDER that such date shall be called as Effective Date AND THIS COURT DOTH FURTHER ORDER that all suits, actions, and proceeding by or against the Transferor Company pending and/or arising on or before the date on which the scheme shall finally take effect shall be continued and can be enforced by or against the Transferee Company effectually as if the same had been pending and/or arising against the Transferee Company AND THIS COURT DOTH FURTHER ORDER that subject to the provisions of the Scheme all contracts, deeds, bonds, agreements, arrangements, and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company as the case may be enforced as fully and effectually as if, in respect of the Transferor Company, the Transferee Company had been a party of beneficiary thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any Tripartite Agreements, Confirmations or Novation to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of Clause 8 of the Scheme if so required or became necessary AND THIS COURT DOTH FURTHER ORDER that the transfer of the said assets and the said liabilities of the Transferor Company to the Transferee Company and the continuance of all the contracts or proceedings by or against the Transferee Company shall not affect any contract or proceedings relating to the said assets or the said liabilities already concluded by the Transferor Company on or after the Appointed Date AND THIS COURT DOTH FURTHER ORDER that upon the Scheme becoming finally effective in consideration of the assets and the liabilities of the Transferor Company to the Transferee Company and the continuance of all the contracts or proceedings by or against the Transferee Company shall not affect any contract or proceedings relating to the said assets or the said liabilities already concluded by the Transferor Company on or after
the Appointed Date AND THIS COURT DOTH FURTHER ORDER that upon the Scheme becoming finally effective in consideration of the assets and the liabilities of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall without any further application or deed, issue and allot Ordinary Shares of Rs.10/- (Rupees Ten) each credited as fully paid-up, to the shareholders of the Transferor Company whose names are recorded in its Register of members on a date (Record Date) save and except the Transferee Company to be fixed by the Board of Directors of the Transferee Company in the ratio of 17 (Seventeen) Ordinary Shares of the face value of Rs.10/- (Rupees Ten) each of the Transferee Company for every 100 (One Hundred Equity Shares and/or every 100 (One Hundred) Cumulative Convertible Preference Shares of the face value of Rs. 10/- (Rupees Ten) each in the Transferor Company AND THIS COURT DOTH FURTHER ORDER that one ordinary share or other shares of the Transferee Company shall be allotted in lieu or exchange of the holding of the Transferee Company in the Transferor Company AND THIS COURT DOTH FURTHER ORDER that no Fractional Certificates shall be issued by the Transferee Company in respect of the fractional entitlement, if any, to which the members of the Transferor Company may be entitled on issues and allotment of the Shares of the Transferee Company as aforesaid but the same shall be done as provided in the Scheme being annexed hereto AND THIS COURT DOTH FURTHER ORDER that after the Scheme becoming finally effective to the Transferee Company. Notwithstanding anything to the contrary, upon the new shares in the Transferee Company being issued and allotted by them to the eligible shareholders of the Transferor Company whose name shall appear in the Register of Members of the Transferor Company on such Record Date fixed as aforesaid for Share Certificate in relation to the share held by them in the transferor Company shall be deemed to have been cancelled and shall be of no effect on and from such Record Date AND THIS COURT DOTH FURTHER ORDER that any time and from time to time, after the Appointed date, the Transferor Company and the Transferee Company shall be entitled to declare pay divided whether interim and/or final to their respective shareholders in any financial year or any period to the Effective Date and shall declare pay divided only out of the disposable profits earned by the respective companies during such period as permissible in law and shall not transfer any amount from the reserve for the purposes of payment of dividends, unless, agreed to by the Board of Directors of both the Companies. The Transferor Company may declare dividend only AND THIS COURT DOTH FURTHER ORDER that all employees of the Transferor Company in service on the date immediately preceding the date on which the Scheme finally take effect shall become the employees of the Transferee Company on such dates, without any break or interruption in service and on the terms and conditions not less favourable than those subsisting with reference to the Transferor Company as on the said date. It is expressly provided that as far as the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund created or existing for the benefit of fully effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever related to the administration or operation of such Schemes or Funds or in relation to the obligation to make contribution to the said Funds in accordance with provisions of such Schemes, Funds, as per the terms provided in the respective Trust Deeds. It is the end and intent that all the rights, duties, powers, and obligations of the Transferor Company in relation to such Funds shall become those of the Transferee Company. It is also clarified that the services of the employees of the Transferor Company will be treated as having been continuous for the purpose of the aforesaid Funds or provisions AND THIS COURT DOTH FURTHER ORDER that the Scheme coming into effect, the debit balances appearing under the head “Miscellaneous Expenditure” in the books of the Transferor Company shall be debited by the
Transferee Company to the “Miscellaneous Expenditure” (Fertiliser Project) Account and the same thereafter be dealt within the same manner as they would have been, had they been created by the Transferee Company in its own books

AND THIS COURT DOTH FURTHER ORDER that subject to Clause 15 of the Scheme, the excess of the value of the net assets of the Transferor Company as appearing in their Books of Accounts and after giving due effect to cancellation of the shares held by the Transferee Company in the Transferor Company over the paid up value of the shares to be issued and allotted pursuant to the terms of Clause 10 of the Scheme annexed hereto AND THIS COURT DOTH FURTHER ORDER that the Scheme is specifically conditional upon and subject to :

(a) the sanction or approval under any law or of the Central Government or any other Agency, Department or Authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required;

(b) the requisite Resolution under the applicable provision of the said Act being passed by the Shareholders of the Transferee Company under the applicable provisions of the said Act, for any of the matters provided for or relating to the Scheme as may be required or be necessary;

(c) the requisite consent, sanction or approval of the Controller of Capital Issues (the Central Government) under the Capital Issues (Control) Act, 1947 being obtained and

(d) the requisite approval of the Reserve Bank of India under the provisions of Foreign Exchange Regulation Act, 1973, for the issue of shares in the Transferee Company to the non-resident shareholders in accordance with the provisions of the Scheme being obtained.

AND THIS COURT DOTH FURTHER ORDER that all cost, charges, and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with the Scheme and incidental to the completion of the Amalgamation of the said undertaking of the Transferor Company in pursuance of the Scheme shall, except as specifically provided herein be borne and paid by the Transferee Company AND THIS COURT DOTH HEREBY FURTHER ORDER that the Transferor Company do within 30 days from the date of sealing of the Order sanctioning the Scheme of Amalgamation cause a certified copy of the order to be delivered to the Registrar of Companies, Maharashtra, Bombay, for registration and, on such certified copy being so delivered, the Transferor Company shall be dissolved and the Registrar of Companies, Maharashtra, Bombay, shall place all the documents relating to the Transferor Company and registered with him on the file, kept by him in relation to the Transferor Company and the files relating to the said two companies shall be consolidated accordingly AND THIS COURT DOTH FURTHER ORDER that the parties to the Scheme of Amalgamation and any other person or persons interested therein shall be at liberty to apply to this Hon’ble Court for any direction that may be necessary in regard to the working of the Scheme of Amalgamation as sanctioned herein annexed to this Order. AND THIS COURT DOTH HEREBY LASTLY ORDER that the Transferor Company do pay a sum of Rs.300/- (Rupees Three hundred only) to the Regional Director, Company Law Board, Bombay towards the costs of the said Petition.—
Witness, Shri Cittatosh Mookerjee, Chief Justice of the High Court, Bombay aforesaid this 7th day of September, 1989.

SEAL

Sd/-
S. S. Tammannavar,

SEALER
This 27th day of September, 1989.

By the Court

Sd/-
S. S. Tammannavar,
For Prothonotary & Senior Master,
High Court, Bombay,

Order sanctioning the Scheme of Amalgamation under Section 391 to 394 of the Companies Act, 1956 drawn on the Application of M/s. Amarchand & Mangaldas & Hiralal Shroff & Co., Advocates for the Petitioners, having their Office at Lentin Chambers, Dalal Street, Fort, Bombay- 400 023.
IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 444 OF 1989

CONNECTED WITH COMPANY APPLICATION NO. 163 OF 1989

In the matter of Companies Act (I of 1956) (the said Act)

AND

In the matter of Section 391 to 394 of the Companies Act, 1956;

AND

In the matter of Tata Chemicals Ltd. A Company incorporated under the Indian Companies Act, 1913, and having its Registered Office at Bombay House, 24, Homi Mody Street, Bombay- 400 001.

AND

In the matter of a Scheme of Amalgamation of Tata Fertilisers Ltd. with Tata Chemicals Ltd.;

Tata Fertilisers Limited, a Company incorporated under the Indian Companies Act, 1956 and having its Registered Office at Bombay House, 24, Homi Mody Street, Bombay-400 001.

. . . . Petitioner.

Coram : Pendse J.

Date : 7th September, 1989.

UPON the Petition of Tata Chemicals Ltd., the Petitioners Company abovenamed declared on 21st July, 1989 and presented to this Hon’ble Court on the 21st July, 1989 for sanctioning of an arrangement embodied in the Scheme of Amalgamation of Tata Fertilisers Ltd. (hereinafter called the Transferor Company) with Tata Chemicals Ltd. (hereinafter called the Transferee Company) so as to be binding on all the parties concerned including the ordinary shareholders, Secured and Unsecured Creditors of the Transferee Company all classes of shareholders and creditors of the Transferor Company and for consequentially reliefs as mentioned in the said Petition AND the said Petition being this day called for hearing and final disposal AND UPON READING the said Petition and an Affidavit of Shri. B.R. Bhal solemnly affirmed on 21st day of July, 1989 verifying the said Petition AND UPON PRESUING the issues of the Indian Express and Loksatta both dated 1st day of August, 1989 both containing advertisements of the date of hearing of the said petition AND UPON PRESUING the Maharashtra Government Gazette Part II of serial No. 245 dated 3rd day of August, 1989 containing the Notice of Notice of date of the hearing of the said petition AND UPON PRESUING the affidavit of Mr. N.S. Karvir, solemnly affirmed on the 5th Day of September, 1989 providing publication of Notice in the said newspapers and in the said Maharashtra Government Gazette AND UPON
READING the Order dated 31st day of May, 1989 passed in Company Application No.163 of 1989, whereby convening the meetings of the Ordinary Shareholders, Secured and Unsecured Creditors of the Transferee Company including notice to be advertised in the Newspapers, filing of Chairman’s Report, Explanatory Statement under section 393 of the Companies Act, 1956 AND UPON HEARING Mr. S. D. Parekh Advocate instructed by M/s. Amarchand & Mangaldas & Hiralal Shroff & Co., Advocates of the Transferor Company and Miss. S. I. Shah, Advocate for the Regional Director, Company Law, Board, Bombay, who appeared in pursuance of the notice of hearing dated 27th day of July, 1989 of the Petition under Sections 391 to 394 of the Companies Act, 1956 (hereafter called the “said Act”) , THIS COURT DOTH HEREBY SANCTION the arrangement embodied in the Scheme of Amalgamation of Tata Fertilisers Ltd., the Transferor Company with Tata Chemicals Ltd., the Transferee Company as set forth in the Exhibit “H” to the Petition and annexed as Schedule hereto AND THIS COURT DOTH HEREBY FURTHER ORDER that with effect from 1st day of April, 1989 (hereinafter called “the Appointed Date”) and subject to the provisions of the Scheme in relations to the mode of transfer and vesting, the undertaking and the entire business and all the properties, assets, investments, powers, authorities, allotments, approvals and consents, licences, registrations, benefits and advantages of whatsoever nature and wheresoever situate, belonging to or in the ownership, power of possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company, including but without being limited to all patents, trade marks, tradenames and other industrial rights of any nature whatsoever and licences in respect thereof, privileges, liberties, easements and additions, benefits, leases, tenancy rights, ownership, flats, quota rights, permits, approvals, authorization, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and the services, reserves, provisions, funds, benefits of all agreements and all the interests including those arising to the Transferor Company in the Course of implementation of the project of manufacture of Fertilisers at Babrala, District Badaun in the State of Uttar Pradesh being set up by the Transferor Company shall be transferred to vested in and or deemed to be transferred or vested in the Transferor Company pursuant to the Section 394 of the said Act for all the assets, rights, title and interest of the Transferor Company therein AND THIS COURT DOTH FURTHER ORDER that the transfer /vesting as aforesaid shall be subject to the existing charges/hypothecation/mortgagage if any over or in respect of the said assets or any part thereof. Provided however, any reference in any security documents or arrangements to which the Transferor Company is a party, to the assets of the Transferor Company as if agreed to be offered as a security of any financial assistance or obligations, to the secured creditors of the Transferor Company shall be construed as reference only to the assets pertaining to the undertaking of the Transferor Company as are vested in the Transferee Company to the end and intent that such security, mortgage and charge shall not extend or deemed to be extended to any of the assets or any of the other or division of the Transferor Company specifically agreed by the Transferee Company that such secured creditors and subject to the consents and approvals of the existing secured creditors and subject to the consents and approvals of the existing secured creditors of the Transferee Company AND THIS COURT DOTH HEREBY FURTHER ORDER that it is expressly provided that in respect of such of the said assets as are movable in nature or otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company and shall become the property of the Transferee Company in pursuance or the provisions of Section 394 of the said Act as an integral part of the undertaking and in respect of such of the said assets other than those referred to in sub-para 2(c) of the Scheme, the same shall, as more particularly set out in sub- clause 2(a) of the Scheme, without any further act, instrument or deed will be transferred to and vested in and/or be deemed to be transferred and vested in the Transferee Company on the Appointed Date, pursuant to Section 394 of the said Act for all the estate right, title and interest of the Transferor Company therein AND THIS COURT DOTH HEREBY FURTHER ORDER that with effect form
Appointed Date all debts, liabilities, duties and obligations of the Transferor Company shall also be and shall stand transferred or deemed to be transferred without further act, instruments or deed to the Transferee Company pursuant to the provisions of Section 394 of the said Act so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtained the consent of any third party or other persons who is a party to the contract or arrangements by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of Clause 3 of the Scheme of Amalgamation.

AND THIS COURT DOTH HEREBY FURTHER ORDER that through the scheme is effective from the Appointed Date shall be operative and shall finally come into effect from the last of the following dates:-

(a) the date on which the last of all the consents, approvals, permissions, resolutions, sanctions and orders as are hereinafter referred to have been obtained or passed; and

(b) the date on which certified copies of the Order of the Court under Sections 391, 392 and 394 of the said Act are filed with the Registrar of Companies.

AND THIS COURT DOTH HEREBY FURTHER ORDER that such date shall be called as Effective Date AND THIS COURT DOTH HEREBY FURTHER ORDER that all suits, actions, and proceedings by or against the Transferor Company pending and/or arising on or before the date on which the scheme shall finally take effect shall be continued and can be enforced by or against the Transferee Company as effectually as if the same has been pending and/or arising against the Transferee Company.

AND THIS COURT DOTH HEREBY FURTHER ORDER that subject to the provisions of the Scheme all contracts, deeds bonds, agreements, arrangements, and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company as the case may be enforced a fully and effectually as if, in respect of the Transferor Company, the Transferee Company had been a party or beneficiary thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or conformation or enter into any Tripartite Agreements, Confirmations or novation to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of Clause 8 of the Scheme if so required or became necessary AND THIS COURT DOTH HEREBY FURTHER ORDER that the transfer of the said assets and the said liabilities of the Transferor Company to the Transferee and the continuance of all the contracts of proceedings by or against the Transferee Company shall not affect any contract or proceedings relating to the said assets or the said liabilities already concluded by the Transferor Company on or after the Appointed Date AND THIS COURT DOTH HEREBY FURTHER ORDER that upon the Scheme becoming finally effective in consideration of the assets and the liabilities of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall without any further application or deed, issue and allot Ordinary Shares of Rs. 10/- (Rupees Ten) each credited as fully paid-up, to the shareholders of the Transferor Company whose names are recorded in its Register of Members on a date (Record Date) save and except the Transferee Company to be fixed by the Board of Directors of the Transferee Company in the ratio of 17 (Seventeen) Ordinary Shares of the face value of Rs. 10/- each of the Transferee Company for every 100 (One Hundred) Equity Shares and/or every 100 (One Hundred) Cumulative Convertible Preference Shares of the face value of Rs. 10/- each in the Transferor Company AND THIS COURT DOTH HEREBY FURTHER ORDER that one ordinary share or other shares of the Transferee Company shall be allotted in lieu or exchange...
of the holding of the Transferee Company in the Transferor Company AND THIS COURT DOETH HEREBY FURTHER ORDER that no Fractional Certificates shall be issued by the Transferee Company in respect of the fractional entitlements, if any, to which the members of the Transferor Company may be entitled and allotment of the Shares of the Transferee Company as aforesaid but the same shall be done as provided in the Scheme being annexure hereto AND THIS COURT DOETH HEREBY FURTHER ORDER that after the Scheme becoming finally effective of the Transferor Company shall surrender their share Certificates for cancellation thereof to the Transferee Company. Notwithstanding anything to the contrary, upon the new shares in the Transferee Company being issued and allotted by them to the eligible shareholders of the Transferee Company whose name shall appear in the Register of Members of the Transferor Company on such Record Date fixed as aforesaid for Share Certificate in relation to the share held by them in the Transferor Company shall be deemed to have been cancelled and shall be of no effect on and from such Record Date AND THIS COURT DOETH HEREBY FURTHER ORDER that any time and from time to time, after the Appointed Date, the Transferor Company and the Transferee Company shall be entitled to declare pay dividend whether interim and/or final to their respective shareholders in any financial year or any period prior to the Effective Date and shall declare pay dividend only out of the disposable profits earned by the respective companies during such period as permissible in law and shall not transfer any amount from the reserve for the purposes of payment of dividends, unless, agreed to by the Board of Directors of both the Companies. The transferor Company may declare dividend only after obtaining the approval of the Board of Directors of the Transferee Company AND THIS COURT DOETH HEREBY FURTHER ORDER that all employees of the Transferor Company in service on the date immediately preceding the date on which the Scheme finally take effect shall become the employees of the Transferee Company on such dates, without any break or interruption in service and on the terms and conditions not less favourable than those subsisting with reference to the Transferor Company as on the said date. It is expressly provided that as far as the Provident fund, Gratuity Fund, Superannuation Fund or any other special fund created or existing for the benefit of the Employees for all purposes whatsoever related to the administration or operation of such Schemes or Funds or in relation to the obligation to make contribution to the said Funds in accordance with provisions of such Schemes, Funds, as per the terms provided in the respective Trust Deeds. It is the end and intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such Funds shall become those of the Transferee Company. It is also clarified that the services of the employees of the Transferor Company will be treated as having been continuous for the purpose of the aforesaid Funds or provisions of such Schemes, Funds, as per the terms provided in the respective Trust Deeds. It is the end and intent that all the rights, duties, powers, and obligations of the Transferor Company in relation to such Funds shall become those of the Transferee Company. It is also clarified that the services of the employees of the Transferor Company will be treated as having been continuous for the purpose of the aforesaid Funds or provisions AND THIS COURT DOETH HEREBY FURTHER ORDER that the Scheme coming into effect, the debit balances appearing under the head “Miscellaneous Expenditure” in the books of the Transferor Company shall be debited by the Transferee Company to the “Miscellaneous Expenditure” (Fertiliser Project) Account and the same shall be thereafter be dealt with in the same manner as they would have been, had they been created by the Transferee Company in its own books AND THIS COURT DOETH HEREBY FURTHER ORDER that subject to Clause 15 of the Scheme, the excess of the value of the net assets of the Transferor Company as appearing in their Books of Accounts and after giving due effect to cancellation of the shares held by the Transferee company in the Transferor Company over the paid up value of the shares to be issued and allotted pursuant to the terms of Clause 10 of the Scheme annexed hereto AND THIS COURT DOETH HEREBY FURTHER ORDER that the Scheme is specifically conditional upon and subject to :-
(a) the sanction or approval under any law or of the Central Government or any other Agency, Department or Authorities concerned being obtained and granted in respect of any of the matters in respects of which such sanction or approval is required.

(b) The requisite Resolution under the applicable provisions of the said Act being passed by the Shareholders of the Transferee Company under the applicable provisions of the said Act, for any of the matters provided for or relating to the Scheme as may be required or be necessary;

(c) The requisite consent, sanction or approval of the Controller of Capital Issues (the Central Government) under the Capital Issues (Control) Act, 1947 being obtained and

(d) The requisite approval of the Reserve Bank of India under the provisions of Foreign Exchange Regulation Act, 1973, for the issue of shares in the Transferee Company to the non-resident shareholders in accordance with the provisions of the Scheme being obtained.

AND THIS COURT DOETH HEREBY FURTHER ORDER that all costs, charges, and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with the Scheme and incidental to the completion of the Amalgamation of the said undertaking of the Transferor Company in pursuant of the Scheme shall, except as specifically provided herein be borne and paid by the Transferee Company AND THIS COURT DOETH HEREBY FURTHER ORDER that the Transferor Company do within 30 days from the date of sealing of the Order sanctioning the Scheme of Amalgamation cause a certified copy of the order to be delivered to the Registrar of Companies, Maharashtra, Bombay, for registration and, on such certified copy being so delivered, the Transferee Company shall be dissolved and the Registrar of Companies, Maharashtra, Bombay shall place all the documents relating to the Transferor Company and the files relating to the said two companies shall be consolidated accordingly AND THIS COURT DOETH HEREBY FURTHER ORDER that the parties to the Scheme of Amalgamation and any other person or persons interested therein shall be at liberty to apply to this Hon’ble Court for any direction that may be necessary in regard to the working of the Scheme of Amalgamation as sanctioned herein annexed to this Order AND THIS COURT DOETH HEREBY LASTLY ORDER that the Transferor Company do pay a sum of Rs. 300/- (Rupees Three hundred only) to the Regional director, Company Law Board, Bombay towards the costs of the said Petition.

Witness, Shri. Cittatosh Mookerjee, Chief Justice of the High Court, Bombay aforesaid this 7th day of September, 1989.

SEAL
Sd/-
S. S. Tammanavavar,
SEALER
This 28th day of September, 1989.

Order sanctioning the Scheme of Amalgamation under Section 391 to 394 of the Companies Act, 1956 drawn on the Application of M/s. Amarchand & Mangaldas & Hiralal Shroff & Co., Advocates for the Petitioners, having their Office at Lentin Chambers, Dalal Street, Fort, Bombay- 400 023.
IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO. 870 OF 2000
CONNECTED WITH
COMPANY APPLICATION NO 379 OF 2000

In the matter of the Companies Act, 1956.
-And-
In the matter of Sections 391 to 394 of the Companies Act, 1956;
-And-
In the matter of Sabras Investment and Trading Company Limited, a Company incorporated under the Companies Act, (Act I of 1956) 1956 and having its Registered Office at Bombay House, 24 Homi Mody Street, Mumbai – 400 001;
-And-
In the matter of Scheme of Amalgamation of Sabras Investment and Trading Company Limited with Tata Chemicals Limited.

Sabras Investment and Trading Company Limited, a Company incorporated under the Companies Act, (Act I of 1956) 1956 and having its Registered Office at Bombay House, 24 Homi Mody Street, Mumbai 400 001. …..Petitioner

CORAM : Smt. K.K. Baam J.
DATED : 8th November 2000

UPON the Petition of Sabras Investment and Trading Company Limited the Petitioner Company abovenamed, presented to this Hon’ble Court on the 13th day of September, 2000 for sanctioning the Arrangement embodied in the Scheme of Amalgamation of Sabras Investment and Trading Company Limited (hereinafter called the “Petitioner Company” or “Transferor Company”) with Tata Chemicals Limited (hereinafter called the Transferee Company”) and for other consequential reliefs as mentioned in the said Petition and the said Petition being this day called on for hearing and final disposal AND

UPON READING the said Petition and affidavit of Mr. Rajeshkumar H. Parekh, the authorized
signatory of the Petitioner Company, solemnly affirmed on the 13th day of September, 2000 verifying the said Petition AND UPON READING the affidavit of Mr. Sanjay Pulekar, clerk in the office of the Advocates for the Petitioner Company dated 29th day of September, 2000 proving publication of notice of hearing of the Petition in the issue of newspapers “Free Press Journal” (Mumbai Edition) dated 25th day of September, 2000 and marathi translation thereof in the “Navshakti” dated 25th day of September, 2000, pursuant to the Order dated 20th day of September, 2000 AND UPON READING the affidavit of Mr. Sanjay Pulekar dated 4th day of October, 2000 providing service of notice of hearing of the Petition upon the Regional Director, Department of Company Affairs, Maharashtra, Mumbai AND UPON READING the affidavit of Mr. Sanjay Pulekar dated 4th day of October, 2000 providing service of notice of hearing of the Petition upon the Official Liquidator, High Court, Bombay AND UPON READING the Order dated 14th day of July, 2000, passed by this Hon’ble Court in Company Application No.379 of 2000, whereby the meeting of Equity Shareholders of the Petitioner Company for the purpose of considering, and if thought fit, approving with or without modifications, the Arrangement embodied in the Scheme of Amalgamation of the Petitioner Company with the Transferee Company being Exhibit “E” to the Petition was dispensed with, in view of the consent letters dated 29th June, 2000 from the Equity Shareholders of the Petitioner Company annexed as Exhibits F-1 to F-9 to the affidavit in support of the Company Application No.379 of 2000 AND UPON READING the Official Liquidator’s Report dated 5th day of November, 2000 wherein he has opined that the affairs of the Petitioner Company have not been conducted in a manner prejudicial to the interest of its members or to public interest AND UPON HEARING, Mr. Sandeep H. Parikh, Counsel, instructed by Mr. Amarchand & Mangaldas & Suresh A. Shroff & Co. Advocates for the Petitioner Company, and Mr. C. J. Joy Panel Counsel for the Regional Director, Department of Company Affairs, Maharashtra, Mumbai who submits to the order of the Court AND Mr. M. A. Kuwadia, the Official Liquidator, High Court, Bombay who also submits to the order of the Court AND no other person or persons entitled to appear at the hearing of the Petition appearing this day either in support of the said Petition or to show cause against the same THIS COURT DOETH HEREBY sanction the Arrangement embodied in the Scheme of Amalgamation of Sabras Investment and Trading Company Limited, the Petitioner Company with Tata Chemicals Limited the Transferee Company as set forth in the Scheme being Exhibit “E” to the Petition and annexed as Schedule hereto AND THIS COURT DOETH HEREBY DECLARE that the said Scheme with effect from 1st day of April, 2000 [hereinafter referred to as
the “Appointed Date”] shall be binding on all the members of the Petitioner Company and of the
Transferee Company AND THIS COURT DOETH ORDER that with effect from the Appointed
Date the entire business and the whole of the undertaking of the Petitioner Company as set out in the
Scheme being Exhibit “E” to the Petition and in the Schedule hereto shall without any further act or
deed stand transferred to and vested in the Transferee Company pursuant to the provisions of Sections
391 to 394 of the Companies Act, 1956 so as to become the business and undertaking of the Transferee
Company AND THIS COURT DOETH FURTHER ORDER that all debts, liabilities, duties and
obligations of the Petitioner Company shall without any further act or deed stand transferred to the
Transferee Company pursuant to the provisions of the Section 391 to 394 of the Companies Act, 1956
so as to become the debts liabilities, duties and obligations of the Transferee Company AND THIS
COURT DOETH FURTHER ORDER that all suits, claims, actions and legal proceedings pending
by or against the Petitioner Company shall be continued by or against the Transferee Company AND
THIS COURT DOETH FURTHER ORDER that all the employees of the Petitioner Company on
such date or the date immediately preceding the date on which the said Scheme finally take effect i.e.
the Effective Date shall become the employees of the Transferee Company on such date without any
break or interruption of the service and on the terms and condition not less favourable then those
subsisting with reference to the Petitioner Company as on the said date AND THIS COURT DOETH
FURTHER ORDER that in consideration of the Transferor of asset and liabilities of the Transferor
Company to the Transferee Company, the shares held by the Transferee Company and its nominees
shall stand cancelled as the Transferor Company is wholly owned subsidiary of the Transferee Company
AND THIS COURT DOETH FURTHER ORDER that upon the Scheme becoming effective the
Petitioner Company shall stand dissolved without winding up AND THIS COURT DOETH FURTHER
ORDER that the Petitioner Company do within 30 days of the sealing of this Order, cause a certified
copy of this Order to be delivered with the Registrar of Companies, Maharashtra, Mumbai for registration
and upon such certified copy of the order being so delivered the Petitioner Company shall stand dissolved
without winding up And the Registrar of Companies, Maharashtra, Mumbai shall place all the files and
records of the Petitioner Company and registered with him on the file kept by him in relation to the
Transferee Company and files of the Petitioner Company and the Transferee Company shall be
consolidated accordingly AND THIS COURT DOETH FURTHER ORDER that the parties to the
Scheme of Amalgamation and any other person or persons interested therein, shall be at liberty to
apply to this Hon’ble Court for any directions that may be necessary in regard to the working of the 
Arrangement embodied in the Scheme as sanctioned hereunder and annexed as Schedule hereto 

**AND THIS COURT DOTH LASTLY ORDER** that the Petitioner Company do pay a sum of 
Rs.1000/- (Rupees One Thousand Only) to the Regional Director, Department of Company Affairs, 
Maharashtra, Mumbai and to the Official Liquidator, High Court, Bombay towards the cost of the 
Petition **WITNESS SHRI BISHESHWAR PRASAD SINGH**, Chief Justice at Bombay aforesaid this 8th day of November, 2000.

By the Court

for Prothenotary & Senior Master

Order sanctioning the Arrangement embodied in the Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956 drawn on the application of M/s. Amarchand & Mangaldas & Suresh A. Shroff & Co. Advocates for the Petitioner Company having their Office at Lentin Chambers, Dalal Street Fort, Mumbai- 400 023.
SCHEDULE

SCHEME OF AMALGAMATION

SABRAS INVESTMENT AND TRADING COMPANY LIMITED …… TRANSFEROR COMPANY

With

TATA CHEMICALS LIMITED …… TRANSFEREE COMPANY

PART I. GENERAL

1. This Scheme of Amalgamation (hereinafter referred to as the “Scheme”) provides for the amalgamation of Sabras Investment and Trading Company Limited into Tata Chemicals Limited, pursuant to Sections 391 to 394 and other relevant provisions of the Companies Act, 1956.

2. In this Scheme, unless repugnant to the context or meaning thereof, the following expressions shall have the following meanings:

“Act” means the Companies Act, 1956.

“Appointed Date” means the first day of April, 2000.

“Effective Date” means the date on which the last of all consents, approvals, permissions, sanctions and orders have been obtained, passed and completed and the date on which the certified copies of the orders of the High Court at Bombay are filed with the Registrar of Companies, Maharashtra, Mumbai under Section 391 (3) of the Act, (or such other date as the court may direct) whichever is earlier. Reference in this Scheme to the date of “coming into effect of this Scheme” or “effectiveness of this Scheme” shall mean the Effective Date.

“Scheme” means this Scheme of Amalgamation for the amalgamation of the Transferor Company with the Transferee Company.

“Transferee Company” means TATA CHEMICALS LIMITED, a company incorporated under the Indian Companies Act, 1913, having its registered office at Bombay House, 24 Homi Mody Street, Mumbai 400 001.
“Transferor Company” means SABRAS INVESTMENT AND TRADING COMPANY LIMITED, a company incorporated under the Companies Act, 1956, having its registered office at Bombay House, 24 Homi Mody Street, Mumbai 400 001.

“Undertaking” means the undertaking and the entire business and all the movable and immovable properties, including residential flat bearing No.6 Block C on the second floor of the Building Marble Arch situated at 9, Prithviraj Road, New Delhi – 110 011, tangible and intangible properties, all stocks, assets, buildings, offices, deposits, investments of all kinds, leases and hire purchase contracts, leading contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, consents, licences, registrations, contracts, engagements, arrangements of all kind, rights, title, interests, benefits and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of enjoyed by the Transferor Company, including but without being limited to trademarks, patents, copyrights, trade names and other intellectual property rights of any nature whatsoever, permits, approvals, authorizations, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements and all other interests.

3. The Scheme although operative from the Appointed Date, shall become effective from the Effective Date.

PART II – SHARE CAPITAL

4. (a) The share capital of the Transferor Company as on March 31,2000 is as under :

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[a] Of the above shares, 4,60,046 Equity Shares of Rs.100/- each were issued as fully paid-up Bonus Shares by capitalisation of Rs.1,800/- from Capital Redemption Reserve, Rs.19,98,400/- from General Reserve and Rs. 4,40,04,400/- from Share Premium Account.
[b] All the Equity Shares are held by Tata Chemicals Ltd., the Holding Company, some jointly with Nominees.
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<td>(ii) 10,54,02,144 Equity Shares of Rs.10/- each were issued as fully paid-up bonus shares by capitalization of Rs.92.97 crores from share premium account and Rs.12.43 crores from General Reserve.</td>
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<td>(iii) 42,49,864 Equity Shares of Rs.10/- each allotted as fully paid-up to the Shareholders of erstwhile Tata Fertilisers Ltd., pursuant to the Scheme of Amalgamation.</td>
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<td><strong>Forfeited Shares</strong></td>
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<td>Amount paid-up on 86,320 shares</td>
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**PART III- TRANSFER AND VESTING OF UNDERTAKING**

5. (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, including in relation to the mode of transfer and vesting, the Undertaking of the Transferor Company shall be and stand transferred to and vested in and/or be deemed to be and stand transferred to and vested in the Transferee Company pursuant to the applicable provisions of the Act, including Section 394 of the Act so as to become as and from the Appointed Date the properties, assets, estate, rights, titles and interests of the Transferee Company without any further act, instrument or deed.
(b) The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

6. Upon the coming into effect of this Scheme and with effect from the Appointed Date:

(a) All secured and unsecured debts, liabilities, duties and obligations of the Transferor Company along with any charge, encumbrance, lien or security thereon (hereinafter referred to as “the said Liabilities”) shall also be and stand transferred or deemed to be transferred, without any further act, instrument or deed to the Transferee Company, pursuant to the provisions of Section 394 of the Act so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this clause. To the extent there are any loans, outstandings or balances due from the Transferor Company to the Transferee Company or vice versa, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of the Transferee Company.

(b) Any debentures, bonds, notes or other securities of the Transferor Company, whether convertible into equity or otherwise, (hereinafter referred to as “Transferor’s Securities”) shall without further act, instrument or deed become the securities of the Transferee Company and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and shall be exercised by or against the Transferee Company in respect of the Transferor’s Securities so transferred.

(c) All debts, outstandings and receivables of the Transferor Company shall accordingly, on and from the Appointed Date, stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (though the Transferee Company may, if it so deems appropriate, give notice to the debtors that the debts do stand transferred to and vested in the Transferee Company) and the debtors shall be obliged to make payment to the Transferee Company on and after the Appointed Date.
7. With effect from the Appointed Date up to the Effective Date:

a) the Transferor Company shall carry on and be deemed to have carried on all its business and activities and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the said Undertaking for and on account of, and in trust for, the Transferee Company;

b) all the profits or incomes accruing or arising to the Transferor Company or expenditure or losses arising or incurred by the Transferor Company shall for all purposes be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of the Transferee Company, as the case may be;

c) the Transferor Company shall carry on its business and activities with reasonable diligence and business prudence and shall not, without the consent of the Transferee Company, undertake any additional financial commitments of any nature whatsoever, borrow any amounts not incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letter of comfort or commitments either for itself or on behalf of group companies or any third party, or save as expressly permitted by this Scheme or with the consent of the Transferee Company, or in the ordinary course of business, or pursuant to any pre-existing obligation undertaken by the Transferor Company prior to the Appointed Date alienate, charge, mortgage, encumber or otherwise deal with the said Undertaking or any part thereof;

8. Upon the coming into effect of this Scheme, all suits, actions and other legal proceedings by or against the Transferor Company pending and / or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company as effectually as if the same had been pending and / or arising by or against the Transferee Company.

9. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Transferor company is a party or to the benefit of which the transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favour of the Transferee company as the case may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or oblige thereto. The Transferee Company shall, wherever necessary, enter into and / or issue and / or execute deeds, writings, or confirmation at any time prior to the Effective Date, enter into any tripartite arrangement, confirmations or novations to which the Transferor Company will, if necessary also be a party in order to give formal effect to the provisions of this Clause.
PART IV – CANCELLATION OF THE SHARE CERTIFICATES

10. Upon the coming into effect of this Scheme, the Transferor Company being a wholly owned subsidiary of the Transferee Company, no ordinary shares or other shares of the Transferee Company shall be allotted in lieu or exchange of holding of the shares in the Transferor Company by the Transferee Company and its nominees and the share capital of the Transferor Company shall stand cancelled.

PART V – GENERAL TERMS AND CONDITIONS

11. (a) The transfer of the said assets and the said liabilities of the Transferor Company to the Transferee Company and the continuance of all the contracts or proceedings by or against the Transferee Company shall not affect any contract or proceedings relating to the said assets or the said liabilities already concluded by the Transferor Company on or after the Appointed Date.

(b) On the Scheme becoming operative, all employees of the Transferor Company in the service on the Effective Date shall be deemed to have become the employees of the Transferee Company with effect from the Appointed Date without any break in their service and on the basis of continuity of service and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company on the Effective Date.

(c) The reserves and surplus of the Transferor Company shall be accounted for and dealt with in the books of the transferee Company in the following manner:

(i) An amount equal to the balance lying to the credit of the Share Premium Account in the books of the Transferor Company shall be credited by the Transferee Company to its Share Premium Account as effectively as if the same was created by the Transferee Company.

(ii) An amount equal to the balance lying to the credit of “Reserve Fund” in the books of the Transferor Company shall be credited by the Transferee Company to its General Reserve and shall constitute the Transferee Company’s free reserve as effectively as if the same was created by the Transferee Company out of its own earned and distributable profits.

(iii) An amount equal to the balance lying to the credit of “Profit and Loss Account” in the books of the Transferee Company shall be credited by the Transferee Company to its General Reserve and shall constitute the Transferee Company’s free reserve as effectively as if the same was created by the Transferee Company out of its own earned and distributable profits.

(iv) The balance lying to the credit of the General Reserve in the Books of the Transferor Company after making adjustment thereto for shortfall/deficit on amalgamation if any shall be credited by the Transferee Company to its General Reserve and shall constitute the Transferee Company’s free reserve as effectively as if the same was created by the Transferee Company out of its own earned and distributable profits.
(v) The net surplus if any arising out of the amalgamation in the books of the Transferee Company shall be credited by the Transferee Company to a special account in the books of account of the Transferee Company as a free reserve, to be styled as “Amalgamation Reserve Account”

(vi) In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in the Revenue Reserves of the Transferee Company to ensure that the financial statements of the Transferee company reflect the financial position on the basis of consistent accounting policy.

(d) On the Scheme being effective the Transferee Company shall communicate the sanction of the Scheme to [the Marble Arch Apartment Owners’ Association or such other competent body for effecting the transfer of the Flat No. 6, Block C on the second floor, in the Building Marble Arch situated at 9, Prithviraj Road, New Delhi – 110 011.

(e) On the Scheme being Effective, the Transferor Company shall be dissolved without winding up.

12. The Transferor Company and the Transferee Company shall with all reasonable dispatch, make applications/petitions under Sections 391 and 394 and other applicable provisions of the said Act to the High Court of Judicature at Bombay for sanctioning of the Scheme of Amalgamation and for dissolution of the Transferor Company without winding up and apply for such other approvals, if any, required under the provisions of law.

13. (a) The Transferor Company and the Transferee Company may assent from time to time on behalf of all persons concerned to any modifications or amendments or additions to this Scheme or to any conditions or limitations which the High Court of Judicature at Bombay and / or the other competent authorities, if any, may impose under the law and do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by their respective Boards of Directors, a committee or committees of the concerned Board or any employee(s) or other person(s) authorized in that behalf by the concerned Board of Directors (hereinafter referred to as “delegates”).

(b) For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the respective Boards of Director, a Committee or Committees of the concerned board or any employee(s) or other person(s) authorised in this behalf by the concerned Board of Directors (hereinafter referred to as “delegates”).
14. This Scheme is specifically conditional upon and subject to:
   a) The sanction or the approval under any law or of the Central Government or any other Agency, Department or Authorities concerned being obtained and granted in respect of which such sanction or approval is required;
   
   b) the Scheme being agreed to by the requisite majorities of such classes of persons of the Transferor Company and the Transferee Company as may be directed by the High Court of Judicature at Bombay on the applications made for directions under section 391 of the said Act for calling meetings and necessary resolutions being passed under the said Act for the purpose;
   
   c) The sanctions of the High Court of Judicature at Bombay being obtained under Section 391 and 394 and other applicable provisions of the said Act, if so required on behalf of the Transferor Company and the Transferee Company;

15. In the event of any of the said sanctions and approvals referred to hereinabove not being obtained and / or the Scheme not being sanctioned by the High Court and / or the order or orders not being passed as aforesaid before 31st March, 2001 or within such further period or periods as may be agreed upon the Transferor company by its Directors and the Transferee Company by its Directors (and which the Board of Directors of both the Companies are hereby empowered and authorized to agree to and extend from time to time without any limitations), the Scheme of Amalgamation shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

16. All costs, charges, taxes duties and all other expenses, if any (save as otherwise expressly agreed) of the Transferor Company and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne and paid by the Transferee Company.
IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO. 871 OF 2000
CONNECTED WITH
COMPANY APPLICATION NO 380 OF 2000

In the matter of the Companies Act, 1956.
-And-
In the matter of Sections 391 to 394 of the Companies Act, 1956;
-And-
In the matter of Tata Chemicals Limited a Company incorporated under the Companies Act VII of 1913 and having its Registered Office at Bombay House, 24 Homi Mody Street, Mumbai – 400 001.
-And-
In the matter of Scheme of Amalgamation of Sabras Investment and Trading Company Limited with Tata Chemicals Limited.

Tata Chemicals Limited, a Company )
Incorporated under the Companies Act )
VII of 1913 and having its Registered )
Office at Bombay House, 24 Homi )
Mody Street, Mumbai 400 001. )
......Petitioner

CORAM : Smt. K.K. Baam J.
DATED : 8th November 2000

UPON the Petition of Tata Chemicals Limited the Petitioner Company above named, presented to this Hon’ble Court on the 13th day of September, 2000 for sanctioning the Arrangement embodied in the Scheme of Amalgamation of Sabras Investment and Trading Company Limited (hereinafter called the “transferor Company”) with Tata Chemicals Limited (hereinafter called the “Petitioner Company” or “Transferee Company”) and for other consequential reliefs as mentioned in the said Petition and the said Petition being this day called on for hearing and final disposal AND UPON READING the said
Petition and affidavit of Mr. S.U.K. Menon, Vice President (Finance) and Company Secretary of the Petitioner Company, Affirmed on the 13th day of March, 2000 verifying the said Petition AND UPON READING the affidavit of Mr. Sanjay Pulekar, clerk in the office of the Advocates for the Petitioner Company dated 29th day of September, 2000 proving publication of notice of hearing of the Petition in the issue of newspapers “Free Press Journal” (Mumbai Edition) dated 25th day of September, 2000 and marathi translation thereof in the “Navshakti” dated 25th day of September, 2000, pursuant to the Order dated 20th day of September, 2000 AND UPON READING the affidavit of Mr. Sanjay Pulekar dated 4th day of October, 2000 providing service of notice of hearing of the Petition upon the Regional Director, Department of Company Affairs, Maharashtra, Mumbai AND UPON READING the said order dated 20th day of September, 2000 individual notice of hearing of the Petition upon the Creditors was dispensed with in view of the averment made in para 17 of the Petition AND UPON READING the affidavit dated 16th day of August, 2000 of Mr. R. N. Tata, the Chairman appointed for the meeting of the Equity Shareholders of the Petitioner Company for the purpose of considering, and if thought fit, approving with or without modifications, the Arrangement embodied in the Scheme of Amalgamation of the Transferor Company with the Petitioner Company being Exhibit “E” to the Petition AND UPON READING the affidavit dated 14th day of July, 2000 of Mr. R. N. Tata, the Chairman appointed for the meeting of the Equity Shareholders of the Petitioner Company providing service of individual notice convening meeting upon the Equity Shareholders of the Petitioner Company and also proving publication of the notice convening a meeting in the issue of newspapers “Free Press Journal” (Mumbai Edition) and marathi translation thereof in the “Navshakti” both dated 3rd day of August 2000, pursuant to the Order dated 14th day of July, 2000 AND UPON READING the Report of the Chairman Mr. R. N. Tata dated 6th day of September, 2000 as to the result of the said meeting of the Equity Shareholders, of the Petitioner Company AND UPON READING the affidavit of the Chairman Mr. R. N. Tata dated 6th day of September, 2000 verifying the Chairman’s Report AND IT APPEARS from the said Report of the Chairman of the meeting of the Equity Shareholders of the Petitioner Company that the Arrangement embodied in the Scheme of Amalgamation of the Transferor Company with the Petitioner Company has been approved unanimously by all the Equity Shareholders present at the said meeting AND UPON HEARING, Mr. Sandeep H. Parikh Counsel, instructed by M/s. Amarchand & Mangaldas & Suresh A. Shroff & Co. Advocates for the Petitioner Company, and Mr. C. J. Joy, Panel Counsel
for the Regional Director, Department of Company Affairs, Maharashtra, Mumbai who submits to the order of the Court and no other person or persons entitled to appear at the hearing of the said Petition appearing this day either in support or to show cause against the said Petition

**THIS COURT DOETH HEREBY** sanction the Arrangement embodied in the Scheme of Amalgamation of Sabras Investments and Trading Company Limited, the Transferor Company with Tata Chemicals Limited, the Petitioner Company as set forth in the Scheme being Exhibit “E” to the Petition and annexed as Schedule hereto

**AND THIS COURT DOETH HEREBY DECLARE** that the said Scheme with effect from 1st day of April, 2000 [hereinafter referred to as the “Appointed Date”] shall be binding on all the members of the Petitioner Company and of the Transferor Company

**AND THIS COURT DOETH ORDER** that with effect from the Appointed Date entire business and the whole of the undertaking of the Transferor Company as set out in the Scheme being Exhibit ‘E’ to the Petition and in the Schedule hereto shall without any further act or deed stand transferred to the vested in the Petitioner Company pursuant to the provisions of the Section 391 to 394 of the Companies Act, 1956 so as to become the debts liabilities, duties and obligations of the Petitioner Company

**AND THIS COURT DOETH FURTHER ORDER** that all suits, claims, actions and legal proceedings pending by or against the Transferor Company shall be continued by or against the Petitioner Company

**AND THIS COURT DOETH FURTHER ORDER** that all the employees of the Transferor Company on such date or the date immediately preceding the date on which the said Scheme finally take effect i.e. the Effective Date shall become the employees of the Petitioner Company on such date without any break or interruption of the service and on the terms and condition not less favourable than those subsisting with reference to the Transferor Company as on the said date

**AND THIS COURT DOETH FURTHER ORDER** that in consideration of the Transfer of asset and liabilities of the Transferor Company to the Transferee Company, the shares held by the Transferee Company and its nominees shall stand cancelled as the Transferor Company is wholly owned subsidiary of the Transferee Company

**AND THIS COURT DOETH FURTHER ORDER** that the Petitioner Company do within 30 days of the sealing of this Order, cause a certified copy of this Order to be delivered with the Registrar of Companies, Maharashtra, Mumbai for registration and upon such certified copy of the order being so delivered the Transferor Company shall stand dissolved without winding up And the Registrar of Companies, Maharashtra, Mumbai shall place all the files and records of the Transferor Company and registered with him on the file kept by him in relation to the Petitioner Company and files of the Transferor Company and the
Petitioner Company shall be consolidated accordingly AND THIS COURT DOETH FURTHER ORDER that the parties to the Scheme of Amalgamation and any other person or persons interested therein, shall be at liberty to apply to this Hon’ble Court for any directions that may be necessary in regard to the working of the Arrangement embodied in the Scheme as sanctioned hereunder and annexed as Schedule hereto AND THIS COURT DOETH LASTLY ORDER that the Petitioner Company do pay a sum of Rs.1000/- (Rupees One Thousand Only) to the Regional Director, Department of Company Affairs, Maharashtra, Mumbai towards the costs of the Petition WITNESS SHRI BISHESHWAR PRASAD SINGH, Chief Justice at Bombay aforesaid this 8th day of November, 2000.

By the Court

for Prothenotary & Senior Master
SCHEME OF AMALGAMATION

SABRAS INVESTMENT AND TRADING COMPANY LIMITED ….. TRANSFEROR COMPANY

With

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</tr>
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<td>issued as fully paid-up bonus shares by</td>
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<tr>
<td>capitalization of Rs.92.97 crores from share</td>
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<td>premium account and Rs.12.43 crores from</td>
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<tr>
<td>General Reserve.</td>
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<tr>
<td>(iii) 42,49,864 Equity Shares of Rs.10/- each allotted</td>
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<tr>
<td>as fully paid-up to the Shareholders of erstwhile</td>
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<tr>
<td>Tata Fertilisers Ltd., pursuant to the Scheme of</td>
<td></td>
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<tr>
<td>Amalgamation.</td>
<td></td>
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<tr>
<td><strong>Forfeited Shares</strong></td>
<td></td>
</tr>
<tr>
<td>Amount paid-up on 86,320 shares</td>
<td>6.00</td>
</tr>
<tr>
<td></td>
<td>18,070.00</td>
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</tbody>
</table>

**PART III- TRANSFER AND VESTING OF UNDERTAKING**

5. (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, including in relation to the mode of transfer and vesting, the Undertaking of the Transferor Company shall be and stand transferred to and vested in and/or be deemed to be and stand transferred to and vested in the Transferee Company pursuant to the applicable provisions of the Act, including Section 394 of the Act so as to become as and from the Appointed Date the properties, assets, estate, rights, titles and interests of the Transferee Company without any further act, instrument or deed.
(b) The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

6. Upon the coming into effect of this Scheme and with effect from the Appointed Date:

(a) All secured and unsecured debts, liabilities, duties and obligations of the Transferor Company along with any charge, encumbrance, lien or security thereon (hereinafter referred to as “the said Liabilities”) shall also be and stand transferred or deemed to be transferred, without any further act, instrument or deed to the Transferee Company, pursuant to the provisions of Section 394 of the Act so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this clause. To the extent there are any loans, outstandings or balances due from the Transferor Company to the Transferee Company or vice versa, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of the Transferee Company.

(b) Any debentures, bonds, notes or other securities of the Transferor Company, whether convertible into equity or otherwise, (hereinafter referred to as “Transferor’s Securities”) shall without further act, instrument or deed become the securities of the Transferee Company and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and shall be exercised by or against the Transferee Company in respect of the Transferor’s Securities so transferred.

(c) All debts, outstandings and receivables of the Transferor Company shall accordingly, on and from the Appointed Date, stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (though the Transferee Company may, if it so deems appropriate, give notice to the debtors that the debts do stand transferred to and vested in the Transferee Company) and the debtors shall be obliged to make payment to the Transferee Company on and after the Appointed Date.
7. With effect from the Appointed Date up to the Effective Date:

a) the Transferor Company shall carry on and be deemed to have carried on all its business and activities and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the said Undertaking for and on account of, and in trust for, the Transferee Company;

b) all the profits or incomes accruing or arising to the Transferor Company or expenditure or losses arising or incurred by the Transferor Company shall for all purposes be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of the Transferee Company, as the case may be;

c) the Transferor Company shall carry on its business and activities with reasonable diligence and business prudence and shall not, without the consent of the Transferee Company, undertake any additional financial commitments of any nature whatsoever, borrow any amounts not incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letter of comfort or commitments either for itself or on behalf of group companies or any third party, or save as expressly permitted by this Scheme or with the consent of the Transferee Company, or in the ordinary course of business, or pursuant to any pre-existing obligation undertaken by the Transferor Company prior to the Appointed Date alienate, charge, mortgage, encumber or otherwise deal with the said Undertaking or any part thereof;

8. Upon the coming into effect of this Scheme, all suits, actions and other legal proceedings by or against the Transferor Company pending and / or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company as effectually as if the same had been pending and / or arising by or against the Transferee Company.

9. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Transferor company is a party or to the benefit of which the transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favour of the Transferee company as the case may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or oblige thereto. The Transferee Company shall, wherever necessary, enter into and / or issue and / or execute deeds, writings, or confirmation at any time prior to the Effective Date, enter into any tripartite arrangement, confirmations or novations to which the Transferor Company will, if necessary also be a party in order to give formal effect to the provisions of this clause.
PART IV – CANCELLATION OF THE SHARE CERTIFICATES

10. Upon the coming into effect of this Scheme, the Transferor Company being a wholly owned subsidiary of the Transferee Company, no ordinary shares or other shares of the Transferee Company shall be allotted in lieu or exchange of holding of the shares in the Transferor Company by the Transferee Company and its nominees and the share capital of the Transferor Company shall stand cancelled.

PART V - GENERAL TERMS AND CONDITIONS

11. (a) The transfer of the said assets and the said liabilities of the Transferor Company to the Transferee Company and the continuance of all the contracts or proceedings by or against the Transferee Company shall not affect any contract or proceedings relating to the said assets or the said liabilities already concluded by the Transferor Company on or after the Appointed Date.

(b) On the Scheme becoming operative, all employees of the Transferor Company in the service on the Effective Date shall be deemed to have become the employees of the Transferee Company with effect from the Appointed Date without any break in their service and on the basis of continuity of service and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company on the Effective Date.

(c) The reserves and surplus of the Transferor Company shall be accounted for and dealt with in the books of the transferee Company in the following manner:

(i) An amount equal to the balance lying to the credit of the Share Premium Account in the books of the Transferor Company shall be credited by the Transferee Company to its Share Premium Account as effectively as if the same was created by the Transferee Company.

(ii) An amount equal to the balance lying to the credit of “Reserve Fund” in the books of the Transferor Company shall be credited by the Transferee Company to its General Reserve and shall constitute the Transferee Company’s free reserve as effectively as if the same was created by the Transferee Company out of its own earned and distributable profits.

(iii) An amount equal to the balance lying to the credit of “Profit and Loss Account” in the books of the Transferee Company shall be credited by the Transferee Company to its General Reserve and shall constitute the Transferee Company’s free reserve as effectively as if the same was created by the Transferee Company out of its own earned and distributable profits.

(iv) The balance lying to the credit of the General Reserve in the Books of the Transferor Company after making adjustment thereto for shortfall/deficit on amalgamation if any shall be credited by the Transferee Company to its General Reserve and shall constitute the Transferee Company’s free reserve as effectively as if the same was created by the Transferee Company out of its own earned and distributable profits.
(v) The net surplus if any arising out of the amalgamation in the books of the Transferee Company shall be credited by the Transferee Company to a special account in the books of account of the Transferee Company as a free reserve, to be styled as “Amalgamation Reserve Account”

(vi) In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in the Revenue Reserves of the Transferee Company to ensure that the financial statements of the Transferee company reflect the financial position on the basis of consistent accounting policy.

(d) On the Scheme being effective the Transferee Company shall communicate the sanction of the Scheme to [the Marble Arch Apartment Owners’ Association or such other competent body for effecting the transfer of the Flat No. 6, Block C on the second floor, in the Building Marble Arch situated at 9, Prithviraj Road, New Delhi – 110 011.

(e) On the Scheme being Effective, the Transferor Company shall be dissolved without winding up.

12. The Transferor Company and the Transferee Company shall with all reasonable dispatch, make applications/petitions under Sections 391 and 394 and other applicable provisions of the said Act to the High Court of Judicature at Bombay for sanctioning of the Scheme of Amalgamation and for dissolution of the Transferor Company without winding up and apply for such other approvals, if any, required under the provisions of law.

13. (a) The Transferor Company and the Transferee Company may assent from time to time on behalf of all persons concerned to any modifications or amendments or additions to this Scheme or to any conditions or limitations which the High Court of Judicature at Bombay and / or the other competent authorities, if any, may impose under the law and do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by their respective Boards of Directors, a committee or committees of the concerned Board or any employee(s) or other person(s) authorized in that behalf by the concerned Board of Directors (hereinafter referred to as “delegates”).

(b) For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the respective Boards of Director, a Committee or Committees of the concerned board or any employee(s) or other person(s) authorised in this behalf may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties in the same manner as if the same were specifically incorporated in this Scheme.
14. This Scheme is specifically conditional upon and subject to:

a) The sanction or the approval under any law or of the Central Government or any other Agency, Department or Authorities concerned being obtained and granted in respect of which such sanction or approval is required;

b) the Scheme being agreed to by the requisite majorities of such classes of persons of the Transferor Company and the Transferee Company as may be directed by the High Court of Judicature at Bombay on the applications made for directions under section 391 of the said Act for calling meetings and necessary resolutions being passed under the said Act for the purpose;

c) The sanctions of the High Court of Judicature at Bombay being obtained under Section 391 and 394 and other applicable provisions of the said Act, if so required on behalf of the Transferor Company and the Transferee Company;

15. In the event of any of the said sanctions and approvals referred to hereinabove not being obtained and / or the Scheme not being sanctioned by the High Court and / or the order or orders not being passed as aforesaid before 31st March, 2001 or within such further period or periods as may be agreed upon the Transferor company by its Directors and the Transferee Company by its Directors (and which the Board of Directors of both the Companies are hereby empowered and authorized to agree to and extend from time to time without any limitations), the Scheme of Amalgamation shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

16. All costs, charges, taxes duties and all other expenses, if any (save as otherwise expressly agreed) of the Transferor Company and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne and paid by the Transferee Company.
IN THE HIGH COURT OF THE STATES OF PUNJAB AND HARYANA AT CHANDIGARH

Company Petition No. 263 of 2003
In Company Petition No.144 of 2003

IN THE MATTER OF
The Companies Act. 1956

-And-

IN THE MATTER OF:

A Petition under Section 391 to 394 of the said Act for Amalgamation of:


With

**TATA CHEMICALS LIMITED** a Company incorporated under the provisions of Companies Act., 1913, having its registered office at Bombay House, 24, Homi Mody Street, Fort, Mumbai 400 001.

PETITION OF –
**HIND LEVER CHEMICALS LIMITED**, A-5, PHASE-IIB, FOCAL POINT, RAJPURA, PUNJAB – 140 401.

……….. Petitioner

PETITION under Section 394 of the Companies Act, 1956 for sanction of the scheme of Amalgamation
(a) That a notice be ordered to be issued to the Central Government through the Regional Director, Company law Board, Kanpur as required by Section 394-A of the Companies Act, 1956.

(b) That a notice of the hearing of the petition may be ordered to be advertised as required by Rule 80 of the Companies Court Rules, 1959, in the Tribune, Punjab kesri and Punjab Government Gazette.

(c) That the Scheme of Amalgamation Annexure P-2 to the petition may be sanctioned by this Hon’ble Court so as to be binding with effect from the date on which the certified copies of the orders of the Bombay High Court and of the Punjab & Haryana High Court are filed with the respective Registrar of Companies.

(d) That the petitioner shall, within 30 days, after the date of obtaining a certified copy of this order, cause the same to be delivered to the Registrar of Companies for Punjab, Himachal Pradesh and Chandigarh for registration.

(e) Such further or other orders be made and/or directions be given as this Hon’ble Court may deem fit and proper.
C.P. No.203 of 2003 in
C.P. NO.144 of 2003

Present : Mr. S. Ganesh, Senior Advocate, and
         Mr. L.M. Suri, Senior Advocate, with
         Mr. Deepak Suri, Advocate, and
         Mr. Sajan Narain, Advocate, for the petitioner.

J.S. NARANG. J.

The petitioner had filed C.P. No.144 of 2003 under Sections 391 and 394 read with other provisions of the Companies act, 1956 for the purpose of sanctioning of the scheme of amalgamation between the petitioner company, i.e. M/s Hind Lever Chemicals Limited and M/s Tata Chemicals Limited. Pursuant to the aforesaid petition the then Hon’ble Company Judge directed the holding of the meeting of shareholders and so also the secured creditors in accordance with and pursuant to the provisions of the Companies act, 1956 (hereinafter referred to as “the Act”). The Chairman and alternate Chairman had been duly appointed for holding the aforesaid meetings at the registered office of the petitioner Company. The petitioner has been defined as the “transferor company” and that Tata Chemicals Limited has been termed as the “transferee company”. A similar petition is stated to have been filed by the transferee company in the Bombay High Court Judicature at Mumbai for obtaining the sanction of the aforesaid scheme, which is stated to have been passed by the resolutions of the respective Board of Directors of the transferor and the transferee companies.

Hon’ble the then Company Judge directed the holding of the meetings as aforesaid and that the Chairman had been directed to submit the requisite report in respect of the result of the said meetings within seven days of the conclusion of the meetings. The report had been directed to be filed supported by a duly verified affidavit of the Chairman. The perusal of the record of the aforesaid petition shows that the respective Chairman of the aforesaid meetings filed their reports supported by duly verified affidavits. The Chairman of the shareholders meeting Shri Suvir Sehgal, advocate, of this courts filed the affidavit dated 18.7.2003 and Chairman of the meeting of the secured creditors Shri G.S. Sandhawalla, Advocate, of this Court, filed the affidavit dated July 17, 2003.

The perusal of the Court file of C.P. No.144 of 2003, does not show any judicial order having been passed for taking on record the respective reports of the Chairman. However, in the interest of justice as the reports have already been seen on the Court file the same are deemed to have been taken on record in view of the direction issued by the then Hon’ble Company Judge to the effect that the reports should be filed within seven days from the date of conclusion of the said meetings. The respective meetings were held on July 11, 2003 at the registered office of the transferor company.
The petitioner has filed the present petition under Sections 391(2), 394 read with the other provisions of the Companies Act, 1956, for seeking sanction of the scheme of amalgamation, by this Court. Notice was issued to the Official Liquidator and the Regional Director, Department of Company Affairs, Kanpur. The notice was also directed to be published in the Indian Express, Chandigarh Edition, Dainik Tribune and Punjab Government Gazette vide order dated 7.8.2003. The compliance of the aforesaid order was duly made and to authenticate the same the learned counsel for petitioner Mr. Deepak Suri, filed his affidavit dated 18.9.2003 and that the copies of the publication and the official Gazette of Punjab Government has been duly appended with the affidavit as Annexures A1 and A2.

The Official Liquidator attached to this Court has submitted the report dated September, 18, 2003, which has been seen on the Court file. It has been reported that the registered office of the transferor company is situated at A-5, Phase-IIB, Focal Point, Rajpura, Punjab and that the company was incorporated on 9.4.1974. The authorised share capital of the transferor company as per the balance sheet as on 31.3.2003 is Rs.2500 lacs divided into 2,45,00,000 equity shares of Rs.10/- each and 50000, 11% redeemable general preference share capital of Rs.100/- each. The issued capital is Rs.1378.56 lacs divided into 1,37,85,600 equity shares of Rs.10/- each. The subscribed and paid up capital is Rs.1378.56 lacs divide into 1.37.85.600 equity share of Rs.10/-each. The main objects of the transferor company have been duly noticed. It has also been noticed that by virtue of clause III(B)(11) of the Memorandum of Association of the Transferor Company and clause III(48) of the Memorandum of Association of the transferee company, they are authorised to amalgamate with or take over any of the company. The reasons, circumstances and the ground which necessitated and justified the scheme of amalgamation have been stated in para 11 of the petition which have been duly noticed by the Official Liquidator. It has also been noticed that the transferor and the transferee companies in their respective meetings of the Board of Directors held on 24.1.2003 had approved the scheme of amalgamation. It has also been reported that there is no common Director in the transferor and the transferee company. As per the balance sheet as on 31.3.2003, the assets of the transferor company have been noticed of the value of Rs.14976.30 lacs including building, plant and machinery, Railway sidings, fittings and Office Equipments and vehicles. The land measuring 33.97 acres valued at Rs.67.71 lacs is stated to have been taken on lease. The valuation has been taken pursuant to the report of independent valuers of the year 1996. This amount had been amortized entirely in the same year i.e. 1996.

The secured creditors of the transferor company are to the extent of Rs.10,000 lacs as per the balance sheet as on March 31, 2003. It has been noticed that as per the report of the Chairman all the secured creditors have voted in favour of the scheme of amalgamation. Thus, the said scheme is stated to have been passed unanimously.
It has been reported that the exchange ratio has been determined by M/s N.M. Raiji and Company and Deloitte Haskins and Sells and Co. vide their report dated 24.1.2003. In their opinion a fair ratio of exchange of equity shares is that the transferee company (TCL) shall issued 5 equity share of Rs.10/- each fully paid up for two equity shares of Rs.10/- each of the transferor company (HLCL). The financial status of the company has also been examined for the last three years and the same has been shown as under:

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<tr>
<td>Gross Turn over</td>
<td>98665.08</td>
<td>128534.61</td>
<td>109149.89</td>
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<td>Gross Profit Before tax</td>
<td>6962.14</td>
<td>1088.98</td>
<td>840.55</td>
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<td>Admin. Exp.</td>
<td>2605.06</td>
<td>086.83</td>
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<td>Profit before tax</td>
<td>4357.08</td>
<td>002.15</td>
<td>215.56</td>
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<tr>
<td>Dividend paid</td>
<td>1895.52 (137.50%)</td>
<td>067.84 (150%)</td>
<td>860.93 (135%)</td>
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The income-tax assessment up to the assessment year 2002/03 has been made vide order dated July 23, 2003 by the assistant Commissioner, Circle 2(1), Chandigarh as has been noticed by the Official Liquidator in his report. It has also been noticed that absorption of the workmen and the employees of the transferor company has been protected and shall be taken care.

It has been further reported that the authorized share capital of the transferee company is not sufficient to meet out the proposed allotment as incorporated in the scheme of amalgamation, therefore, the authorized capital of the transferee company ought to be increased to a sufficient extent. The transferor company i.e. the petitioner has assured that the transferee company having its registered office in the State of Maharashtra, shall file necessary Form No.5 as per the Act along with the prescribed fee immediately after the sanction of the scheme and before giving any effect to allotment of further shares in exchange of shares of the transferee company. It has also been reported that as per the affidavit of Shri V. Shankar, Managing Director of the Transferor company no legal cases by or against the transferor company are pending in any court of law. The official liquidator has categorically stated that the affairs of the transferor company do not appear to have been conducted in a manner prejudicial to the interest of members or public interest. Thus, the official liquidator has no objection to the scheme of amalgamation as proposed being accepted subject to the condition of increasing the requisite authorised share capital by the transferee company as noticed hereabove. It has been further prayed in the report that the transferor company be dissolved in view of acceptance of the scheme of amalgamation by this Court without the process of winding up being followed accordingly.

Pursuant to the notice issued to the Regional Director, Department of Company Affairs, Kanpur, an affidavit dated 17.9.2003 of Shri U.C. Nahata, Regional Director, Northern Region, Department of Company affairs has been received in the Court. He has categorically disclosed
his competence to file the affidavit for the purpose of submitting the report/representation in respect of the scheme of amalgamation as the requisite powers have been delegated to him by the Central Government under Section 394-A of the Companies Act, 1956. He has reported that all the permanent employees of the transferor company have been agreed to be made the employees of the transferee company but their absorption should be made without any break or interruption in service upon the sanctioning of the scheme of amalgamation. It has been pointed out that five shareholders holding 3895 equity shares have voted against the proposed scheme of amalgamation.

It has also been pointed out that the authorised share capital of the transferee company upon the acceptance of the scheme of amalgamation shall have to be increased to Rs.23,500 lacs (235 crores) divided into 2350 lacs (23 crores and 50 lacs), ordinary shares of Rs.10/- each accordingly. It has also been reported that Clause V of the Memorandum of association of the transferee company shall without any further act, approval instrument or deed stand altered pursuant to section 94 and other applicable provisions of the Act. Similarly, the Articles of Association of the transferee company shall also stand altered subject to section 31 of the act and other provisions of the act. It has been averred in para 5.1 of the affidavit that the increase in the authorised share capital should not be allowed by this Court as the same can be increased only after complying with the relevant provisions of the Companies act and so also on payment of requisite fee and stamp duty to the Government. It has been prayed that the Scheme of Amalgamation be considered keeping in view the objections of the five shareholders holding 3895 shares, who have voted against the scheme of amalgamation and the increase in the authorised share capital required to be made by the transferee company.

One of the five share holders Shri Piyush Dilipbhai Shah holding 2895 equity shares of the transferor company has sent his objections through post which had been received by the Registry and the same have been put up on the Court file. The first objection is that the ratio in which the shares are proposed to be issued upon the merger is incorrect as the aspect of the company being Debt free with the turnover of asset base has not been taken into consideration while evaluating the ratio in which the shares have to be issued. As per his view, the ratio should be five shares of TCL in exchange of one share of HLCL. The second objection is that the objector is shareholder of HLCL and during the emergent meeting of the company he had raised the issue that on merger it has 8% stake, pre-merger the stake is 50%, a better offer in regard to the valuation to the shareholders could have been granted. It has been objected that the Promoters are holding 50% shareholding and that the minority shareholders have not been given fair valuation. Both the objections are of no consequence. The transferee company has obtained the exchange ratio after having been determined by Shri N.M. Raiji and Company and Deloitte Haskins and Sells Company and as per the report it has been categorically opined that the extent of equity shares shall be in the ratio of 5:2 i.e. the transferee company shall issue five equity shares of Rs.10/- fully paid up for two equity shares of Rs.10/- of the transferor company. No plausible reason has been given for acceptance of the ratio 5:1. Resultantly the objection is rejected. So far as the rights and stake of the promoters holding 50% shareholding is concerned the principle is that the majority rules the roost. Resultantly, this objection is also rejected.

In view of the fact that the scheme of amalgamation has presented to the shareholders and so also to the secured creditors and the same has been sanctioned as per brute majority by the shareholders i.e. 99.9% and that the secured creditors have passed without any reservation or opposition in this regard. The scheme of amalgamation has been categorically approved in both the set of meetings as aforesaid. The requisite reports in this regard have also been received in the Court file.
The petitioner i.e. the transferor company filed an application registered as C.A. No.197 of 2004, for placing on record the balance sheet for the 2002-03 which has been taken on record while allowing the aforesaid company application vide order dated April 22, 2004.

After hearing the learned counsel for the petitioner and perusal of the report of the Official Liquidator attached to this courts and so also the affidavit of the Regional Director, Department of Company Affairs whereby the work of caution has been provided. After the notice having been published in the newspapers and in the Govt. Gazette nobody has appeared to object to the sanctioning of the scheme except that a written objection had been received by the registry which has been duly dealt with hereabove. Resultantly the scheme, copy of which has been appended as Annexure P2, is hereby sanctioned subject to the sanction of the scheme by the Hon’ble Bombay High Court at Mumbai upon the petition moved by the transferee company i.e. TCL. It shall be further subject to the authorised capital of the transferee company being increased to a sufficient extent pursuant to the provisions of the Companies act 1956 by furnishing requisite government fee before giving effect to allotment of further shares in exchange of shares of transferee company. The requisite form in this regard shall be duly filed by the transferee company pursuant to the requisite directions if so ordered by the Bombay High Court. Further, the employees of the transferor company shall become the employees of the transferee company without any break or interruption in their service upon the sanction accorded to the scheme of amalgamation. The scheme of amalgamation shall be implemented subject to the aforesaid and from the date when certified copy of this order and also the order of the Bombay High Court is filed with the respective Registrar of Companies. The order drawn in accordance with the Companies (Court Rules 1959 shall be duly notified by publishing the same in the Indian Express, Dainik Tribune and the Official Gazette of the Govt. of Punjab in furtherance and in accordance with the rules applicable in addition to the aforesaid rules.

Any person who may feel aggrieved of this order shall be at liberty to apply to this Court within the stipulated period in the above noted matter for any directions that may be necessary.

May 19, 2004

Sd/-

J. S. Narang
Judge
IN THE HIGH COURT OF THE STATES OF PUNJAB AND HARYANA AT CHANDIGARH

Company Petition No. 203 of 2003

IN THE MATTER OF
The Companies Act. 1956

-And-

IN THE MATTER OF :

A Petition under Section 391 to 394 of the said Act for Amalgamation of :

HIND LEVER CHEMICALS LIMITED, a Company incorporated under the provisions of Companies Act., 1956, having its registered office at A-5, phase-IIB, Focal Point, Rajpura, Punjab – 140 401.

With

TATA CHEMICALS LIMITED a Company incorporated under the provisions of Companies Act., 1913, having its registered office at Bombay House, 24, Homi Mody Street, Fort, Mumbai 400 001.

PETITION OF –
HIND LEVER CHEMICALS LIMITED, A-5, PHASE-IIB, FOCAL POINT, RAJPURA, PUNJAB – 140 401.

…………… Petitioner

Petition under Section 394 of the Companies Act, 1956 for sanction of the scheme of Amalgamation


It is therefore, respectfully prayed that an order be passed for the following:-

(a) That a notice be ordered to be issued to the Central Government through the Regional Director, Company Law Board, Kanpur as required by Section 394-A of the Companies Act, 1956.

(b) That a notice of the hearing of the petition may be ordered to be advertised as required by Rule 80 of the Companies Court Rules, 1959, in the Tribune, Punjab Kesri and Punjab Government Gazette.

(c) That the Scheme of Amalgamation Annexure P-2 to the petition may be sanctioned by this Hon’ble Court so as to be binding with effect from the date on which the certified copies of the orders of the Bombay High Court and of the Punjab & Haryana High Court are filed with the respective Registrar of Companies.

(d) That the petitioner shall, within 30 days, after the date of obtaining a certified copy of this order, cause the same to be delivered to the Registrar of Companies for Punjab, Himachal Pradesh and Chandigarh for registration.

(e) Such further or other orders be made and/or directions be given as this Hon’ble Court may deem fit and proper.
Company Petition no.144 of 2003

IN THE MATTER OF
The Companies Act. 1956

-And-

IN THE MATTER OF:

A Petition under Section 391 to 394 of the said Act for Amalgamation of:

HIND LEVER CHEMICALS LIMITED, a Company incorporated under the provisions of Companies Act., 1956, having its registered office at A-5, Phase-IIB, Focal Point, Rajpura, Punjab – 140 401.

With

TATA CHEMICALS LIMITED a Company incorporated under the provisions of Companies Act., 1913, having its registered office at Bombay House, 24, Homi Mody Street, Fort, Mumbai 400 001.

PETITION HAVE –
HIND LEVER CHEMICALS LIMITED, A-5, PHASE-IIB, FOCAL POINT, RAJPURA, PUNJAB – 140 401.

……….. Petitioner

Petition under Section 391 to 394 of the Companies Act, 1956 for direction to hold meeting of the shareholders/creditors of the above Applicant Company.
It is therefore, respectfully prayed that an order be passed for the following:

(i) That a separate meeting of the holders of Equity shares of the Petitioner Company be held at their registered office, on such date and time that may be convenient for the purposes of considering, and if thought fit, approving with or without modification, the proposed scheme of Amalgamation.

(ii) That at least twenty one clear days before the meetings be held as aforesaid notices of the said meetings and a statement required by section 393 of the Companies Act, 1956 be directed to be served by the company at the last known addresses of each of the shareholders as appearing in the books of the company together with copy of the scheme of Amalgamation, Explanatory Statement and prescribed form of proxy.

(iii) That at least twenty one clear days before the day appointed for the said meetings, a notice of the said meetings be directed to be published in two local newspapers one in English and one in Punjabi and in the Punjab Government Gazette.

(iv) That the quorum for all the said meetings be fixed as per Articles of Association of the Company and a shareholder be allowed to attend and vote either personally or by proxy and that proxies be directed to be filed with the Company at its registered office not later than 48 hours before the time fixed for the meetings and that the value of the shares will be as appearing in the books of the company.

(v) That a Chairman and an alternative Chairman be appointed by this Hon’ble Court for the said meetings and authorised to sign copy/copies of the advertisements and the notices of the meeting referred to above, adjourn the meetings if considered necessary to a further date and to report the results of the meetings to this Hon’ble Court within a week from the date of the conclusion of the meetings and reports should be verified by their affidavits.

(vi) That in the circumstances herein above stated, exemption may be granted from holding the meeting of the secured and unsecured creditors of the Company.

(vii) Such further or other orders be made as this Hon’ble Court may deem fit and proper.
ORDER ON PETITION

Before Hon’ble Mr. Justice J.S. Narang
Dated the 19th May 2004.

The above Company Petition No.144 of 2003 came up on 22.05.2003 and upon reading the said petition, the order dated 22/05/2003 whereby Hind Lever Chemicals Limited (hereinafter referred to as the Transferor Company), was ordered to convene a meeting of the secured creditors/equity share holders of the above company for the purpose of considering, and if thought fit, approving, with or without modification, the scheme of amalgamation proposed to be made between the said Transferor Company and M/s Tata Chemicals Limited (hereinafter referred to as the Transferee Company), and annexed to the affidavit of Shri Suvir Sehgal and Shri G.S. Sandhawalia Advocates, dated 5th day of July, 2003, the Punjab Government Gazette dated 27/06/2003 and the Tribune (English), Punjab Kesari (Punjabi), and Dainik Bhaskar (Hindi), dated 16/06/2003 each containing the advertisement of the said notice convening the said meetings directed to be held by the said order dated 22.05.2003, the affidavits of Shri Suvir Sehgal and Shri G.S. Sandhawalia Advocated respectively filed the 18th and 17th day of July, 2003 respectively showing the publication and dispatch of the notices convening the said meetings, the reports of the Chairmen of the said meetings dated 14/07/2003 and 17/07/2003 as to the result of the said meetings and upon hearing Shri L.M. Suri, Sr. Advocate for the Petitioner and it appearing from the reports that the proposed scheme of amalgamation has been approved by a majority of not less than three fourths in value of equity shareholders, present and voting in person or by proxy, and has been approved unanimously by all the secured creditors present and voting in person or by proxy.

This Court doth hereby sanction the arrangement embodied in the scheme of Amalgamation set for the in para four of the Petition herein and in the schedule hereto, and doth hereby declare the same to be binding on creditors and shareholders of the above named company and also on the said company.

And this Court doth further orders:
After hearing the learned counsel for the petitioner and perusal of the report of the Official Liquidator attached to this Court and so also the affidavit of the Regional Director, Department of Company Affairs whereby the work of caution has been provided. After the notice having been published in the news-papers and in the Govt. Gazette nobody has appeared to object to the sanctioning of the scheme except that as written objection has been received by the registry which has been duly dealt with. Resultantly the scheme, copy of which has been appended as Annexure P2, is hereby sanctioned subject to the sanction of the scheme by the Hon’ble Bombay High Court at Mumbai upon the partition moved by the transferee company i.e. TCL. It shall be further subject to the authorised capital of the transferee company being increased to a sufficient extent pursuant to the provisions of the Companies Act, 1956 by furnishing requisite Government fee before giving effect to allotment of further shares in exchange of share of transferee company.
The requisite form in this regard shall be duly filed by the transferee company pursuant to the requisite directions if so ordered by the Bombay High Court. Further, the employees of the transferor company shall become the employees of the transferee company without any break or interruption in their service upon the sanction accorded to the scheme of amalgamation. The scheme of amalgamation shall be implemented subject to the aforesaid and from the date when certified copy of this order and also the order of the Bombay High Court is filed with the respective Registrar of Companies. The order drawn in accordance with the Companies (Court) rules 1959 shall be duly notified by publishing the same in Indian Express, Dainik Tribune and the Official Gazette of Got of Punjab in furtherance and in accordance with the rules applicable in addition to the aforesaid rules.

Any person who may feel aggrieved of this order shall be at liberty to apply to this Court within the stipulated period in the above noted matter for any directions that may be necessary.

That the said company, do file with Registrar of Companies a certified copy of this order within 30 days from this date.
SCHEDULE
(Scheme as sanctioned by the Court)

SCHEME OF AMALGAMATION
(Under Sections 391 and 394 of the Companies Act, 1956)

of

HIND LEVER CHEMICALS LIMITED ......TRANSFEROR COMPANY
With
TATA CHEMICALS LIMITED. ......TRANSFEREE COMPANY

1. DEFINITIONS
In this Scheme, unless repugnant to the context or meaning thereof, the following expressions shall have the following meanings:-

1.1 “The Act” means the Companies Act, 1956 as amended from time to time.

1.2 “The Appointed Date” means 1st April, 2002 or such other date as the Bombay High court and/or the Punjab and Haryana High Court may direct.

1.3 “The Effective Date” means the later of dates on which the certified copies of the orders of the Bombay High Court and of the Punjab and Haryana High Court under Section 391 and 394 of the Act are filed with the Registrar of Companies, Maharashtra at Mumbai, and the registrar of Companies, Punjab H.P. and Chandigarh.

1.4 “Scheme” means this Scheme of Amalgamation for the amalgamation of the Transferor Company with the Transferee Company or with any modification(s) approved, imposed or directed by the Bombay High Court and/or the Punjab and Haryana High Court.

1.5 “The Transferee Company”, means Tata Chemicals Limited, and existing Company under the Companies Act, 1956 having its Registered Office at Bombay House, 24, Homi Mody Street, Fort, Mumbai – 400 001.


1.7 “The Undertaking” shall mean:
a) The whole of the undertaking, business and properties, whether movable or immovable, real or personal, corporal or incorporal, material or intellectual, present or contingent including but without being limited to all assets, fixed assets, current assets, investments, reserves, provisions, funds, immovable properties and all utilities including electricity, telephones, telexes, facsimile connections, installations and utilities, benefits of agreements and arrangements, powers, authorities, allotments, approvals, authorisations, licenses, registrations, consents, privileges, liberties, reserves, provisions, funds, benefits of all agreements and all the rights, title, interest, benefit and advantage of whatsoever nature and wheresoever situate belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company as on the Effective Date.

b) All debts, liabilities, duties, outstandings and receivables of the Transferor Company.

c) All the Transferor Company’s reserves, moveable and immoveable properties, including lease-hold rights, tenancy rights industrial and other licenses, permits, authorities, quota rights, trade marks, patents and other industrial and intellectual properties, import quotas, telephones, telex, facsimile and other communication facilities and equipments, rights benefits and obligations of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approval;

d) All the rights and obligations of the Transferor Company under the Contracts executed by the Transferor Company for two major BOO Projects Viz. Ammonia Storage and Captive Power Plant under erection and construction at the Transferor Company’s premises for storage and handling of imported ammonia, as also for generation of reliable captive power for use by the Fertilizer Complex of the Transferor Company at Haldia

Provided however, that, the Undertaking shall not include.

i) Zeolite plant and its auxiliary equipment owned by Hindustan Lever Limited (“HLL”) but located on the Transferor Company’s premises.

ii) Fluid Cracking Catalyst (FCC) plant/Silica plant owned by HLL but located on the Transferor Company’s premises

As a measure of abundant caution, it is clarified that the stand-alone Detergent plant owned by HLL and located on adjoining premises of HLL measuring about 23 acres is also outside the ambit of the Scheme.

1.8 Reference in the Scheme to “coming into effect of the Scheme” or “effectiveness of the Scheme” shall mean the Effective Date.
1.9 Word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE
The Scheme though operative from the Effective Date shall be effective from the Appointed Date.

3. GENERAL
The Transferor Company was incorporated on 9th April, 1974 under the name of Stepan Chemicals Ltd. Its name was subsequently changed to Hind Lever Chemicals Ltd. and a fresh certificate of incorporation subsequent to such change of name dated 11th March, 1996 was issued by the Registrar of Companies Punjab, HP and Chandigarh. The Transferee Company was incorporated in the year 1939.

The Transferor Company is in the business of bulk chemicals largely comprising of Sodium Tri-polyphosphate (STPP), a builder used by detergent industry and Complex Fertilizers comprising of DAP, NPK and SSP, STPP sold under the brand name ‘Pyramid’ and the Complex Fertilizers sold under the brand name ‘Paras’ enjoy significant loyalty. The Transferee Company is in the business of manufacturing soda ash, salt and urea. The products manufactured by the Transferor Company are complementary to those of the Transferee Company and cater to the same customer base. The authorised share capital of the Transferor Company is Rs.25 crores. Its issued and subscribed capital is Rs.1378.56 lacs consisting of 1,37,85,600 equity shares of Rs.10/- each. The authorised capital of the Transferee Company is Rs.200 crores. It issued and subscribed capital is Rs.180.64 crores divided into 18,06,38,651 ordinary (equity) shares of Rs.10/- each.

4. TRANSFER OF UNDERTAKING

a) Upon the coming into effect of the Scheme that is with effect from the Appointed Date the Undertaking shall stand transferred to and vested in the transferee Company pursuant to the applicable provisions of the Act including Section 394 thereof.

b) Notwithstanding what is stated in (a) above, it is expressly provided that such of the assets as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery of the same shall be so transferred by the transferor Company to the Transferee Company without any further act or execution of an instrument as on the Appointed Date. The plant and machinery of the Transferor Company, which are fastened to land and/or buildings continue
to remain movable properties inter alia because the said plant and machinery are fastened to land only with a view to have better enjoyment of the movable properties.

Trademarks: Trademark ‘PARAS’ used by the Transferor Company as on the Appointed Date in relation to its fertilizer products (i.e. Class I) will also get transferred to the Transferee Company for the said class of products only. It is also clarified that the trademark ‘PYRAMID’, which is owned by HLL, has been permitted to be used by the Transferor Company for STPP, though the said Trademark PYRAMID is also being used by HLL for its glycerin products. Therefore all proprietary rights and title in the said Trademark ‘PYRAMID’ will continue to be owned by HLL, while permitting the Transferee Company (under a separate licence user agreement) to use the same for the sale of STPP after amalgamation of transferor Company with the Transferee Company for a period of 5 (five) years from the Effective Date.

c) Accordingly, on and from the Appointed date, all the debts liabilities duties outstanding and receivables of the Transferor Company stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (though the Transferee Company may, if it so deems appropriate, give notice to the debtors that the debts do stand transferred to and vested in the Transferee Company) and the debtors shall be obliged to make payment to the Transferee Company.

d) The Transferee Company may, at any time after the coming into effect of the Scheme in accordance with the provisions thereof, if so required, under any law or otherwise, execute Deeds of Confirmation in favour of secured creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company is party or any writings that may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company, shall under the provision of the scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliance referred to above or part of the Transferor Company to be carried out or performed.

e) With effect from the Appointed Date, subject to any corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company be required and except to the extent otherwise by law required, the reserves of the Transferor Company will be merged with the corresponding reserves or General Reserves of the Transferee Company. To the extent, if any, that any reserves of the Transferor Company are required to be separately maintained/designated in
the books of the Transferee Company, the Transferee Company shall credit the same in its books identifying and designating such reserves.

f) The difference between the amount recorded as fresh share capital issued by the Transferee Company on amalgamation and the amount of share capital of the Transferor Company will be reflected in the General Reserves of the Transferee Company.

g) The transfer and vesting as aforesaid, shall be subject to the existing charges and mortgages/encumbrances, if any, over or in respect of any of the Assets or any part thereof created by the Transferor Company. Provided however that such charges/mortgages/encumbrances shall be confined only to the relative assets or part thereof as encumbered by the Transferor Company and transferred to and vested in the Transferee Company on and from the Appointed Date and no such charges/mortgages/encumbrances shall extend over or apply to any other asset(s) or property(ies) of the Transferee Company. Any reference in any security documents or arrangements (to which the Transferor Company is a party) to any assets or property(ies) of the Transferor Company shall be so construed to the end and intent that such security, shall not extend or be deemed to extend to any of the other asset(s) or property(ies) of the Transferee Company.

5. ISSUE OF SHARES

(i) Upon this Scheme coming into effect the Authorised Capital of the Transferee Company shall stand increased to Rs.235,00,00,000/- (Rupees Two Hundred and Thirty Five Crores) divided into 23,50,00,000 (Twenty Three crores and fifty lacs) Ordinary Shares of Rs.10/- each and accordingly:

a) Clauses V of the Memorandum of Association of the Transferee Company shall, without any further act, approval, instrument or deed, and stand altered, pursuant to Section 94 and other applicable provisions of the Act.

b) The Articles of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, pursuant to Section 31 and the other applicable provisions of the Act.

(ii) Upon this Scheme coming into effect and in consideration thereof, the Transferee Company shall, without any application or deed, issue and allot to every member of the Transferor Company (other than the Transferee Company) holding fully paid-up equity shares in the transferor Company and whose names appear in the Register of Members of the Transferor Company on such date (hereinafter called “the record Date”) as the Board of Directors of the Transferee Company will
determine, 5 (Five) fully paid-up Ordinary (equity) Shares of Rs.10/- each of the Transferee Company with rights attached thereto as hereinafter mentioned (hereinafter referred to as “the new Equity Shares”) in respect of every 2 (Two) fully paid-up Equity Shares of the face value of Rs.10/- each held by such member in the capital of the Transferor Company as on the record date. It is clarified that the Transferee Company, for the purpose of issuing the aforesaid shares to the shareholders of the Transferor Company, shall not be required to pass a separate Special Resolution under section 81 (1A) of the Act, and on the members of the Transferee Company giving their consent to the Scheme, it shall be deemed that the shareholders of the Transferee Company have given their consent to issue the aforesaid shares to the shareholders of the Transferor Company as required under Section 81(1A) of the Act.

(iii) No fractional Certificates shall be issued by the Transferee Company in respect of the fractional entitlements, if any, to which the shareholders of the Transferor Company may be entitled on issue and allotment of the equity share of the Transferee Company. The Board of Directors of the Transferee Company shall instead consolidate all such fractional entitlement to which the shareholders of the Transferor Company may be entitled on issue and allotment of the equity share of the Transferee Company as aforesaid and thereupon issue and allot equity shares in lieu thereof to a Director or an officer of the Transferee Company with the express understanding that such Director or officer to whom such equity shares are issued and allotted shall hold the same in trust for those entitled to the fractions and sell the same in the market at the best available price and pay to the Transferee Company the net sales proceeds thereof whereupon the Transferee Company shall, subject to withholding tax, if any, distribute such net sale proceeds to the shareholders of the Transferor Company in proportion to their fractional entitlements.

(iv) The Transferor Company shall not declare any dividend for the period commencing from and after 1st April, 2002 without the written consent of the Transferee Company. Subject to the provisions of the Scheme, the profits of the Transferor Company for the period beginning from 1st April, 2002 shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit including declaration of the dividend by the Transferee Company in respect of its financial year ending 31st March, 2003 or any year thereafter.

(v) The New Equity Shares of the Transferee Company to be issued and allotted to the equity shareholders of the Transferor Company as provided in Sub Clause (i) hereof shall rank pari passu in all respects with the Equity Shares of the
Transferee Company save and except that such shares shall be entitled to proportionate dividend in relation to any financial year ending on any date after the Appointed date. The holders of the shares of the Transferor Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends from the Transferor Company till the Effective Date.

(vi) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only shall not be deemed to confer any right on any member of the Transferor Company to demand or claim any dividend which, subject to the provisions of the said Act, shall be entirely at the discretion of the Boards of Directors of the Transferor Company and the Transferee Company and subject to the approval of the shareholders of the Transferor Company and the Transferee Company respectively.

6. TRANSFER OF LIABILITY

On and from the Appointed Date, all debts, liabilities, duties and obligations of every kind, nature and description of the Transferor Company shall also be and stand transferred to and be deemed to stand transferred to the Transferee Company without any further act, instrument or deed under the provisions of Section 394 of the Act so as to become the debts, liabilities, duties and obligation of the Transferee Company. To the extent that there are any loans, outstandings or balances due from the Transferor Company to the Transferee Company or vice versa, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of the Transferee Company.

7. BUSINESS AND PROPERTY IN TRUST FOR TRANSFEE Company

(a) With effect from the “Appointed Date” and up to the Effective date:

(i) The Transferor Company shall carry on and shall be deemed to have carried on its business and activities and shall stand possessed of and shall be deemed to have held and stood possessed of its part of the Assets referred to in Clause 4 above, on account of and in trust for the Transferee Company.

(ii) The Transferor Company shall carry on its business and activities with due business prudence and diligence and shall not without the prior written consent of the Transferee Company or pursuant to any pre existing obligation, sell transfer or otherwise alienate, charge, mortgage or encumber or otherwise deal with any
part of the said Assets referred to in Clause 4 above nor incur or accept or acknowledge any debt, obligation or liability except as is necessary in the ordinary course of its business.

(iii) Neither the Transferor Company nor the Transferee Company shall alter its respective capital structure, either by fresh issue of shares or convertible securities (on a rights basis or by way of bonus shares or otherwise) or by any decrease, re-classification, sub-division, consolidation, re-organisation or in any other manner which may in any way affect the share exchange ratio prescribed hereunder except by and with the consent of the Board of Directors of the Transferor Company and the Transferee Company. The Transferee Company is hereby permitted to increase its Authorised Capital to the extent required to give effect to the provisions of this Schemes or pursuant to and in performance/discharge of any obligation of the Transferee Company subsisting prior to the Appointed Date without the consent of the Board of Directors of the Transferor Company. With effect from the effective Date, the Transferee Company shall commence and carry on and shall be authorised to carry on the business carried on by the Transferor Company.

(b) With effect from the Appointed Date, all the profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred by the Transferor Company shall, for all purposes, be treated as and shall be deemed to accrue as the profits or income or expenditure or losses, as the case may be, of the Transferee Company.

8. LEGAL PROCEEDINGS
On and from the Appointed Date, all suits, actions and other legal proceedings by or against the Transferor Company and pending on the Effective Date shall be continued and/or enforced by or against the Transferee Company as effectively and in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company as if the same had been instituted, and/or pending by or against the Transferee Company.

9. EMPLOYEES TO BE RETAINED
The Transferee Company is to engage on and from the Effective Date, all permanent employees of the Transferor Company who are in employment of the Transferor Company on the Effective Date on the terms and conditions not less favourable than those on which they were engaged on the Effective Date, without any interruption of service as a result of the transfer. The Transferee Company agrees that the services of all such employees with the Transferor Company upto the Effective Date will be taken into account for the purposes of all retirement benefits to which they may be eligible in the Transferor Company on the Effective Date. The Transferee Company further agrees that
for all intents and purposes such past services with the Transferor Company shall also be taken into account, including for the purposes of chapters VA and VB of the Industrial Disputes Act, 1947.

10. CONTRACTS AND DEEDS
On and from the Appointed date and subject to the provisions to the contrary herein contained, if any, all contracts, deeds bonds, agreements, arrangements, engagements and other instruments, if any of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company is entitled and subsisting or having effect on the Effective Date shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectively as if, instead of the Transferor Company it had been a party thereto or beneficiary in respect thereof. The Transferee Company shall if and to the extent by law required enter into and/or execute deeds, writings or confirmations to give formal effect to the provisions of this Clause and to the extent that that Transferor Company is required prior to the Effective Date to join in such deeds, writings or confirmations, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Company.

11. SAVING OF CONCLUDED TRANSACTIONS
The transfer of Assets and Liabilities under Clauses 4 and 6 above and/or the continuance of proceedings by or against the Transferee Company under Clause 8 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto in accordance with the scheme as done and executed by the Transferor Company in respect thereto in accordance with this Scheme as done and executed on behalf of itself.

12. DISSOLUTION OF THE TRANSFEROR COMPANY
On the Scheme becoming operative, The Transferor Company shall be dissolved without winding up.

13. APPLICATION TO HIGH COURT
The Transferee Company shall with all reasonable despatch, make applications to the Bombay High Court under Section 391 and Section 394 and other applicable provisions, if any, of the Act, for sanctioning of this Scheme. Similarly the Transferor Company shall with all reasonable despatch, make applications to the Punjab and Haryana High Court under Section 391 and section 394 and other applicable provisions, if any, of the Act, for sanctioning of this Scheme and for dissolution of the Transferor Company.
without winding up and apply for and obtain such other approvals, if any, required under the law.

14. APPROVALS AND MODIFICATIONS

(a) The Transferor Company and the Transferee Company may assent from time to time on behalf of all the persons concerned to any modifications or amendments or additions to this Scheme or to any conditions or limitations which the Bombay High Court and/or the Punjab and Haryana High Court and/or any other competent authorities, if any, under the law may deem fit and approve of or impose and which the Transferor Company and the Transferee Company may in their discretion deem fit and may resolve all doubts or difficulties that may arise for carrying out this Scheme and do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by their respective Boards of Directors, a committee of the concerned Board or any director, authorised in that behalf by the concerned Board of Directors (hereinafter referred to as the “delegate”)

(b) For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate of the Transferee Company may give and is hereby authorised to determine and give all such directions as are necessary including directions for setting or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties in the same manner as if the same were specifically incorporated in this Scheme.

15. SCHEME CONDITIONAL UPON

This Scheme is conditional upon and subject to:

(a) Approval by the requisite majority of the members of both the Transferor Company and the Transferee Company, as directed by the Honorable Punjab & Haryana High Court and Hon’ble Bombay High Court under the Act.

(b) The Resolutions, if any, as may be required in connection with or in relation to the Scheme, being passed by the members of the Transferee Company under all applicable provisions, if any, of the Act.

(c) All Court sanctions and orders as are legally necessary or required under the Act, being obtained or passed before the 31st March, 2004 or within such further period or periods as may be agreed upon between the Board of Directors of the Transferor Company and the Board of Directors of the Transferee company and which the respective Boards of
Directors are hereby authorised to agree to and extend from time to time. In the event of any such consents, approval, permissions, resolutions, agreements, sanctions or orders not being so obtained or passed or, obtained being subject to any conditions restrictions not reasonably acceptable to the Board of Directors of the Transferor Company or the Transferee Company, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other persons save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each Company shall bear its own cost unless otherwise mutually agreed.

16. COST, CHARGES AND EXPENSES

All cost, charges, taxes, including stamp duties, levies and all other expenses, if any (save an expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne and paid by the Transferee Company.

Dated this 19th Day of May, 2004

(By the Court)

Court Secretary Liquidation for Registrar (J)

R.M.M.
IN THE HIGH COURT FOR THE STATES OF PUNJAB AND HARYANA AT CHANDIGARH

Company Petition No. 203 of 2003

IN THE MATTER OF
The Companies Act, 1956

-And-

IN THE MATTER OF:

A Petition under Section 391 to 394 of the said Act for Amalgamation of:

HIND LEVER CHEMICALS LIMITED, a Company incorporated under the provisions of Companies Act, 1956, having its registered office at A-5, phase-IIB, Focal Point, Rajpura, Punjab – 140 401.

With

TATA CHEMICALS LIMITED a Company incorporated under the provisions of Companies Act, 1913, having its registered office at Bombay House, 24, Homi Mody Street, Fort, Mumbai 400 001.

PETITION OF –
HIND LEVER CHEMICALS LIMITED, A-5, PHASE-IIB, FOCAL POINT, RAJPURA, PUNJAB – 140 401.

 .......... Petitioner

Petition under Section 394 of the Companies Act, 1956 for sanction of the scheme of Amalgamation
It is therefore respectfully prayed that an order be passed for the following:-

(a) That a notice be ordered to be issued to the Central Government through the Regional Director, Company Law Board, Kanpur as required by Section 394-A of the Companies Act, 1956.

(b) That a notice of the hearing of the petition may be ordered to be advertised as required by Rule 80 of the Companies Court Rules, 1959, in the Tribune, Punjab Kesari and Punjab Government Gazette.

(c) That the Scheme of Amalgamation Annexure P-2 to the petition may be sanctioned by this Hon’ble Court so as to be binding with effect from the date on which the certified copies of the orders of the Bombay High Court and of the Punjab & Haryana High Court are filed with the respective Registrar of Companies.

(d) That the petitioner shall, within 30 days, after the date of obtaining a certified copy of this order, cause the same to be delivered to the Registrar of Companies for Punjab, Himachal Pradesh and Chandigarh for registration.

(e) Such further or other orders be made and/or directions be given as this Hon’ble Court may deem fit and proper.
Upon C.P. No.203 of 2003 coming for further hearing on 19.05.2004, upon reading the said petition duly supported by affidavit of Mr. R. Subramanyam, Company Secretary & authorised signatory dated 01.08.2003, the order dated 07.08.2003 whereby this Hon’ble Court ordered issuance of notice of the petition to sanction the scheme of Amalgamation to the Regional Director, Department of Company Affairs, Kanpur and the Official Liquidator, Chandigarh for 19.09.2003. This Hon’ble Court had also directed that notice of hearing of the petition be published in the Indian Express, the Dainik Tribune and the Official Gazette of the Government of Punjab and annexed to the affidavit of service of Shri Deepak Suri, Advocate for the Petitioner company dated 18.09.2003, copies of the publication of the notice of petition in the Official gazette of the Government of Punjab dated 22.08.2003 and also in the newspapers i.e. “The Indian Express” and “Dainik Tribune” dated 16.08.2003 showing the publication of the notice of petition and also upon reading the affidavit dated 17.09.2003 of Sh. UC Nahata, Regional Director (Northern Region), Department of Company Affairs, Kanpur and the report dated 18.09.2003 of the Official Liquidator attached to this Court and upon going through other material placed on the record of this petition and upon hearing Sh. L.M. Suri, Senior Advocate, Counsel for the petitioner company, Sh B.K.L. Srivastava, the Official Liquidator on his behalf and also on behalf of Shri U.C. Nahata, regional Director (Northern Region), Department of Company Affairs, Kanpur and it appearing from the reports inter alia that the affairs of the transferor company do not appear to have been conducted in a manner prejudicial to the interest of their members or to the public interest and there being no investigation proceedings pending against the transferor company under Section 235 to 251 of the Companies Act, 1956.

THE COURT DOTH ORDER

(1) That all the property, rights and powers of the transferor company specified in the first, second and third parts of the schedule hereto and all other property, rights and powers of the transferor company be transferred without further act or deed to the transferee company and accordingly the same shall pursuant to section 394(2) of the Companies Act, 1956, be transferred to and vest in the transferee company for all the estate and interest of the transferor company therein but subject nevertheless to all charges now affecting the same and subject to the terms and conditions imposed by the Bombay High Court on the petition of the Transferee Company.

(2) That all the liabilities, obligation and duties of the transferor company be transferred without further act or deed to the transferee company and accordingly the same shall,
pursuant to section 394(2) of the Companies Act, 1956 be transferred to and become the liabilities, obligations and duties of the transferee company as per the scheme and

(3) That all proceedings now pending by or against the transferor company be continued by or against the transferee company and

(4) That the transferee company do without further application allot to such members of the transferor company as have not given such notice of dissent as is required by clause 5 of the Scheme of Amalgamation as embodied in the scheme of Amalgamation herein, the shares in the transferee company to which they are entitled under the said scheme. It shall be further subject to the authorised capital of the transferee company being increased to a sufficient extent pursuant to the provisions of the Companies act, 1956 by furnishing requisite Government fee before giving effect to allotment of further shares in exchange of shares of transferee company. The requisite form in this regard shall be duly filed by the transferee company pursuant to the requisite directions if so ordered by the Bombay High Court, and

(5) Further, the employees of the transferor company shall become the employees of the transferee company without any break or interruption in their service upon the sanction accorded to the scheme of amalgamation, and

(6) That the transferor company do within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the transferor company shall be dissolved and the Registrar of the Companies shall place all documents relating to the transferor company and registered with him on the file kept by him in relation to the transferee company and the files relating to the said two companies shall be consolidated accordingly, and

(7) That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.
HIND LEVER CHEMICALS LIMITED (TRANSFEROR COMPANY)

SCHEDULE
(As supplied by the Counsel for the Petitioner)

PART I
(Short description of the freehold property of the Transferor Company)

NIL

PART II
(Short description of the Leasehold property of the Transferor Company)

I. Schedule in respect of 30.61 acres:


The said piece of land is bounded on the North by the lessor’s road, on the East by the Lessors’ land leased to Hindustan Lever Ltd, on the South by the Lessors’ land leased to Hindustan Lever Ltd., on the West by the Lessors’ land leased to Hindustan Lever Ltd., and more particularly delineated in plan no. Ad/E/Lease/58 dated 27.12.96 annexed hereto and thereon shown in green border.

II. Schedule in respect of Calcutta Port Trust (CPT) land admeasuring about 3.36 crores:

All that piece and parcel of land measuring about 13623.421 sq. mtrs. thereabout situated in Mouza – Chiranjibpur, J.L. No.168, P.S. Sutahata (presently Haldia). Sub-Registry-Sutahata, District and Registration District – Midnapore (presently Purba Medinipore) and comprising of plots of land marked A & B.
Plot marked “A”
Comprising of R.S. Plot Nos. 934, 936, 956, 960, 961, 962, 1029, 1202, 1220, 1225, 1226, 1227 & 1228 all are in part in Mouza – Chiranjibpur, J.L. No.168. The said piece of land (marked “A”) is bounded on the North – by lessor’s land leased to M/s Hindustan Lever Ltd., on East – by lessor’s road, on the South by lessor’s vacant land and on the West – partly by lessor’s land leased to M/s Ruchi Infrastructure Ltd., and partly by lessor’s Dock boundary wall.

Plot marked “B”
Comprising of R.S. Plot Nos.960, 961, 962, 963, 968 & 1212 all are in part in Mouza – Chiranjibpur. J.L. No.168. The said piece of land (marked “B”) is bounded on the North by lessor’s vacant land, on the East – by lessor’s land leased to M/s. Hindustan Lever Ltd. on the South and West – by lessor’s vacant land and more particularly delineated in Plan No.AD/E/LEASE/59/1 dated 20.03.2003 annexed hereto and thereon shown in green border.

III. Schedule in respect of 90 year lease of Transferor Company (HLCL) with Haldia, Municipality (35 flats):

ALL THOSE thirty-five quarters consisting of fourteen (14) units being numbers WH/A 25, WH/A 26, WH/D 10, WH/D 12 and WH/I 25 to 33 each consisting of one (1) room and two common toilets for six (6) rooms containing a plinth area including proportionate area of staircase, common passage, entrance etc. of about 227.54 sq. ft. in Workers Hostel AND six (6) units being numbered EF/B 1, EF/B 2, EF/C 5, EF/C 6, EF/E 4, and EF/E 5 each consisting of two (2) bedrooms, one (1) dining cum drawing room, one (1) kitchen and one (1) toilet containing a plinth area along with proportional area of staircase, common passage, entrance etc. of about 830 sq. ft. in Engineers Flats AND fifteen (15) units being numbered SF/P 1 to 13 and SF/Q 1 to 12 each consisting of one (1) bedroom, one (1) dining cum drawing room, one (1) kitchen and one (1) toilet containing a plinth area along with proportionate area of staircase, common passage, entrance etc. of about 484 sq. ft in Subordinate Flats all situate in Durgachak, Haldia.

The above flats are leased to the Transferor, Hind Lever Chemicals limited (HLCL) by the Haldia Municipality under a long term lease dated 30th September 2000.

IV Railway Siding
Land admeasuring about 14650 sq. mtrs on which private railway siding from the Durgachak station yard of the South Eastern Railway to the premises of Transferor (HLCL) at Durgachak, Haldia and referred to late no. HAL 589.
V. Buildings: Factory & Non Factory
All factory and non factory buildings together with structures belonging to Hind Lever Chemical limited, located at Durgachak, Haldia, Sub Registry – Sutahata, District and Registration – Midnapore.

VI. Bishop’s House
Leasehold rights and interest in Kolkata Corporate & Sales Office premises situated in Bishop’s House. 51, Chowringhee Road, Kolkatta, originally leased to Hindustan Lever Limited (HLL) under the lease Agreement dated 13th April, 1996 and later entrusted by HLL for use by HLCL (an Associate or Group Company), who is in occupation of the said premises since September 1998.

VII. Trademarks
All proprietary rights, title and interest in the Trade Mark ‘PARAS’ including its wordmark, copyright, design, art-work, colour scheme and pack graphics, as are used by the Transferor in relation to its Fertilizer products (class 01) only.

PART III

(Short description of all stocks, shares, debentures and other charges in action of the Transferor Company).

i) Madras Fertilizers Ltd – 3,30,000 Equity Shares of Rs.10/- each fully paid up (quoted)

(ii) Government of India Stocks (quoted) of the face value Rs.440 lakhs.
IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO.686 OF 2003
CONNECTED WITH
COMPANY APPLICATION NO.256 OF 2003

In the matter of the Companies Act, 1956
-And-
In the matter of Section 391 and 394 of the Companies
Act, 1956
-And-
In the matter of the Scheme of Amalgamation of Hind
Lever Chemicals Limited with Tata Chemical Limited.

Tata Chemicals Limited, an existing Company under the
provisions of the Companies Act, 1956 having its Registered Office
at Bombay House, 24, Homi Mody Street, Fort, Mumbai 400 001
…..Petitioners.

Coram : S. Radhakrishnan J.

UPON THE PETITION of Tata Chemicals Limited, the Petitioner Company abovenamed, solemnly declared on the 8th day of August, 2003 and presented a Petition to this Hon’ble Court on the 8th day of August, 2003 for sanctioning the arrangement embodied in the scheme of Amalgamation of Hind Lever Chemicals Limited (hereinafter referred to as “the Transferor Company”) with Tata Chemicals Limited (hereafter referred to as “the Transferee Company” or “the Petitioner Company”) and for other consequential reliefs as mentioned in the said Petition AND the said Petition being this day called on for hearing and final disposal AND UPON
READING the said Petition and the Affidavit of Mr. B. Renganathan, the Deputy Company Secretary of the Petitioner Company dated 8th August, 2003 in support of the said Petition AND UPON READING the order dated 3rd day of September, 2003 passed in the above Petition whereby individual notices of the date of hearing of the petition to the secured creditors of the petitioner Company was dispensed with in view of the consent given by all of the secured creditors of the Petitioner Company annexed as Exhibits “F-1” to “F-12” to the Petition and individual notices of the date of hearing of the Petition to unsecured creditors of the Petitioner Company was dispensed with in view of the averments made in paragraph 18 of the Petition AND UPON READING the affidavit of Mr. B. Renganathan, Deputy Company Secretary of the Petitioner Company solemnly affirmed on the 3rd day of October 2003, proving publication of notice of the date of hearing of the Petition in the newspapers viz. The Times of India (English) (all editions), Dainik Lokmat (Marathi) (all editions) Gujarat Samachar (Gujarati) (all editions) and Dainik Jagran (Hindi) (all editions) all dated 19th September, 2003 AND UPON READING the affidavit of Mr. Vikas Rupe an employee in the office of the Advocates for the Transferee Company solemnly affirmed on the 1st day of October, 2003 proving service of notice of the hearing of the said Petition upon the Regional director, department of Company Affairs Maharashtra, Mumbai AND UPON READING the Order dated the 6th day of June, 2003 passed by this Hon’ble Court in Company Application No.256 of 2003 whereby the Transferee Company was ordered to convene the meeting of the Ordinary (Equity) shareholders of the Transferee Company for the purpose of considering and if thought fit, approving with or without modifications the arrangement embodied in the scheme of Amalgamation of the Transferor Company with the Transferee Company, AND meeting of the secured and unsecured creditors of the Transferee Company were dispensed with in view of the averments made in paragraph 18 of the Affidavit in Support of the Summons for Directions as also in view of the averments made in the Additional Affidavit in Support of the Summons for Directions dated 4th June, 2003 AND UPON READING the affidavit dated 15th day of July, 2003 of Mr. B. Renganathan, Deputy Company Secretary of the Transferee Company proving publication of the notice convening meeting of the equity shareholders of the Transferee Company in all the editions of the newspapers “The Times of India” (English edition) and “Dainik Lokmat (Marathi edition) all dated 1st July, 2003 and also proving despatch of notice convening meeting to individual equity shareholders of the Transferee Company AND UPON READING the Report dated 29th day of July, 2003 of Mr. R.N. Tata, Chairman appointed for the meeting of equity shareholders of the Transferee Company as to the result of the said meeting AND UPON READING the affidavit dated 2nd day of August 2003 of Mr. R. N. Tata verifying the said Chairman’s Report AND it appears from the Report of the Chairman of the said Meeting that the proposed Arrangement as embodied in the said Scheme has been approved by the requisite majority of the equity shareholders representing more than three fourth in value of the Equity of shareholders of the Transferee Company present and voting in person or by proxy at the said meeting AND UPON READING the Affidavit dated 10th day of October, 2003 of Mr. Chakradhara Paik, Regional Director, Western Region, Department of Company Affairs, stating that the Scheme is not prejudicial to the interest of members and creditors of the Transferee Company AND UPON
HEARING  Shri Dinyar D. Madon Counsel with Ms. Zaiwalla Mehta and Mr. Gaurav Kothari instructed by M/s Mulla & Mulla & Craige Blunt & Caroe, Advocated for the Transferee Company AND Shri R.C. Master with Shri D.A. Dube, Panel Counsel instructed by Shri T.C. Kaushik for the Regional Director, Western Region, Department of Company Affairs Maharashtra, Mumbai, who submits to the order of the Court. And no other person or persons entitled to appear at the hearing of the said Petition appearing this day either in support of the said Petition or to show cause against the same THIS COURT DOTH HEREBY SANCTION the arrangement embodied in the Scheme of Amalgamation of Hind Lever Chemicals Limited, the Transferor Company with Tata Chemicals Limited, the Transferee Company as set forth in Exhibit “A” to the said Petition and in the Schedule hereto AND THIS COURT DOTH HEREBY DECLARE the same to be binding on the Transferee Company and its shareholders and creditors as also on the Transferor Company and its shareholders and creditors AND THIS COURT DOTH ORDER that with effect from the 1st day of April, 2002 (hereinafter referred to as the “Appointed Date”) the entire undertaking and business of the Transferor Company including all its assets, properties, rights and powers specified in the scheme of Amalgamation being Exhibit “A” to the Petition and set forth in the Schedule hereto shall without further act or deed stand transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Companies Act, 1956, so as to become the property of the Transferee Company AND THIS COURT DOTH FURTHER ORDER that with effect from the Appointed Date all debts, liabilities, duties and obligations of the Transferor Company shall without further act or deed stand transferred to the Transferee Company pursuant to the said section 394 of the Companies Act, 1956 so as to become the debts, liabilities, duties and obligations of the Transferee Company AND THIS COURT DOTH FURTHER ORDER that all suits, actions and proceedings by or against the Transferor Company pending and or arising on or before the Effective date shall be continued, and enforced by or against the Transferee Company as effectually as if the same had been pending and/or arising against the Transferee Company AND THIS COURT DOTH FURTHER ORDER that in consideration of transfer and vesting of undertaking of Transferor Company in the Transferee Company as provided in the said Scheme, the Transferee Company shall, subject to the provision of the said Scheme, without any further application, act or deed, issue and allot at par to every equity shareholder of the Transferor Company whose name is recorded in its register of Members on a date (“the Record Date”) to be fixed by the Board of Directors of the Transferee Company, 5 (five) Ordinary (equity) shares of Rs.10/- (ten) each credited as fully paid up in the Transferee Company for every 2 (two) equity shares of Rs.10/- (ten) each fully paid up held by such shareholder in the Transferor Company AND THIS COURT DOTH FURTHER ORDER that the Transferee Company do within a period of 30 days after the date of sealing of this order cause certified copy of this order to be delivered to the Registrar of Companies, Maharashtra, Mumbai, for Registration and on such certified copy of order being so delivered to the Registrar of Companies, Maharashtra, Mumbai, and upon receipt of the certified copy of the order passed by Punjab & Haryana High Court sanctioning the Scheme of Amalgamation upon the Petition filed by the Transferor Company and upon receipt of the files, documents and records relating to the
Transferor Company from the Registrar of Companies, Punjab H.P. and Chandigarh the Registrar of Companies Maharashtra, Mumbai, the Registrar of Companies Maharashtra, Mumbai, shall place all the files, documents and records relating to the Transferor Company and registered with him on the file kept by him in relation to the Transferee Company and the files of both the Companies shall be consolidated accordingly AND THIS COURT DOETH FURTHER ORDER that the parties to the Scheme of Amalgamation sanctioned herein or any other person or persons interested therein shall be at liberty to apply to this Hon’ble Court for any directions that may be necessary in regard to the working of the Scheme of Amalgamation sanctioned herein and annexed as the schedule hereto AND THIS COURT DOETH LASTLY ORDER that the Transferee Company do pay a sum of Rs.2,500/- (Rupees Two Thousand Five Hundred Only) to the Regional Director, Department of Company Affairs, Maharashtra, Mumbai, towards the costs of the said Petition Witness Shri CHUNILAL KARSANDAS THAKKAR, Chief Justice of Bombay aforesaid this 14th day of October, 2003.

By the Court

For Prothonotary & Senior Master

Sealer
Dated this 15th day of November, 2003

ORDER SANCTIONING THE SCHEME OF AMALGAMATION under Section 391 to 394 of the Companies act, 1956 drawn on the application by M/s Mulla & Mulla & Craigie Blunt & Caroe, Advocates for the Petitioner Having their office at Mulla House, 51, M.G. Road, Fort, Mumbai 400 001.
SCHEDULE
(Scheme as sanctioned by the Court)

SCHEME OF AMALGAMATION
(Under Sections 391 and 394 of the
Companies Act, 1956)

of

HIND LEVER CHEMICALS LIMITED ……TRANSFEROR COMPANY
With
TATA CHEMICALS LIMITED. …….TRANSFEREE COMPANY

1. DEFINITIONS
In this Scheme, unless repugnant to the context or meaning thereof, the following
expressions shall have the following meanings :-

1.1 “The Act” means the Companies Act, 1956 as amended from time to time.

1.2 “The Appointed Date” means 1st April, 2002 or such other date as the Bombay High
court and/or the Punjab and Haryana High Court may direct.

1.3 “The Effective Date” means the later of dates on which the certified copies of the orders
of the Bombay High Court and of the Punjab and Haryana High Court under Section 391
and 394 of the Act are filed with the Registrar of Companies, Maharashtra at Mumbai,
and the registrar of Companies, Punjab H.P. and Chandigarh.

1.4 “Scheme” means this Scheme of Amalgamation for the amalgamation of the Transferor
Company with the Transferee Company or with any modification(s) approved, imposed
or directed by the Bombay High Court and/or the Punjab and Haryana High Court.

1.5 “The Transferee Company”, means Tata Chemicals Limited, and existing Company
under the Companies Act, 1956 having its Registered Office at Bombay House, 24, Homi
Mody Street, Fort, Mumbai – 400 001.

1.6 “The Transferor Company”, means Hind Lever Chemicals Limited, a Company
incorporated under the Companies Act, 1956, having its Registered Office at A-5, phase-
IIB, Focal Point, Rajpura – 140 401, Punjab.

1.7 “The Undertaking” shall mean:
a) The whole of the undertaking, business and properties, whether movable or immovable, real or personal, corporal or incorporeal, material or intellectual, present or contingent including but without being limited to all assets, fixed assets, current assets, investments, reserves, provisions, funds, immovable properties and all utilities including electricity, telephones, telexes, facsimile connections, installations and utilities, benefits of agreements and arrangements, powers, authorities, allotments, approvals, authorisations, licenses, registrations, consents, privileges, liberties, reserves, provisions, funds, benefits of all agreements and all the rights, title, interest, benefit and advantage of whatsoever nature and wheresoever situate belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company as on the Effective Date.

b) All debts, liabilities, duties, outstandings and receivables of the Transferor Company.

c) All the Transferor Company’s reserves, moveable and immovable properties, including lease-hold rights, tenancy rights industrial and other licenses, permits, authorities, quota rights, trade marks, patents and other industrial and intellectual properties, import quotas, telephones, telex, facsimile and other communication facilities and equipments, rights benefits and obligations of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approval;

d) All the rights and obligations of the Transferor Company under the Contracts executed by the Transferor Company for two major BOO Projects Viz. Ammonia Storage and Captive Power Plant under erection and construction at the Transferor Company’s premises for storage and handling of imported ammonia, as also for generation of reliable captive power for use by the Fertilizer Complex of the Transferor Company at Haldia

Provided however, that, the Undertaking shall not include.

i) Zeolite plant and its auxiliary equipment owned by Hindustan Lever Limited (“HLL”) but located on the Transferor Company’s premises.

ii) Fluid Cracking Catalyst (FCC) plant/Silica plant owned by HLL but located on the Transferor Company’s premises

As a measure of abundant caution, it is clarified that the stand-alone Detergent plant owned by HLL and located on adjoining premises of HLL measuring about 23 acres is also outside the ambit of the Scheme.

1.8 Reference in the Scheme to “coming into effect of the Scheme” or “effectiveness of the Scheme” shall mean the Effective Date.
1.9 Word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE
The Scheme though operative from the Effective Date shall be effective from the Appointed Date.

3. GENERAL
The Transferor Company was incorporated on 9th April, 1974 under the name of Stepan Chemicals Ltd. Its name was subsequently changed to Hind Lever Chemicals Ltd. and a fresh certificate of incorporation subsequent to such change of name dated 11th March, 1996 was issued by the Registrar of Companies Punjab, HP and Chandigarh. The Transferee Company was incorporated in the year 1939.

The Transferor Company is in the business of bulk chemicals largely comprising of Sodium Tri-polyphosphate (STPP), a builder used by detergent industry and Complex Fertilizers comprising of DAP, NPK and SSP, STPP sold under the brand name ‘Pyramid’ and the Complex Fertilizers sold under the brand name ‘Paras’ enjoy significant loyalty. The Transferee Company is in the business of manufacturing soda ash, salt and urea. The products manufactured by the Transferor Company are complementary to those of the Transferee Company and cater to the same customer base. The authorised share capital of the Transferor Company is Rs.25 crores. Its issued and subscribed capital is Rs.1378.56 lacs consisting of 1,37,85,600 equity shares of Rs.10/- each. The authorised capital of the Transferee Company is Rs.200 crores. It issued and subscribed capital is Rs.180.64 crores divided into 18,06,38,651 ordinary (equity) shares of Rs.10/- each.

4. TRANSFER OF UNDERTAKING

a) Upon the coming into effect of the Scheme that is with effect from the Appointed Date the Undertaking shall stand transferred to and vested in the transferee Company pursuant to the applicable provisions of the Act including Section 394 thereof.

b) Notwithstanding what is stated in (a) above, it is expressly provided that such of the assets as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery of the same shall be so transferred by the transferor Company to the Transferee Company without any further act or execution of an instrument as on the Appointed Date. The plant and machinery of the Transferor Company, which are fastened to land and/or buildings continue
to remain movable properties inter alia because the said plant and machinery are fastened to land only with a view to have better enjoyment of the movable properties.

Trademarks: Trademark ‘PARAS’ used by the Transferor Company as on the Appointed Date in relation to its fertilizer products (i.e. Class I) will also get transferred to the Transferee Company for the said class of products only. It is also clarified that the trademark ‘PYRAMID’, which is owned by HLL, has been permitted to be used by the Transferor Company for STPP, though the said Trademark PYRAMID is also being used by HLL for its glycerin products. Therefore all proprietary rights and title in the said Trademark ‘PYRAMID’ will continue to be owned by HLL, while permitting the Transferee Company (under a separate licence user agreement) to use the same for the sale of STPP after amalgamation of transferor Company with the Transferee Company for a period of 5 (five) years from the Effective Date.

c) Accordingly, on and from the Appointed date, all the debts liabilities duties outstanding and receivables of the Transferor Company stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (though the Transferee Company may, if it so deems appropriate, give notice to the debtors that the debts do stand transferred to and vested in the Transferee Company) and the debtors shall be obliged to make payment to the Transferee Company.

d) The Transferee Company may, at any time after the coming into effect of the Scheme in accordance with the provisions thereof, if so required, under any law or otherwise, execute Deeds of Confirmation in favour of secured creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company is party or any writings that may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company, shall under the provision of the scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliance referred to above or part of the Transferor Company to be carried out or performed.

e) With effect from the Appointed Date, subject to any corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company be required and except to the extent otherwise by law required, the reserves of the Transferor Company will be merged with the corresponding reserves or General Reserves of the Transferee Company. To the extent, if any, that any reserves of the Transferor Company are required to be separately maintained/designated in
the books of the Transferee Company, the Transferee Company shall credit the same in its books identifying and designating such reserves.

f) The difference between the amount recorded as fresh share capital issued by the Transferee Company on amalgamation and the amount of share capital of the Transferor Company will be reflected in the General Reserves of the Transferee Company.

g) The transfer and vesting as aforesaid, shall be subject to the existing charges and mortgages/encumbrances, if any, over or in respect of any of the Assets or any part thereof created by the Transferor Company. Provided however that such charges/mortgages/encumbrances shall be confined only to the relative assets or part thereof as encumbered by the Transferor Company and transferred to and vested in the Transferee Company on and from the Appointed Date and no such charges/mortgages/encumbrances shall extend over or apply to any other asset(s) or property(ies) of the Transferee Company. Any reference in any security documents or arrangements (to which the Transferor Company is a party) to any assets or property(ies) of the Transferor Company shall be so construed to the end and intent that such security, shall not extend or be deemed to extend to any of the other asset(s) or property(ies) of the Transferee Company.

5. ISSUE OF SHARES

(i) Upon this Scheme coming into effect the Authorised Capital of the Transferee Company shall stand increased to Rs.235,00,00,000/- (Rupees Two Hundred and Thirty Five Crores) divided into 23,50,00,000 (Twenty Three crores and fifty lacs) Ordinary Shares of Rs.10/- each and accordingly:

a) Clauses V of the Memorandum of Association of the Transferee Company shall, without any further act, approval, instrument or deed, and stand altered, pursuant to Section 94 and other applicable provisions of the Act.

b) The Articles of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, pursuant to Section 31 and the other applicable provisions of the Act.

(ii) Upon this Scheme coming into effect and in consideration thereof, the Transferee Company shall, without any application or deed, issue and allot to every member of the Transferor Company (other than the Transferee Company) holding fully paid-up equity shares in the transferor Company and whose names appear in the Register of Members of the Transferor Company on such date (hereinafter called “the record Date”) as the Board of Directors of the Transferee Company will
determine, 5 (Five) fully paid-up Ordinary (equity) Shares of Rs.10/- each of the Transferee Company with rights attached thereto as hereinafter mentioned (hereinafter referred to as “the new Equity Shares”) in respect of every 2 (Two) fully paid-up Equity Shares of the face value of Rs.10/- each held by such member in the capital of the Transferor Company as on the record date. It is clarified that the Transferee Company, for the purpose of issuing the aforesaid shares to the shareholders of the Transferor Company, shall not be required to pass a separate Special Resolution under section 81 (1A) of the Act, and on the members of the Transferee Company giving their consent to the Scheme, it shall be deemed that the shareholders of the Transferee Company have given their consent to issue the aforesaid shares to the shareholders of the Transferor Company as required under Section 81(1A) of the Act.

(iii) No fractional Certificates shall be issued by the Transferee Company in respect of the fractional entitlements, if any, to which the shareholders of the Transferor Company may be entitled on issue and allotment of the equity share of the Transferee Company. The Board of Directors of the Transferee Company shall instead consolidate all such fractional entitlement to which the shareholders of the Transferor Company may be entitled on issue and allotment of the equity share of the Transferee Company as aforesaid and thereupon issue and allot equity shares in lieu thereof to a Director or an officer of the Transferee Company with the express understanding that such Director or officer to whom such equity shares are issued and allotted shall hold the same in trust for those entitled to the fractions and sell the same in the market at the best available price and pay to the Transferee Company the net sales proceeds thereof whereupon the Transferee Company shall, subject to withholding tax, if any, distribute such net sale proceeds to the shareholders of the Transferor Company in proportion to their fractional entitlements.

(iv) The Transferor Company shall not declare any dividend for the period commencing from and after 1<sup>st</sup> April, 2002 without the written consent of the Transferee Company. Subject to the provisions of the Scheme, the profits of the Transferor Company for the period beginning from 1<sup>st</sup> April, 2002 shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit including declaration of the dividend by the Transferee Company in respect of its financial year ending 31<sup>st</sup> March, 2003 or any year thereafter.

(v) The New Equity Shares of the Transferee Company to be issued and allotted to the equity shareholders of the Transferor Company as provided in Sub Clause (i) hereof shall rank pari passu in all respects with the Equity Shares of the
Transferee Company save and except that such shares shall be entitled to proportionate dividend in relation to any financial year ending on any date after the Appointed date. The holders of the shares of the Transferor Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends from the Transferor Company till the Effective Date.

(vi) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only shall not be deemed to confer any right on any member of the Transferor Company to demand or claim any dividend which, subject to the provisions of the said Act, shall be entirely at the discretion of the Boards of Directors of the Transferor Company and the Transferee Company and subject to the approval of the shareholders of the Transferor Company and the Transferee Company respectively.

6. TRANSFER OF LIABILITY

On and from the Appointed Date, all debts, liabilities, duties and obligations of every kind, nature and description of the Transferor Company shall also be and stand transferred to and be deemed to stand transferred to the Transferee Company without any further act, instrument or deed under the provisions of Section 394 of the Act so as to become the debts, liabilities, duties and obligation of the Transferee Company. To the extent that there are any loans, outstandings or balances due from the Transferor Company to the Transferee Company or vice versa, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of the Transferee Company.

7. BUSINESS AND PROPERTY IN TRUST FOR TRANSFEREE COMPANY

(a) With effect from the “Appointed Date” and up to the Effective date:
(i) The Transferor Company shall carry on and shall be deemed to have carried on its business and activities and shall stand possessed of and shall be deemed to have held and stood possessed of its part of the Assets referred to in Clause 4 above, on account of and in trust for the Transferee Company.

(ii) The Transferor Company shall carry on its business and activities with due business prudence and diligence and shall not without the prior written consent of the Transferee Company or pursuant to any pre existing obligation, sell transfer or otherwise alienate, charge, mortgage or encumber or otherwise deal with any
part of the said Assets referred to in Clause 4 above nor incur or accept or acknowledge any debt, obligation or liability except as is necessary in the ordinary course of its business.

(iii) Neither the Transferor Company nor the Transferee Company shall alter its respective capital structure, either by fresh issue of shares or convertible securities (on a rights basis or by way of bonus shares or otherwise) or by any decrease, re-classification, sub-division, consolidation, re-organisation or in any other manner which may in any way affect the share exchange ratio prescribed hereunder except by and with the consent of the Board of Directors of the Transferor Company and the Transferee Company. The Transferee Company is hereby permitted to increase its Authorised Capital to the extent required to give effect to the provisions of this Schemes or pursuant to and in performance/discharge of any obligation of the Transferee Company subsisting prior to the Appointed Date without the consent of the Board of Directors of the Transferor Company. With effect from the effective Date, the Transferee Company shall commence and carry on and shall be authorised to carry on the business carried on by the Transferor Company.

(b) With effect from the Appointed Date, all the profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred by the Transferor Company shall, for all purposes, be treated as and shall be deemed to accrue as the profits or income or expenditure or losses, as the case may be, of the Transferee Company.

8. LEGAL PROCEEDINGS
On and from the Appointed Date, all suits, actions and other legal proceedings by or against the Transferor Company and pending on the Effective Date shall be continued and/or enforced by or against the Transferee Company as effectively and in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company as if the same had been instituted, and/or pending by or against the Transferee Company.

9. EMPLOYEES TO BE RETAINED
The Transferee Company is to engage on and from the Effective Date, all permanent employees of the Transferor Company who are in employment of the Transferor Company on the Effective Date on the terms and conditions not less favourable than those on which they were engaged on the Effective Date, without any interruption of service as a result of the transfer. The Transferee Company agrees that the services of all such employees with the Transferor Company upto the Effective Date will be taken into account for the purposes of all retirement benefits to which they may be eligible in the Transferor Company on the Effective Date. The Transferee Company further agrees that
for all intents and purposes such past services with the Transferor Company shall also be
taken into account, including for the purposes of chapters VA and VB of the Industrial
Disputes Act, 1947.

10. CONTRACTS AND DEEDS
On and from the Appointed date and subject to the provisions to the contrary herein
contained, if any, all contracts, deeds bonds, agreements, arrangements, engagements and
other instruments, if any of whatsoever nature to which the Transferor Company is a
party or to the benefit of which the Transferor Company is entitled and subsisting or
having effect on the Effective Date shall be in full force and effect against or in favour of
the Transferee Company, as the case may be, and may be enforced by or against the
Transferee Company as fully and effectively as if, instead of the Transferor Company it
had been a party thereto or beneficiary in respect thereof. The Transferee Company shall
if and to the extent by law required enter into and/or execute deeds, writings or
confirmations to give formal effect to the provisions of this Clause and to the extent that
that Transferor Company is required prior to the Effective Date to join in such deeds,
 writings or confirmations, the Transferee Company shall be entitled to act for and on
behalf of and in the name of the Transferor Company.

11. SAVING OF CONCLUDED TRANSACTIONS
The transfer of Assets and Liabilities under Clauses 4 and 6 above and/or the continuance
of proceedings by or against the Transferee Company under Clause 8 above shall not
affect any transaction or proceedings already concluded by the Transferor Company on or
before the Effective Date, to the end and intent that the Transferee Company accepts and
adopts all acts, deeds and things done and executed by the Transferor Company in respect
thereto in accordance with the scheme as done and executed by the Transferor Company
in respect thereto in accordance with this Scheme as done and executed on behalf of
itself.

12. DISSOLUTION OF THE TRANSFEROR COMPANY
On the Scheme becoming operative, The Transferor Company shall be dissolved without
winding up.

13. APPLICATION TO HIGH COURT
The Transferee Company shall with all reasonable despatch, make applications to the
Bombay High Court under Section 391 and Section 394 and other applicable provisions,
if any, of the Act, for sanctioning of this Scheme. Similarly the Transferor Company
shall with all reasonable despatch, make applications to the Punjab and Haryana High
Court under Section 391 and section 394 and other applicable provisions, if any, of the
Act, for sanctioning of this Scheme and for dissolution of the Transferor Company.
without winding up and apply for and obtain such other approvals, if any, required under the law.

14. APPROVALS AND MODIFICATIONS

(a) The Transferor Company and the Transferee Company may assent from time to time on behalf of all the persons concerned to any modifications or amendments or additions to this Scheme or to any conditions or limitations which the Bombay High Court and/or the Punjab and Haryana High Court and/or any other competent authorities, if any, under the law may deem fit and approve of or impose and which the Transferor Company and the Transferee Company may in their discretion deem fit and may resolve all doubts or difficulties that may arise for carrying out this Scheme and do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by their respective Boards of Directors, a committee of the concerned Board or any director, authorised in that behalf by the concerned Board of Directors (hereinafter referred to as the “delegate”)

(b) For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate of the Transferee Company may give and is hereby authorised to determine and give all such directions as are necessary including directions for setting or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties in the same manner as if the same were specifically incorporated in this Scheme.

15. SCHEME CONDITIONAL UPON

This Scheme is conditional upon and subject to:

(a) Approval by the requisite majority of the members of both the Transferor Company and the Transferee Company, as directed by the Honorable Punjab & Haryana High Court and Hon’ble Bombay High Court under the Act.

(b) The Resolutions, if any, as may be required in connection with or in relation to the Scheme, being passed by the members of the Transferee Company under all applicable provisions, if any, of the Act.

(c) All Court sanctions and orders as are legally necessary or required under the Act, being obtained or passed before the 31st March, 2004 or within such further period or periods as may be agreed upon between the Board of Directors of the Transferor Company and the Board of Directors of the Transferee company and which the respective Boards of
Directors are hereby authorised to agree to and extend from time to time. In the event of any such consents, approval, permissions, resolutions, agreements, sanctions or orders not being so obtained or passed or, obtained being subject to any conditions restrictions not reasonably acceptable to the Board of Directors of the Transferor Company or the Transferee Company, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other persons save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each Company shall bear its own cost unless otherwise mutually agreed.

16. COST, CHARGES AND EXPENSES

All cost, charges, taxes, including stamp duties, levies and all other expenses, if any (save an expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne and paid by the Transferee Company.
IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO.686 OF 2003
CONNECTED WITH
COMPANY APPLICATION NO.256 OF 2003

In the matter of Section 391 and 394 of the Companies Act, 1956

-And-

In the matter of the Scheme of Amalgamation of Hind Lever Chemicals Limited with Tata Chemical Limited.

Tata Chemicals Limited

…..Petitioners.

ORDER SANCTIONING SCHEME
OF AMALGAMATION

Dated this 14th day of October, 2003
Filed this 15th day of November, 2003

Mulla & Mulla & Craigie Blunt & Caroe
Advocates for Petitioners
51, MG. Road, fort,
Bombay 400 001
HIGH COURT, BOMBAY

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 222 OF 2012

CONNECTION WITH

COMPANY SUMMONS FOR DIRECTION NO. 22 OF 2012

In the matter of:
The Companies Act, 1956;
AND
In the matter of:
Sections 391 to 394 of the Companies Act, 1956;

In the matter of:
The Scheme of Amalgamation of:
i) Wyoming 1 (Mauritius) Pvt. Ltd. ("Transferor Company")
With
ii) Tata Chemicals Limited ("Transferee Company" / "Petitioner Company") and
their respective shareholders.

TATA CHEMICALS LIMITED........Petitioner / Transferee Company

CORAM: S. J. Kathawalla J.

DATE: 4th May, 2012

" Disclaimer Clause : Authenticated copy is not a Certified Copy "
HIGH COURT, BOMBAY

Mr. Sharan Jagtiani along with Mr. Molla Hasan, i/b. AZB & Partners, Advocates for the Petitioner.

Mr. C. J. Joy with Mr. M. S. Bharadwaj i/b Dr. T. C. Kaushik for Regional Director.

PC:

1. Heard learned counsel for the parties.

2. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956 to a Scheme of Amalgamation of Wyoming 1 (Mauritius) Pvt. Ltd., the "Transferor Company" with Tata Chemical Limited, the "Transferee Company" and their respective shareholders.

3. The counsel for the Petitioner submits that the Transferor Company is a wholly owned subsidiary of the Petitioner Company.

4. The counsel appearing on behalf of the Petitioner has stated that the Petitioner has complied with all requirements as per directions of this Court and they have filed necessary Affidavits of compliance in the Court. Moreover, Petitioner undertakes to comply with all statutory requirements, if any, as required under the Companies Act, 1956 and the rules made thereunder. The undertaking is accepted.

5. The Regional Director has filed an affidavit stating therein that save and except what is stated in paragraphs 6(a) and 6(b) thereof, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraphs 6(a) and 6(b) of the said Affidavit the Regional Director has stated that:

   a) The Transferor Company viz, Wyoming 1 (Mauritius) Private Limited is a body incorporated on 3rd March 2008 under the provision of the Mauritius Companies Act and having its registered office at IFS Court, Twenty Eight, Cybercity, Ebene, Mauritius. In this connection, the Transferee Company shall comply with the RBI/FEMA Regulations as applicable in this regard.

   b) The Transferor and Transferee Company shall ensure compliance of clauses 8.4, 8.9 read with clause 14.2 of the scheme for striking off the name of the Transferor Company as per the Law of Mauritius.

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6. In response to the issue raised by the Regional Director in paragraph 6(a) of the Affidavit of the Regional Director, the counsel appearing for the Petitioner submits that the Petitioner shall comply with the RBI/ FEMA Regulations as may be applicable in this regard.

7. So far as the observations made in paragraph 6(b) of the Affidavit of the Regional Director are concerned, the Petitioner through their counsel undertakes that the Petitioner will ensure that the name of the Transferor Company will be struck off from the records of the Registrar of Companies, Mauritius. The said undertaking is accepted.

8. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. None of the parties concerned have come forward to oppose the Scheme.

9. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petition No. 222 of 2011 filed by the Petitioner is made absolute in terms of the prayer made under clauses (a) to (j)

10. The Petitioner Companies to lodge a copy of this order and the Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of order.

11. Petitioner is directed to file a copy of this order along with a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically, alongwith E- Form 21 in addition to physical copy, within 30 days from the date of issuance of the order by the Registry.

12. The Petitioner to pay costs of Rs. 10,000/- to the Regional Director. Costs to be paid within four weeks from today.

13. Filing and issuance of the drawn up order is dispensed with.

14. All concerned authorities concerned to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court (O. S.), Bombay.

(S. J. Kathawalla J.)

"Disclaimer Clause : Authenticated copy is not a Certified Copy"
SCHEME OF AMALGAMATION
UNDER SECTIONS 391 TO 394 AND OTHER APPLICABLE PROVISIONS OF THE
COMPANIES ACT, 1956

OF

WYOMING 1 (MAURITIUS) PRIVATE LIMITED

WITH

TATA CHEMICALS LIMITED

AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PREAMBLE

This Scheme of Arrangement ("Scheme") (more particularly described hereinafter) pursuant to Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 provides for amalgamation of Wyoming 1 (more particularly described hereinafter), a Mauritius Company with TCL (more particularly described hereinafter), a public listed Indian Company in accordance with the Applicable Laws (as defined hereinafter) in the Republic of India and Mauritius.

PART I - DESCRIPTION OF COMPANIES

A. Wyoming 1 (Mauritius) Private Limited ("Wyoming 1") or "Transferor Company"), is a private company limited by shares incorporated on March 3, 2008 under the provisions of the Mauritius Companies Act and having its registered office at IFS Court, TwentyEight, Cybercity, Ebene, Mauritius.

B. Wyoming 1 is a wholly owned subsidiary of TCL and is currently engaged in the business of investment holding.

C. Tata Chemicals Limited ("TCL" or "Transferee Company") is a company incorporated on January 23, 1939 under the provisions of the Indian Companies Act, 1913 and having its registered office at Bombay House, 24 Homi Mody Street, Fort, Mumbai - 400 001.

D. TCL is a public listed company and its shares are listed on the BSE and NSE (together referred to as the "Stock Exchanges"). TCL presently carries on the business in four segments i.e. (1) Inorganic Chemicals comprising of Soda Ash, Salt, Marine Chemicals, Caustic Soda, Cement and Bulk Chemicals. 2) Fertilisers segment comprising of Fertilisers and other traded products 3) Other Agri-inputs and 4) Others compromising of Water Purifier, Biofuels and Pulses.
PART II - RATIONALE OF THE SCHEME OF AMALGAMATION

The key objective of the amalgamation are as follows:

A. Rationalizing multiple foreign subsidiaries in the group to ensure optimised legal entity structure more aligned with the business by reducing the number of legal entities and reorganising the legal entities in the group structure so as obtain significant cost savings and / or simplification benefits;

B. Significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by Wyoming 1 and TCL;

C. Concentrated effort and focus by the senior management to grow the business by eliminating duplicative communication and burdensome coordination efforts across multiple entities and countries;

D. Elimination of administrative functions and multiple record-keeping, thus resulting in reduced expenditure; and

E. The Amalgamation pursuant to this Scheme will create a focused platform for future growth of TCL.

F. This Scheme of Amalgamation ("Scheme" or "this Scheme") is presented under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 and Applicable Laws in Mauritius, for amalgamation of the Transferor company with TCL.

G. Accordingly, this Scheme provides for the amalgamation of the Transferor Company with TCL.

H. The Scheme is divided into the following parts:

   (i) Part I - Description of the companies:

   (ii) Part II - Rationale of the Scheme;

   (iii) Part III - Definitions;

   (iv) Part IV - Amalgamation of the Transferor Company with TCL;

   (v) Part V - General Terms & Conditions Applicable the Scheme.

PART III - DEFINITIONS

1. DEFINITIONS AND INTERPRETATION

   In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

   1.1 "Act" means the Companies Act, 1956 of India or any statutory modification or re-enactment thereof for the time being in force.
1.2 "Applicable Law(s)" means any statute, notification, bye laws, rules, regulations, guidelines, rule or common law, policy, code directives, ordinance, schemes, notices, orders or instructions law enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force.

1.3 "Appointed Date" means 1st January, 2012 or such other date as may be approved by the High Court (as defined hereinafter) or such other competent authority as may be applicable.

1.4 "Appropriate Authority" means any governmental, statutory, regulatory, departmental or public body or public body or authority of the Relevant Jurisdiction, including Securities and Exchange Board of India; Stock Exchanges, Registrar of Companies, Company Law Board and courts of Mauritius and India in each case the High Court in relation to India and relevant competent authorities in relation to Mauritius.

1.5 "Effective Date" or "Coming into effect of this Scheme" means the date on which all the conditions and matters referred to in clause 16 of the Scheme have been fulfilled.

1.6 "High Court" means the High Court of Judicature at Bombay, having jurisdiction in relation to the Transferee Company and shall include the National Company Law Tribunal, as applicable or such other forum or Appropriate Authority as may be vested with any of the powers of a High Court under the Act.

1.7 "Mauritius Companies Act" means the Companies Act, 2001 of Mauritius or any statutory modification or re-enactment thereof for the time being in force.

1.8 "Relevant Jurisdiction" means the territories of the Republic of India and Mauritius.

1.9 "Scheme" means this Scheme of Amalgamation in its present form submitted to the High Court or any other Appropriate Authority in the Relevant Jurisdictions with any modifications thereof as the High Court or any other Applicable Law or any Appropriate Authority.

1.10 "TCL" or "Transferee Company" means Tata Chemicals Limited, a company incorporated in India, under the Act having its registered office at Bombay House, 24, Homi Mody Street, Fort, Mumbai - 400 001.

1.11 "Wyoming 1" or "Transferor Company" means Wyoming 1 (Mauritius) Private Limited, a company incorporated in Mauritius and having its registered office at IFS Court, TwentyEight, Cybercity, Ebene, Mauritius.

All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be, or any statutory modification or re-enactment thereof for the time being in force.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

2.1 The Scheme set out herein in its present form shall have legal effect and force from the Appointed Date but shall be effective from Effective Date.

2.2 Any reference in this Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" or "upon the coming into effect of the Scheme" shall mean the Effective Date.
3. SHARE CAPITAL

3.1 TCL

3.1.1 The share capital structure of TCL as on September 30, 2011 is as under:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount Rupees in Crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorized Share Capital</td>
<td></td>
</tr>
<tr>
<td>27,00,00,000 Ordinary Shares of Rs. 10 each</td>
<td>270.00</td>
</tr>
<tr>
<td>Issued Share Capital</td>
<td></td>
</tr>
<tr>
<td>25,48,42,598 Ordinary Shares of Rs. 10 each</td>
<td>254.84</td>
</tr>
<tr>
<td>Subscribed Share Capital</td>
<td></td>
</tr>
<tr>
<td>25,47,56,278 Ordinary Shares of Rs. 10 each fully paid up</td>
<td>254.76</td>
</tr>
<tr>
<td>Forfeited Shares</td>
<td></td>
</tr>
<tr>
<td>Amount paid on 86,320 shares</td>
<td>0.06</td>
</tr>
</tbody>
</table>

3.1.2 There has been no change in the authorised, issued, subscribed and paid-up share capital of TCL, since September 30, 2011. The equity shares of TCL are listed on the Bombay Stock Exchange Limited ('BSE') and the National Stock Exchange of India Limited ('NSE').

3.2 Wyoming 1

3.2.1 The share capital structure of Wyoming 1 as on September 30, 2011 is as under:

<table>
<thead>
<tr>
<th>Stated Capital</th>
<th>Amount in USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>720, 740, 000 Ordinary shares of USD1 each</td>
<td>720, 740, 000</td>
</tr>
</tbody>
</table>

3.2.2 Since September 30, 2011, there has been no change in the issued, subscribed and paid-up share capital of Wyoming 1.
PART IV - AMALGAMATION OF THE TRANSFEROR COMPANY WITH TCL

4. TRANSFER AND VESTING OF BUSINESS OF THE TRANSFEROR COMPANY

4.1 Upon coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme:

4.1.1 The entire business of the Transferor Company as a going concern of, under the provisions of Sections 391 to 394 of the Act and pursuant to the Order of the High Court sanctioning this Scheme and upon compliance with the process specified in Clause 8 hereof and without any further act or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the undertakings, estates, duties and obligations, properties and assets (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and/or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company) such as intellectual rights, licenses, permits, quotas, approvals, registrations, leases, permissions, investments, copyrights, patents, trademarks, trade names, contracts, agreements, consents, approvals or powers of every kind, nature and description whatsoever, of the Transferee Company.

4.1.2 All statutory licences, permissions, approvals or consents, certificates, clearances, authorities (including for the operations of bank accounts), power of attorneys to carry on the operations of the Transferor Company shall stand transferred to and vested in the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and transfer of the Transferor Company pursuant to this Scheme. The benefit of all statutory and regulatory permissions or other licences and approvals or consents shall vest in and become available to the Transferee Company pursuant to this Scheme. In so far as any incentives, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Transferor Company, as the case may be, are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

4.2 All the assets acquired by or belonging to the Transferor company and all the liabilities, if any, incurred by the Transferor Company after the Appointed Date and prior to the Effective Date shall also stand transferred to and vested in the Transferee company in the same manner as specified in Clause 4.1 upon coming into effect of the Scheme.

4.3 All the existing securities, mortgages, charges, encumbrances or liens, if any, created by the Transferor Company after the Appointed Date but before the Effective Date, over the assets of the Transferor Company transferred to the Transferee company shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date. Such securities, mortgages, charges, encumbrances or liens shall not relate or attach or extend to any of the other assets of the Transferee Company.

4.4 Any existing encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties of the Transferee Company.
Company and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.

5. **APPLICABILITY OF THE PROVISIONS OF THE INCOME TAX ACT**

5.1 This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2 (IB) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(IB) of the Income Tax Act, 1961, Such modification will however not affect the other parts of the Scheme, except to the extent required to give effect to the Scheme.

5.2 Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961 (including for minimum alternate tax purposes and tax benefits), service tax law and other tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax), and to claim tax benefits under the Income Tax Act, 1961 etc. and for matters incidental thereto, it required to give effect to the provisions of this Scheme.

6. **CONSIDERATION**

6.1 The entire stated share capital of the Transferor Company is held by the Transferee Company. Hence, upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of the Equity Shares of the Transferor Company.

7. **ACCOUNTING TREATMENT IN THE BOOKS OF TCL**

7.1 The Transferee Company shall account the amalgamation of the Transferor Company as per the pooling of interest method as set out in Accounting Standard 14 (AS 14) referred to in Section 211(3C) of the Act and detailed herein.

7.2 The Transferee Company, shall upon the Scheme coming into effect, record the assets and liabilities, if any, of the Transferor Company vested in it pursuant to this Scheme, at the respective book values thereof and in the same form as appearing in the books of the Transferor Company at the close of business of the day immediately preceding the Appointed Date.

7.3 The Transferee Company shall record the reserves of the Transferor Company in the same form and at the same values as they appear in the financial statements of the Transferor Company at the close of business of the day immediately preceding the Appointed Date.

7.4 As on the Appointed Date, pursuant to the amalgamation of the Transferor Company with the Transferee Company, the inter-company balances between the Transferee Company and the Transferor Company, if any appearing in the books of the Transferee Company shall stand cancelled, Further, the value of investments held by the Transferee Company in the Transferor Company on the Appointed Date shall stand cancelled pursuant to merger.

7.5 The difference between the share capital of the Transferor Company and the book value of the investments cancelled in terms of Clause 7.4 above shall be credited to Capital Reserve or debited to the General Reserves, as the case may be, in the books of the Transferee Company.
In addition, the Transferee Company shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any other accounting standards.

8. **PROCEDURE RELATING TO THE TRANSFEROR COMPANY UNDER THE LAWS OF MAURITIUS**

8.1 The Transferor Company is incorporated under the Mauritius Companies Act 2001 and presently holds a Category 1 Global Business Licence issued by the Financial Services Commission under the laws of Mauritius.

8.2 In terms of Mauritius law, a company holding a Category 2 Global Business Licence can merge with one or more companies incorporated under the laws of a jurisdiction other than that of Mauritius where the merger is permitted by the laws of such jurisdiction. Accordingly, Wyoming 1 would be converted into a Category 2 Global Business Licence company.

8.3 The Board of Directors of Wyoming 1 has passed a resolution on November 11, 2011 approving the Scheme.

8.4 In terms of Paragraph 4 (2) (a) of Part II of the Fourteenth Schedule to the Mauritius Companies Act 2001, the Transferor Company is required to comply with the laws of Mauritius and the Transferee Company will have to comply with the laws of India regarding the amalgamation of the Transferor Company with the Transferee Company.

8.5 In terms of Paragraph 4 (2) (b) of Part II of the Fourteenth Schedule to the Mauritius Companies Act 2001, the Transferee Company, being incorporated under the laws of a jurisdiction other than that of Mauritius, must submit the following to the Registrar of Companies in Mauritius ("RoC Mauritius") in relation to the merger of the Transferor Company with the Transferee Company:

a) An agreement that a service of process may be effected on it in Mauritius in respect of proceedings for the enforcement of any claim, debt, liability or obligation, if any, of a constituent company (being the Transferor Company) incorporated under the Mauritius Companies Act or in respect of proceedings for the enforcement of the rights of a dissenting member of a constituent company incorporated under the Mauritius Companies Act against the surviving company (being the Transferee Company);

b) An irrevocable appointment of the registrar of the Transferor Company as its agent to accept service of process in proceedings referred to in sub clause (a) above;

c) An agreement that the Transferee Company shall promptly pay to the dissenting members, if any, of a constituent company (being the Transferor Company) incorporated under the Mauritius Companies Act, the amount, if any, to which they are entitled under the Mauritius Companies Act, with respect to the rights of dissenting members. There is no dissenting member since the Scheme has been approved by the sole shareholder of the Transferor Company and therefore this provision does not apply; and

d) A certificate of merger or consolidation issued by the appropriate authority of the foreign jurisdiction (i.e. Order passed by the High Court approving the Scheme) where it is incorporated.

8.6 Based on the above and given that there is no dissenting member of any constituent company (being the Transferor Company) incorporated under the Mauritius Companies Act, the
Transferee Company will confirm in writing to the RoC Mauritius that (a) there is no such dissenting member and (b) the Transferee Company shall irrevocably appoint the registrar of the Transferor Company on behalf of the Transferee Company to accept service of process in respect of proceedings for enforcement of any claim, debt, liability or obligation of the Transferor Company, if any.

8.7 In term of Paragraph 4 (3) of Part II of the Fourteenth Schedule to the Mauritius Companies Act, where the surviving company (being the Transferee Company) is incorporated under the laws of a jurisdiction other than that of Mauritius, the effect of the merger shall be the same as in the case of a merger under Part XVI of the Mauritius Companies Act except in so far as the laws of the other jurisdiction, i.e. the laws of India, otherwise provide.

8.8 In terms of Paragraph 4(4) of Part II of the Fourteenth Schedule to the Mauritius Companies Act, since the surviving company (being the Transferee Company) is incorporated under the laws of a jurisdiction other than that of Mauritius, the merger will be effective as provided for by the laws of that jurisdiction, i.e. the laws of India.

8.9 The Transferor Company shall be required to file certain documents including those set out in Paragraph 4(2)(b) of Part II of the Fourteenth Schedule to the Mauritius Companies Act with the RoC Mauritius along with the Scheme and the corporate resolution of the Transferee Company or relevant extract thereof and the Transferor Company will be struck off the register maintained by the RoC Mauritius effective the date of the merger under the laws of India without the need for winding up.

8.10 On the Scheme becoming effective, the Transferor Company shall continue as one company with the Transferee Company without any further act or deed.

PART V- GENERAL TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

9. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

9.1 The Transferor Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of all the assets and liabilities, if any of the Transferor company on account of and in trust for the Transferee Company;

9.2 All profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by them (including taxes, if any, accruing or paid in relation to any profits or income) shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be of the Transferee Company;

9.3 Any of the rights, powers, authorities, privileges exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of and in trust for and as agents of the Transferee Company. Similarly, any obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have undertaken for and on behalf of and as an agent for the Transferee Company; and
9.4 The Transferor Company shall not delineate, charge, mortgage, encumber or otherwise deal with its assets or any part thereof without prior written consent of the Transferee Company.

10. EMPLOYEES

10.1 Upon the coming into effect of this Scheme all employees, if any, of Transferor Company as on the Effective Date shall become the employees of the Transferee Company on terms and conditions not less favourable than those on which they are engaged by the Transferor Company and without any interruption of or break in service as a result of the amalgamation of the Transferor Company with the Transferee Company. For the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such employees with the Transferor Company and such benefits to which the employees are entitled in the Transferor Company shall also be taken into account, and paid (as and when payable) by the Transferee Company.

10.2 The Boards of Directors of each of the Transferor Company and the Transferee Company shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the permissions of this Clause.

11. LEGAL PROCEEDINGS

11.1 All legal proceedings of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date, as and from the Effective Date, shall be continued and enforced by or against the Transferee Company in the manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company as the case may be.

11.2 After the Appointed Date, if any proceedings are taken against the Transferor Company in respect of the matters referred to in the sub-clause 11.1 above, the Transferor Company shall defend the same at the cost of the Transferee Company and the Transferee Company shall reimburse and indemnify the Transferor Company, including its directors, officers and administrative agent, against all liabilities and obligations incurred by the Transferor Company in respect thereof.

11.3 The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in sub-clause 11.1 above, transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the Transferor Company.

12. CONTRACTS, DEEDS, ETC.

12.1 Upon this Scheme becoming effective, all contracts, deeds bonds, agreements and other instruments, if any, of whatsoever nature and to which the Transferor Company is a party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of the Transferee Company, as the case may be and may be enforced by or against the Transferee Company as fully and effectually as if instead of the Transferor Company, the Transferee Company had been a party thereto from inception. The Transferee Company shall enter into and/or execute deeds, writings or confirmations or enter into any arrangements, confirmations or novations, in order to give formal effect to the provisions of this Scheme. After the Effective Date, the Transferee Company shall be deemed to be authorised to execute any deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.
13. **SAVING OF CONCLUDED TRANSACTIONS & PROCEEDINGS**

13.1 The transfer and vesting of the Transferor Company under Clause 4 and continuance of proceedings by or against the Transferee Company under Clause 11 above shall affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

14. **APPLICATION TO HIGH COURT**

14.1 The Transferee Company shall make applications/petitions under Sections 391 to 394 and other applicable provisions of the Act to the High Court seeking orders for dispensing with or convening, holding and conducting the meetings of members and creditors and for an order sanctioning this Scheme of Amalgamation of the Transferor Company with the Transferee Company and its shareholders and creditors.

14.2 The Transferor Company shall initiate and pursue all actions necessary under the local laws of their jurisdiction (i.e. Mauritius). The Transferor Company shall take all necessary steps for sanctioning of this Scheme and for their continuing as one company with the Transferee Company and apply for and obtain such other approvals, if any, required under the Applicable Laws.

15. **MODIFICATION OR AMENDMENTS TO THE SCHEME**

15.1 Subject to requisite approval of the High court and/ or Stock Exchanges, the Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, may make and/or consent to any modifications/ amendments to the Scheme or to any conditions or limitations that the Court or the Competition Commission of India or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. The Transferor Company and the Transferee Company by their respective Board of Directors or such other person or person, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, shall be authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities of otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

15.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate(s) of the Transferor Company and/or the Transferee Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be shall be, binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.
16. CONDITIONALITY

16.1 This Scheme is conditional upon and subject to:

16.1.1 the requisite sanction or approval of the Appropriate Authorities from India and Mauritius being obtained and/or granted in relation to any of the matters in respect of which such sanction or approval is required.

16.1.2 the approval by the requisite majority of the shareholders and/or creditors (as may be required and/or to the extent not dispensed with by the Appropriate Authorities) of the Mauritius Transferor Company and the requisite majority in number and value of the shareholders and/or creditors (as may be required and/or to the extent not dispensed with by the Appropriate Authorities) of the Transferee Company, as required under Applicable Law.

16.1.3 the certified copy of the order of the High Court under Sections 391 to 394 and other applicable provisions of the Act sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra at Mumbai by the Transferee Company.

16.1.4 compliance by the Transferor Company of all the necessary and applicable provisions of its Applicable Law (including without limitation, all necessary filings to be made under Applicable Laws of Mauritius.)

16.1.5 the Transferee Company entering into agreements under Section 4 (2) (b) of Part II of the Fourteenth Schedule to the Mauritius Companies Act and appointing the registrar of the Transferor Company as its agent to accept service of process and the RoC Mauritius accepting the order passed by the High court as sufficient evidence of the Scheme being sanctioned and consequently striking off the Transferor Company, in its records.

16.1.6 all other sanctions and regulatory approvals including approvals from the Reserve Bank of India and/or the Competition Commission of India, if required, in respect of this Scheme being obtained.

16.2 This Scheme, although to come into operation from the Appointed Date, Shall not become effective until the last of the following dates, namely:

16.2.1 That on which the last of the aforesaid consents, approvals, permissions, resolutions and orders as mentioned in Clause 16.1 shall be obtained or passed; or

16.2.2 That on which all necessary certified copies of orders under Sections 391 and 394 of the Act shall be duly filed with the appropriate Registrar of Companies.

16.3 The last of such dates shall be "Effective Date" for the purpose of this Scheme.

17. DISSOLUTION OF THE TRANSFEROR COMPANY

17.1 On the Effective Date, the Transferor Company shall continue as one company with the Transferee Company subject to and in accordance with Applicable Laws of Mauritius.
18. EFFECT OF NON-RECEIPT OF APPROVALS

18.1 In the event of any of the said approvals referred to in Clause 16 above not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the High Court and/or order or orders not being passed as aforesaid before 30th September, 2012 or such other date as may be mutually agreed upon by the respect of Board of Directors of the Transferor Company and the Transferee Company (who are hereby empowered and authorized to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s)), this Scheme shall stand revoked, cancelled and be of no effect.

18.2 In event of revocation under Clause 18.1, no rights and liabilities whatsoever shall accrue to or be incurred inter se to the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each company shall bear its own costs unless otherwise mutually agreed.

18.3 The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if the Board of Directors are of the view that the coming into effect of the Scheme could have adverse implications on the Transferor Company and/or the Transferee Company.

18.4 If any part of this Scheme hereof is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intentions of the parties that such part shall be severable form remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the Scheme, as will best preserve for the parties the benefits and obligations of the Scheme, including but not limited to such part.

19 COSTS, CHARGES & EXPENSES

19.1 All cost, charges, taxes and expenses including stamp duty and registration fee of any deed, documents, instrument or Court's order including this Scheme, duties, levies and all other expenses, if any, arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto, shall be borne and paid by the Transferee Company.
HIGH COURT, BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 222 OF 2012
CONNECTION WITH
COMPANY SUMMONS FOR DIRECTION NO. 22 OF 2012

In the matter of:
The Companies Act, 1956;
And
In the matter of
Sections 391 to 394 of the Companies Act, 1956
And
In the matter of:
The Scheme of Amalgamation of Wyoming 1 (Mauritius) Pvt. Ltd. ("Transferor Company") with Tata Chemicals Limited ("Petitioner Company" or "Transferee Company") and their respective shareholders and creditors.

Tata Chemicals Limited ..... Petitioner Company

Authenticated copy of the minutes of order along with Scheme of Amalgamation dated May 4, 2012.

AZB & Partners
Advocates for the Petitioner Company
Express Towers, 23rd floor
Nariman Point
Mumbai 400021
IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 809 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 615 OF 2013

In the matter of:
The Companies Act, 1956;
And
In the matter of:
Sections 391 to 394 of the Companies Act, 1956;

In the matter of:
The Scheme of Amalgamation of:

(i) Homefield International Pvt. Ltd.
    ("Transferor Company")
    With
(ii) Tata Chemicals Limited ("Transferee Company"/ "Petitioner Company")

Tata Chemicals Limited……………Petitioners / Transferee Company.

CALLED FOR HEARING
Mr. Sharan Jagtiani along with Mr. Molla Hasan, i/b. AZB & Partners, Advocates for the Petitioner.
Mr. C. J. Joy with Mr. Dhiren Shah i/b H.P. Chaturvedi for Regional Director.

Coram : G. S. Patel J.
Dated : 7th March, 2014
PC:

1. Heard Learned Counsel for the party. No objector has come before the court to oppose the Scheme and to contravert any averments made in the Petition.

2. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956 to the Scheme of Amalgamation of Homefield International Pvt. Ltd. with Tata Chemicals Limited.

3. The Learned Counsel for the Petitioner states that the Petitioner presently carries on the business in four segments i.e. (1) Inorganic Chemicals comprising of Soda Ash, Salt, Marine Chemicals, Caustic Soda, Cement and Bulk Chemicals; (2) Fertilisers segment comprising of Fertilisers and other traded products; (3) Other Agri-inputs; and (4) Others-comprising of Water Purifier and Pulses.

4. Learned Counsel appearing on behalf of the Petitioner states that the Transferor Company is a wholly-owned subsidiary of the Petitioner and that the proposed amalgamation will *inter alia* rationalize multiple foreign subsidiaries in the group to ensure optimized legal entity structure more aligned with the business by reducing the number of legal entities and reorganize the legal entities in group structure so as to obtain significant cost savings and/or simplification benefits. Learned Counsel appearing on behalf of the Petitioner further states that the proposed amalgamation will lead to significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the Transferor Company and the Petitioner.

5. Learned Counsel for the Petitioner further states that the Board of Directors of the Petitioner Company has passed resolution for approval of the Scheme of Amalgamation which are annexed to the Petition.

6. The Learned Counsel for the Petitioner further states that the Petitioner has complied with all the directions passed in the Company Summons for Direction and that the Company Scheme Petition has been filed in consonance with the order passed in the Company Summons for Direction and seeks sanction to the said proposed Scheme of Amalgamation.

7. The Learned Counsel appearing on behalf of the Petitioner has stated that they have complied with all requirements as per directions of this Hon’ble Court and they have filed necessary affidavit of compliance in this Hon’ble Court. Moreover, the Petitioner undertakes to comply with all the statutory requirements, if any, as required under the Companies Act, 1956 and rules made thereunder. The undertaking is accepted.

8. The Regional Director has filed an affidavit dated 27th February, 2014, stating therein that it appears that the Scheme is not prejudicial to the interest of shareholders and public, save and except as stated in paragraphs 6(a), (b) & (c) of the said Affidavit of the Regional Director, which are reproduced below:

   *That the Deponent further submits that:*
   
a) Transferor Company is incorporated in the Republic of Mauritius, Transferee Company shall ensure that the Transferor Company is complying with all the statutory requirement as per Mauritius Law to strike off the name of the Transferor Company from the register of the Registrar of Companies, Mauritius.

   b) Deponent respectfully further submits that the Transferee Company shall also file the copy of the order of this Hon’ble High Court approving the scheme with Reserve Bank of India within 30 days.
c) It is further submits that in addition to accounting treatment given in this scheme the Transferee company shall pass such accounting entries as may be necessary in connection with the scheme to comply with any other accounting standards.”

9. In response to the observation made in paragraph 6(a) of the Affidavit of the Regional Director, the Learned Counsel appearing for the Petitioner undertakes that the Petitioner shall ensure that the Transferor Company is complying with all the statutory requirement as per Mauritius Law to strike off the name of the Transferor Company from the register of the Registrar of Companies, Mauritius.

10. In response to the observation made in paragraph 6(b) of the Affidavit of the Regional Director, the Learned Counsel appearing for the Petitioner undertakes that the Petitioner shall also file the copy of the order of this Hon’ble High Court approving the scheme with Reserve Bank of India within 30 days from the date of receipt of the Order.

11. In response to the observation made in paragraph 6(c) of the Affidavit of the Regional Director, the Learned Counsel appearing for the Petitioner undertakes that in addition to accounting treatment given in this scheme, the Petitioner shall pass such accounting entries as may be necessary in connection with the scheme to comply with any other accounting standards.

12. The Learned Counsel of Regional Director on instructions of Mr. M. Chandanamuthu, Joint Director in the office of the Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai states that they are satisfied with the undertakings given by the Learned Counsel appearing for the Petitioner.

13. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. No other party has come forward to oppose the Scheme in the Court.

14. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petition No. 809 of 2013 is made absolute in terms of the prayer clauses (a) to (j).

15. The Petitioner to lodge a copy of this Order and the Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of the Order.

16. The Petitioner is directed to file a copy of this Order along with a copy of the Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay, with concerned Registrar of Companies, electronically, along with E-Form 21 in addition to physical copy, as per the relevant provisions of the Companies Act, 1956.

17. The Petitioner in the Company Scheme Petition No. 809 of 2013 to pay cost of Rs. 10,000/- to the Regional Director, Western Region, Mumbai, Costs to be paid within four weeks from the date of the Order.

18. Filling and issuance of the drawn up order is dispensed with.

19. All authorities concerned to act on a copy of this Order along with Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay.

(G. S. PATEL J.)
SCHEME OF AMALGAMATION

UNDER SECTIONS 391 TO 394 AND OTHER APPLICABLE PROVISIONS OF
THE COMPANIES ACT, 1956

OF

HOMEFIELD INTERNATIONAL PVT. LTD

WITH

TATA CHEMICALS LIMITED

PREAMBLE

This Scheme of Arrangement ("Scheme") (more particularly described hereinafter) pursuant to Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 provides for amalgamation of Homefield (more particularly described hereinafter), a Mauritius Company with TCL (more particularly described hereinafter), a public listed Indian Company in accordance with the Applicable Laws (as defined hereinafter) in the Republic of India and Mauritius.

PART I - DESCRIPTION OF COMPANIES

A. Homefield International Pvt. Ltd. ("Homefield" or "Transferor Company"), is a private company limited by shares incorporated on May 10, 2005 under the provisions of the Mauritius Companies Act (as hereinafter defined) and having its registered office at IFS Court, Twenty Eight, Cybercity, Ebene, Mauritius.

B. Homefield is a wholly owned subsidiary of TCL and is currently engaged in the business of investment holding.

C. Tata Chemicals Limited ("TCL" or "Transferee Company") is a company incorporated on January 23, 1939 under the provisions of the Indian Companies Act, 1913 and having its registered office at Bombay House, 24 Homi Mody Street, Fort, Mumbai – 400 001.

D. TCL is a public listed company and its shares are listed on the BSE and the NSE (together referred to as the "Stock Exchanges"). TCL presently carries on the business in four segments i.e. (1) Inorganic Chemicals comprising of Soda Ash, Salt, Marine Chemicals, Caustic Soda, Cement and Bulk Chemicals, (2) Fertilisers segment comprising of Fertilisers and other traded products (3) Other Agri-inputs and (4) Others – comprising of Water Purifier and Pulses.
PART II - RATIONALE OF THE SCHEME OF AMALGAMATION

The key objectives of the amalgamation are as follows:

A. Rationalizing multiple foreign subsidiaries in the group to ensure optimised legal entity structure more aligned with the business by reducing the number of legal entities and reorganising the legal entities in the group structure so as to obtain significant cost savings and/or simplification benefits;

B. Significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by Homefield and TCL;

C. Concentrated effort and focus by the senior management to grow the business by eliminating duplicative communication and burdensome coordination efforts across multiple entities and countries;

D. Elimination of administrative functions and multiple record-keeping, thus resulting in reduced expenditure; and

E. The Amalgamation pursuant to this Scheme will create a focused platform for future growth of TCL.

F. This Scheme of Amalgamation (“Scheme” or “this Scheme”) is presented under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 and Applicable Laws in Mauritius, for amalgamation of the Transferor Company with TCL.

G. Accordingly, this Scheme provides for the amalgamation of the Transferor Company with TCL.

H. The Scheme is divided into the following parts:

   (i) Part I - Description of the companies;

   (ii) Part II - Rationale of the Scheme;

   (iii) Part III - Definitions;

   (iv) Part IV - Amalgamation of the Transferor Company with TCL;

   (v) Part V - General Terms & Conditions Applicable the Scheme.

PART III - DEFINITIONS

1. DEFINITIONS AND INTERPRETATION

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

1.1. “Act” means the Companies Act, 1956 of India or any statutory modification or re-enactment thereof for the time being in force.

1.2. “Applicable Law(s)” means any statute, notification, bye laws, rules, regulations,
guidelines, rule or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions law enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force.

1.3. “Appointed Date” means 1st April, 2013 or such other date as may be approved by the High Court (as defined hereinafter) or such other competent authority as may be applicable.

1.4. “Appropriate Authority” means any governmental, statutory, regulatory, departmental or public body or public body or authority of the Relevant Jurisdiction, including Securities and Exchange Board of India; Stock Exchanges; Registrar of Companies, Company Law Board and courts of Mauritius and India in each case the High Court in relation to India and relevant competent authorities in relation to Mauritius.

1.5. “Board of Directors” or “Board” means the board of directors of TCL or Homefield, as the case may be, and shall include a duly constituted committee thereof.

1.6. “Effective Date” or “Coming into effect of this Scheme” means the date on which all the conditions and matters referred to in clause 16 of the Scheme have been fulfilled.

1.7. “High Court” means the High Court of Judicature at Bombay, having jurisdiction in relation to the Transferee Company and shall include the National Company Law Tribunal, as applicable or such other forum or Appropriate Authority as may be vested with any of the powers of a High Court under the Act.

1.8. “Homefield” or “Transferor Company” means Homefield International Pvt. Ltd., a company incorporated in Mauritius and having its registered office at IFS Court, TwentyEight, Cybercity, Ebene, Mauritius.

1.9. “Mauritius Companies Act” means the Companies Act, 2001 of Mauritius or any statutory modification or re-enactment thereof for the time being in force.

1.10. “Relevant Jurisdiction” means the territories of the Republic of India and Mauritius.

1.11. “Scheme” means this Scheme of Amalgamation in its present form submitted to the High Court or any other Appropriate Authority in the Relevant Jurisdictions with any modifications thereof as the High Court or any other Appropriate Authority may direct but subject to the requirements of any other Applicable Law or any Appropriate Authority.

1.12. “TCL” or ”Transferee Company” means Tata Chemicals Limited, a company incorporated in India, under the Act having its registered office at Bombay House, 24 Homi Mody Street, Fort, Mumbai – 400 001.

All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be, or any statutory modification or re-enactment thereof for the time being in force.
2. **DATE OF TAKING EFFECT AND OPERATIVE DATE**

2.1. The Scheme set out herein in its present form shall have legal effect and force from the Appointed Date but shall be effective from the Effective Date.

2.2. Any reference in this Scheme to “upon the Scheme becoming effective” or “effectiveness of the Scheme” or “upon the coming into effect of the Scheme” shall mean the Effective Date.

3. **SHARE CAPITAL**

3.1. **TCL**

3.1.1 The share capital structure of TCL as on December 31, 2012 is as under:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount Rupees in Crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorized Share Capital</td>
<td></td>
</tr>
<tr>
<td>27,00,00,000 Ordinary Shares of Rs. 10 each</td>
<td>270.00</td>
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<tr>
<td>Issued Share Capital</td>
<td></td>
</tr>
<tr>
<td>25,48,42,598 Ordinary Shares of Rs. 10 each</td>
<td>254.84</td>
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<tr>
<td>Subscribed Share Capital</td>
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</tr>
<tr>
<td>25,47,56,278 Ordinary Shares of Rs. 10 each fully paid up</td>
<td>254.76</td>
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<tr>
<td>Forfeited shares</td>
<td></td>
</tr>
<tr>
<td>Amount paid on 86,320 shares</td>
<td>0.06</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3.1.2 Subsequent to December 31, 2012, and up to the date of approval of this Scheme by the Board of TCL, there has been no change in the authorised, issued, subscribed and paid-up share capital of TCL. The equity shares of TCL are listed on the Bombay Stock Exchange Limited (‘BSE’) and the National Stock Exchange of India Limited (‘NSE’).

3.2. **Homefield**

3.2.1 The share capital structure of Homefield as on December 31, 2012 is as under:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Number of shares</th>
<th>Amount in USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non cumulative redeemable preference shares</td>
<td>247,005</td>
<td>24,700,500</td>
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<tr>
<td>Ordinary shares</td>
<td>90,016,001</td>
<td>90,015,905</td>
</tr>
</tbody>
</table>
3.2.2 Subsequent to December 31, 2012, and up to the date of approval of this Scheme by the Board of Homefield, there has been a change in the share capital of Homefield, which is as under:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Number of shares</th>
<th>Amount in USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non cumulative redeemable preference shares</td>
<td>26,844</td>
<td>2,684,400</td>
</tr>
<tr>
<td>Ordinary shares</td>
<td>90,016,001</td>
<td>90,015,905</td>
</tr>
</tbody>
</table>

PART IV - AMALGAMATION OF THE TRANSFEROR COMPANY WITH TCL

4. TRANSFER AND VESTING OF BUSINESS OF THE TRANSFEROR COMPANY

4.1 Upon coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme:

4.1.1 The entire business of the Transferor Company as a going concern shall, under the provisions of Sections 391 to 394 of the Act and pursuant to the Order of the High Court sanctioning this Scheme and upon compliance with the process specified in Clause 8 hereof and without any further act or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the undertakings, estates, duties and obligations, properties and assets (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and/or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company) such as intellectual rights, licenses, permits, quotas, approvals, registrations, leases, permissions, investments, copyrights, patents, trademarks, trade names, contracts, agreements, consents, approvals or powers of every kind, nature and description whatsoever, of the Transferee Company.

4.1.2 All statutory licences, permissions, approvals or consents, certificates, clearances, authorities (including for the operations of bank accounts), power of attorneys to carry on the operations of the Transferor Company shall stand transferred to and vested in the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and transfer of the Transferor Company pursuant to this Scheme. The benefit of all statutory and regulatory permissions or other licences and approvals or consents shall vest in and become available to the Transferee Company pursuant to this Scheme. In so far as any incentives, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Transferor Company, as the case may be, are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

4.2 All the assets acquired by or belonging to the Transferor Company and all the liabilities, if any, incurred by the Transferor Company after the Appointed Date and prior to the Effective Date shall also stand transferred to and vested in the Transferee company in the same manner as specified in Clause 4.1 upon coming into effect of the Scheme.
4.3. All the existing securities, mortgages, charges, encumbrances or liens, if any, created by the Transferor Company after the Appointed Date but before the Effective Date, over the assets of the Transferor Company transferred to the Transferee company shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date. Such securities, mortgages, charges, encumbrances or liens shall not relate or attach or extend to any of the other assets of the Transferee Company.

4.4. Any existing encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties of the Transferee Company and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.

5. **APPLICABILITY OF THE PROVISIONS OF THE INCOME TAX ACT**

5.1. This Scheme has been drawn up to comply with the conditions relating to “Amalgamation” as specified under Section 2 (1B) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2 (1B) of the Income Tax Act, 1961. Such modification will however not affect the other parts of the Scheme, except to the extent required to give effect to the provisions of this Scheme.

5.2. Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961 (including for minimum alternate tax purposes and tax benefits), service tax law and other tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax), and to claim tax benefits under the Income Tax Act, 1961 etc. and for matters incidental thereto, if required to give effect to the provisions of this Scheme.

6. **CONSIDERATION**

6.1. The entire stated share capital of the Transferor Company is held by the Transferee Company. Hence, upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of the shares of the Transferor Company.

7. **ACCOUNTING TREATMENT IN THE BOOKS OF TCL**

7.1. The Transferee Company shall account the amalgamation of the Transferor Company as per the pooling of interest method as set out in Accounting Standard 14 (AS 14) referred to in Section 211(3C) of the Act and detailed herein.

7.2. The Transferee Company, shall upon the Scheme coming into effect, record the assets and liabilities, if any, of the Transferor Company vested in it pursuant to this Scheme, at the respective book values thereof and in the same form as appearing in the books of the Transferor Company at the close of business of the day immediately preceding the Appointed Date.

7.3. The Transferee Company shall record the reserves of the Transferor Company in the same
form and at the same values as they appear in the financial statements of the Transferor Company at the close of business of the day immediately preceding the Appointed Date.

7.4. As on the Appointed Date, pursuant to the amalgamation of the Transferor Company with the Transferee Company, the inter-company balances between the Transferee Company and the Transferor Company, if any appearing in the books of the Transferee Company shall stand cancelled. Further, the value of investments held by the Transferee Company in the Transferor Company on the Appointed Date shall stand cancelled pursuant to merger.

7.5. The difference between the share capital of the Transferor Company and the book value of the investments cancelled in terms of Clause 7.4 above shall be credited to Capital Reserve or debited to the General Reserves, as the case may be, in the books of the Transferee Company.

In addition, the Transferee Company shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any other accounting standards.

8. **PROCEDURE RELATING TO THE TRANSFEROR COMPANY UNDER THE LAWS OF MAURITIUS**

8.1. The Transferor Company is incorporated under the Mauritius Companies Act as a domestic company.

8.2. In terms of Mauritius law, a company holding a Category 2 Global Business Licence can merge with one or more companies incorporated under the laws of a jurisdiction other than that of Mauritius where the merger is permitted by the laws of such jurisdiction. Accordingly, Homefield would be converted into a Category 2 Global Business Licence company.

8.3. The Board of Directors of Homefield has passed a resolution on February 8, 2013 approving the Scheme.

8.4. In terms of Paragraph 4 (2) (a) of Part II of the Fourteenth Schedule to the Mauritius Companies Act, the Transferor Company is required to comply with the laws of Mauritius and the Transferee Company will have to comply with the laws of India regarding the amalgamation of the Transferor Company with the Transferee Company.

8.5. In terms of Paragraph 4 (2) (b) of Part II of the Fourteenth Schedule to the Mauritius Companies Act, the Transferee Company, being incorporated under the laws of a jurisdiction other than that of Mauritius, must submit the following to the Registrar of Companies in Mauritius (“RoC Mauritius”) in relation to the merger of the Transferor Company with the Transferee Company:

   a) An agreement that a service of process may be effected on it in Mauritius in respect of proceedings for the enforcement of any claim, debt, liability or obligation, if any, of a constituent company (being the Transferor Company) incorporated under the Mauritius Companies Act or in respect of proceedings for the enforcement of the rights of a dissenting member of a constituent company incorporated under the Mauritius Companies Act against the surviving company (being the Transferee Company);

   b) An irrevocable appointment of the registrar of the Transferor Company as its agent to accept service of process in proceedings referred to in sub clause (a) above;
c) An agreement that the Transferee Company shall promptly pay to the dissenting members, if any, of a constituent company (being the Transferor Company) incorporated under the Mauritius Companies Act, the amount, if any, to which they are entitled under the Mauritius Companies Act, with respect to the rights of dissenting members. There is no dissenting member since the Scheme has been approved by the sole shareholder of the Transferor Company and therefore this provision does not apply; and

d) A certificate of merger or consolidation issued by the appropriate authority of the foreign jurisdiction (i.e. Order passed by the High Court approving the Scheme) where it is incorporated.

8.6. Based on the above and given that there is no dissenting member of any constituent company (being the Transferor Company) incorporated under the Mauritius Companies Act, the Transferee Company will confirm in writing to the RoC Mauritius that (a) there is no such dissenting member and (b) the Transferee Company shall irrevocably appoint the administrator of the Transferor Company, International Financial Services Limited, on behalf of the Transferee Company to accept service of process in respect of proceedings for enforcement of any claim, debt, liability or obligation of the Transferor Company, if any.

8.7. In terms of Paragraph 4 (3) of Part II of the Fourteenth Schedule to the Mauritius Companies Act, where the surviving company (being the Transferee Company) is incorporated under the laws of a jurisdiction other than that of Mauritius, the effect of the merger shall be the same as in the case of a merger under Part XVI of the Mauritius Companies Act except in so far as the laws of the other jurisdiction, i.e the laws of India, otherwise provide.

8.8. In terms of Paragraph 4(4) of Part II of the Fourteenth Schedule to the Mauritius Companies Act, since the surviving company (being the Transferee Company) is incorporated under the laws of a jurisdiction other than that of Mauritius, the merger will be effective as provided for by the laws of that jurisdiction, i.e., the laws of India.

8.9. The Transferor Company shall be required to file certain documents including those set out in Paragraph 4(2)(b) of Part II of the Fourteenth Schedule to the Mauritius Companies Act with the RoC Mauritius along with this Scheme and the corporate resolution of the Transferee Company or relevant extract thereof and the Transferor Company will be struck off the register maintained by the RoC Mauritius effective the date of the merger under the laws of India without the need for winding up.

8.10. On the Scheme becoming effective, the Transferor Company will be struck off the register maintained by the RoC Mauritius and shall stand dissolved without any further act or deed or without being wound-up.

PART V - GENERAL TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

9. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

9.1. The Transferor Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of all the assets and liabilities, if any of the Transferor Company on account of and in trust for the Transferee Company;

9.2. All profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by them (including taxes, if any, accruing or paid in relation
to any profits or income) shall, for all purposes, be treated as and be deemed to be the
profits, income, losses or expenditure, as the case may be of the Transferee Company;

9.3. Any of the rights, powers, authorities, privileges exercised by the Transferor Company
shall be deemed to have been exercised by the Transferor Company for and on behalf of
and in trust for and as agents of the Transferee Company. Similarly, any obligations, duties
and commitments that have been undertaken or discharged by the Transferor Company
shall be deemed to have been undertaken for and on behalf of and as an agent for the
Transferee Company; and

9.4. The Transferor Company shall not delineate, charge, mortgage, encumber or otherwise deal
with its assets or any part thereof without prior written consent of the Transferee Company.

10. EMPLOYEES

10.1. Upon the coming into effect of this Scheme, all employees, if any, of Transferor Company
as on the Effective Date shall become the employees of the Transferee Company on terms
and conditions not less favourable than those on which they are engaged by the Transferor
Company and without any interruption of or break in service as a result of the
amalgamation of the Transferor Company with the Transferee Company. For the purpose
of payment of any compensation, gratuity and other terminal benefits, the past services of
such employees with the Transferor Company and such benefits to which the employees
are entitled in the Transferor Company shall also be taken into account, and paid (as and
when payable) by the Transferee Company.

10.2. The Boards of Directors of each of the Transferor Company and the Transferee Company
shall take such actions and execute such further documents as may be necessary or
desirable for the purpose of giving effect to the permissions of this Clause.

11. LEGAL PROCEEDINGS

11.1. All legal proceedings of whatsoever nature by or against the Transferor Company pending
and/or arising at the Appointed Date, as and from the Effective Date, shall be continued and
enforced by or against the Transferee Company in the manner and to the same extent as
would or might have been continued and enforced by or against the Transferor Company as
the case may be.

11.2. After the Appointed Date, if any proceedings are taken against the Transferor Company in
respect of the matters referred to in the sub-clause 11.1 above, the Transferor Company
shall defend the same at the cost of the Transferee Company and the Transferee Company
shall reimburse and indemnify the Transferor Company, including its directors, officers and
administrative agent, against all liabilities and obligations incurred by the Transferor
Company in respect thereof.

11.3. The Transferee Company undertakes to have all legal or other proceedings initiated by or
against the Transferor Company referred to in sub-clause 11.1 above, transferred into its
name and to have the same continued, prosecuted and enforced by or against the Transferee
Company to the exclusion of the Transferor Company.

12. CONTRACTS, DEEDS, ETC.

12.1. Upon this Scheme becoming effective, all contracts, deeds, bonds, agreements and other
instruments, if any, of whatsoever nature and to which the Transferor Company is a party
and subsisting or having effect on the Effective Date, shall be in full force and effect
against or in favor of the Transferee Company, as the case may be and may be enforced by
or against the Transferee Company as fully and effectually as if instead of the Transferor
Company, the Transferee Company had been a party thereto from inception. The
Transferee Company shall enter into and/or issue and/or execute deeds, writings or
confirmations or enter into any arrangements, confirmations or novations, in order to give
formal effect to the provisions of this Scheme. After the Effective Date, the Transferee
Company shall be deemed to be authorised to execute any deeds, writings or confirmations
on behalf of the Transferor Company and to implement or carry out all formalities required
on the part of the Transferor Company to give effect to the provisions of this Scheme.

13. SAVING OF CONCLUDED TRANSACTIONS & PROCEEDINGS

13.1. The transfer and vesting of the Transferor Company under Clause 4 and the continuance of
proceedings by or against the Transferee Company under Clause 11 above shall not affect
any transaction or proceedings already concluded by the Transferor Company on or after
the Appointed Date till the Effective Date, to the end and intent that the Transferee
Company accepts and adopts all acts, deeds and things done and executed by the Transferor
Company in respect thereto as done and executed on behalf of itself.

14. APPLICATION TO HIGH COURT

14.1. The Transferee Company shall make applications/petitions under Sections 391 to 394 and
other applicable provisions of the Act to the High Court seeking orders for dispensing with
or convening, holding and conducting the meetings of members and creditors and for an
order sanctioning this Scheme of Amalgamation of the Transferor Company with the
Transferee Company and its shareholders and creditors.

14.2. The Transferor Company shall initiate and pursue all actions necessary under the local laws
of their jurisdiction (i.e., Mauritius). The Transferor Company shall take all necessary steps
for sanctioning of this Scheme and for their continuing as one company with the Transferee
Company and apply for and obtain such other approvals, if any, required under the
Applicable Laws.

15. MODIFICATION OR AMENDMENTS TO THE SCHEME

15.1. Subject to requisite approvals of the High Court and/or the Stock Exchanges, the
Transferor Company and the Transferee Company by their respective Board of Directors or
such other person or persons, as the respective Board of Directors may authorize, including
any committee or sub-committee thereof, may consent to any modifications/amendments to
the Scheme or to any conditions or limitations that the High Court or any other authority
may deem fit to direct or impose or which may otherwise be considered necessary,
desirable or appropriate by the High Courts or such other authority, whether in pursuance
of a change in law or otherwise. The Transferor Company and the Transferee Company by
their respective Board of Directors or such other person or persons, as the respective Board
of Directors may authorize, including any committee or sub-committee thereof, shall be
authorized to take all such steps as may be necessary, desirable or proper to resolve any
doubts, difficulties or questions whether by reason of any directive or orders of any other
authorities or otherwise howsoever arising out of or under or by virtue of the Scheme
and/or any matter concerned or connected therewith.

15.2. For the purpose of giving effect to this Scheme or to any modifications or amendments
thereof or additions thereto, the delegate(s) of the Transferor Company and/or the
Transferee Company may give and are hereby authorized to determine and give all such
directions as are necessary including directions for settling or removing any question of
doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

16. CONDITIONALITY

16.1. This Scheme is conditional upon and subject to:

16.1.1 the requisite sanction or approval of the Appropriate Authorities from India and Mauritius being obtained and/or granted in relation to any of the matters in respect of which such sanction or approval is required.

16.1.2 the approval by the requisite majority of the shareholders and/or creditors (as may be required and/or to the extent not dispensed with by the Appropriate Authorities) of the Mauritius Transferor Company and the requisite majority in number and value of the shareholders and/or creditors (as may be required and/or to the extent not dispensed with by the Appropriate Authorities) of the Transferee Company, as required under Applicable Law.

16.1.3 the certified copy of the order of the High Court under Sections 391 to 394 and other applicable provisions of the Act sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra at Mumbai by the Transferee Company.

16.1.4 compliance by the Transferor Company of all the necessary and applicable provisions of its Applicable Law (including without limitation, all necessary filings to be made under Applicable Laws of Mauritius).

16.1.5 the Transferee Company entering into agreements under Section 4 (2) (b) of Part II of the Fourteenth Schedule to the Mauritius Companies Act and appointing International Financial Services Limited as its agent to accept service of process, and the RoC Mauritius accepting the order passed by the High Court as sufficient evidence of the Scheme being sanctioned and consequently striking off the Transferor Company, in its records.

16.1.6 all other sanctions and regulatory approvals including approvals from the Reserve Bank of India and Securities and Exchange Board of India, if required, in respect of this Scheme being obtained.

16.2. This Scheme, although to come into operation from the Appointed Date, shall not become effective until the last of the following dates, namely:

16.2.1 That on which the last of the aforesaid consents, approvals, permissions, resolutions and orders as mentioned in Clause 16.1 shall be obtained or passed; or

16.2.2 That on which all necessary certified copies of orders under Sections 391 and 394 of the Act shall be duly filed with the appropriate Registrar of Companies.

16.3. The last of such dates shall be the “Effective Date” for the purpose of this Scheme.
17. **DISSOLUTION OF THE TRANSFEROR COMPANY**

On the Scheme becoming effective, the Transferor Company will be struck off the register maintained by the RoC Mauritius and shall stand dissolved without any further act or deed or without being wound-up.

18. **EFFECT OF NON-RECEIPT OF APPROVALS**

18.1. In the event of any of the said approvals referred to in Clause 16 above not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the High Court and/or order or orders not being passed as aforesaid before 31st December, 2013 or such other date as may be mutually agreed upon by the respective Board of Directors of the Transferor Company and the Transferee Company (who are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s)), this Scheme shall stand revoked, cancelled and be of no effect.

18.2. In the event of revocation under Clause 18.1, no rights and liabilities whatsoever shall accrue to or be incurred inter se to the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each company shall bear its own costs unless otherwise mutually agreed.

18.3. The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if the Board of Directors are of the view that the coming into effect of the Scheme could have adverse implications on the Transferor Company and/or the Transferee Company.

18.4. If any part of this Scheme hereof is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the Scheme, as will best preserve for the parties the benefits and obligations of the Scheme, including but not limited to such part.

19. **COSTS, CHARGES & EXPENSES**

19.1. All costs, charges, taxes and expenses including stamp duty and registration fee of any deed, document, instrument or High Court’s order including this Scheme, duties, levies and all other expenses, if any, arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto, shall be borne and paid by the Transferee Company.
In the matter of:
The Companies Act, 1956
And
In the matter of:
The Scheme of Amalgamation of Homefield International Pvt. Ltd. ("Transferor Company") with Tata Chemicals Limited ("Petitioner Company") or ("Transferee Company") and their respective shareholders and creditors.

Tata Chemicals Limited .....Petitioner / Company.

Authenticated copy of the minutes of order along with Scheme of Amalgamation dated March 7, 2014.

AZB & Partners
Advocates for the Petitioner Company
Express Towers, 23rd Floor
Nariman Point
Mumbai 400 021
CSP NO. 484 OF 2017 &
CSP NO. 458 OF 2017

IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH, MUMBAI

CSP NO. 484 OF 2017
AND
CSP NO. 458 OF 2017

In the matter of the Companies Act, 2013;

AND

In the matter of Sections 230 to 232 and other relevant provisions of the Companies Act, 2013;

AND

In the matter of Scheme of Arrangement between Tata Chemicals Limited (‘Transferor Company’) and Yara Fertilisers India Private Limited (‘Transferee Company’) and their respective shareholders and creditors.

Tata Chemicals Limited, a company incorporated under the provisions of the Companies Act, 1913 and having its registered office at Bombay House, 24, Homi Mody Street, Mumbai 400001, Maharashtra Company

Yara Fertilisers India Private Limited, a company duly incorporated under the laws of India and having its registered office at #402 Suyog Fusion Dhole Patil Road Sangamwadi Pune 411001, Maharashtra Company

Order delivered on 7th day of December, 2017

Coram:
Hon’ble B.S.V. Prakash Kumar, Member (J)
Hon’ble V. Nallasenapathy, Member (T)

For the Transferor Company: Mr. Darius J. Khambata, Senior Advocate along with Mr. Chirag Mody, Advocate i/b. AZB & Partners, Advocates for the Transferor Company

For the Transferee Company: Mr. Tapan Deshpande along with Ms. Priya Patwa, Advocates of Cyril Amarchand Mangaldas, Advocates for the Transferee Company

Objector: Mr. Mangalbhai J. Patel

Per: B.S.V. Prakash Kumar, Member (J)
ORDER

1. Heard counsel for the Petitioner Companies and the Objector. The Objections raised by the Objector will not stand in the way of sanctioning the Scheme and the objections raised by the Objector are dismissed.

2. The Advocates appearing for Tata Chemicals Limited (hereinafter referred to as ‘Transferor Company’) and Yara Fertilisers India Private Limited (hereafter referred to as ‘Transferee Company’) state that the Petitions had been filed to seek sanction to the Scheme of Arrangement between the Transferor Company and the Transferee Company and their respective shareholders and creditors (hereinafter referred to as the ‘Scheme of Arrangement’), pursuant to the provisions of Sections 230 - 232 and other relevant provisions of the Companies Act, 2013. The Transferor Company and the Transferee Company are together referred to as (‘Petitioner Companies’).

3. The Transferor Company is, inter alia, engaged in the business of manufacturing and sale of fertilizers including bulk and customized fertilizes. The Transferee Company is primarily engaged in the business of import, sale and distribution of plant nutrition products in India, The shares of the Transferor Company are listed on the BSE Limited (‘BSE’) and the National Stock Exchange of India Limited (‘NSE’). Further BSE and NSE by their letters, both dated, November 16, 2016 have given their no objection to file the Scheme of Arrangement. The shares of the Transferee Company are not listed on any Stock Exchange. The Learned Advocates for the Petitioner Companies say that the Scheme of Arrangement provides for the transfer of the Divestment Business (as defined in the Scheme) of the Transferor Company to, and vesting thereof in, the Transferee Company, as a “going concern” on a slump sale basis (as defined under Section 2(42C) of the Income-tax Act, 1961), for a lump sum Final Purchase Consideration (as defined in the Scheme) payable by the Transferee Company to the Transferor Company, in accordance with the terms of the Scheme. The Learned Advocates for the Petitioner Companies say that the background, circumstances, rationale and significant benefits of the Scheme are:(A) The Transferor Company and the Transferee Company have entered into an agreement dated August 10, 2016 (“Implementation Agreement”), pursuant to which it has been agreed to transfer the Divestment Business of the
Transferor Company as a going concern on a slump sale basis to the Transferee Company, in exchange for which, the lump sum Final Purchase Consideration shall be paid by the Transferee Company to the Transferor Company, on the agreed terms and conditions as set out in the Scheme and in the Implementation Agreement; (B) The transfer of the Divestment Business pursuant to this Scheme would result in the following benefits: (a) In case of the Transferor Company: (i) Unlocking value for the Transferor Company by sale of part of its assets; (ii) Strengthening the balance sheet of the Transferor Company; and (iii) Pursuing growth opportunities in line with its strategic directions; (b) In case of the Transferee Company: (i) Creation of value for shareholders by acquiring ready-to-use assets, including business undertakings and reducing time to markets; and (ii) Allowing the expansion of the range of the products offered by the Transferee Company and its Affiliates in India. The Board of Directors of the Transferor Company and the Transferee Company have approved the said Scheme by passing their respective board resolutions, which are annexed to the Petitions.

4. The Advocates for the Petitioner Companies state that the Petitioner Companies have complied with all the directions passed by this Tribunal in the Company Scheme Application Nos. 186 and 187 of 2017 and that the above Company Scheme Petitions filed in this Tribunal are in consonance with the orders passed in the respective Company Scheme Applications.

5. The Advocates appearing for the Petitioner Companies have stated that the Petitioner Companies have complied with all the requirements as per the directions of this Tribunal and have filed necessary Affidavits of compliance in this Tribunal. Moreover, the Petitioner Companies undertakes to comply with all statutory requirements, if any, as required under the Companies Act, 2013 and the Rules made thereunder. The said undertakings are accepted.

6. The Regional Director has filed his Report dated June 23, 2017, stating therein that this Tribunal may consider the observations made at serial no. IV (1) to (7) and pass such other order or orders as deemed fit. The observations made by
the Regional Director in paragraph IV (a) to (7) of the Report are, for sake of ready reference, reproduced hereunder:

“IV. The observations of Regional Director on the proposed Scheme to be considered are as under:-

1. The tax implication if any arising out of the scheme is subject to final decision of Income Tax Authorities. The Approval of the scheme by this Hon’ble Tribunal may not deter the Income Tax Authority to scrutinize the tax return filed by the transeree Company after giving effect to the scheme. The decision of the Income Tax Authority is binding on the petitioner Company.

2. It is submitted that the Petitioner Companies have submitted the proof of serving notice upon the Income Tax Authorities dated 19.04.2017 and 07.04.2017. This office has issued reminder dated 14.06.2017.

3 Petitioner companies have to undertake to mention that the companies are not doing real estate business.

4. Applicant in clause 1.1.29 (c) has inter alia mentioned that Divestment employee means such employees of the transferor company based at Babrala plant who are involved in the operation and production activities of the plant, the existing employees in the CAT center at Aligarh, and between 70 and 100 other employees of the Transferor co. who are directly involved in the domestic business, whose identity shall be agreed between the Transferor company and the transeree company within 90 days from the agreement date minus any employees that resign are terminated or transferred between such date and the effective date, plus any hire, from such date up to the effective date a permitted under the implementation agreement. In this regard applicant to undertake to protect the interest of the employees.

5. Applicant in clause 11 of the scheme has inter alia mentioned that completion shall be on a date mutually agreed between the transferor company and the transeree Company but shall not be later that 20 business days from the date of the receipt
of the High Court order sanctioning the scheme for granting extension of time or condonation of delay in granting extension of time for filing e-form fulfillment of regulatory approvals, issue of transferor CPP satisfaction certificate in terms of the implementation agreement.

6. Applicant in Clause 12 of the Scheme has inter alia mentioned that post completion adjustment. Applicant Company has proposed for the amendment in the object clause of the Memorandum of association.

In this regard applicant to undertake to file prescribed forms with the registrar of companies under the Companies Act read with the rules.

7. Applicant company has submitted letter dated 16.11.2016 issued by the NSE and BSE inter alia mentioning that the company shall comply with the various provision of the circulars mentioned in the letter copy annexed and conveying No Observation with the condition to raise objections if the information submitted to the exchange is found incomplete/incorrect/misleading and also with a condition to submit the documents mentioned in the letter, annexed as Exhibit F1 to F2.

In this regard Applicant Company to undertake to comply with the conditions imposed in the letters.”

7. As regards observation in paragraph IV (1) of the said Report is concerned, the Petitioner Companies state that the Scheme is in compliance with the Income Tax Act, 1961. The tax implication, if any, arising out of the Scheme shall, in any event, be subject to final decision of the Income Tax Authority and the final orders, if any, of the appeals that may be preferred therein. Sanction to the Scheme by this Tribunal may not limit the powers of the Income Tax Authority to scrutinize the tax return filed by the Petitioner Companies after giving effect to the Scheme and that the decision of the Income Tax Authority, upon reaching its finality thereon will be binding on the Petitioner Companies.

8. As far as the observation in paragraph IV (2) of the said Report is concerned, the Petitioner Companies, state that the notices of the hearing of the Petitions have been
given to the Income Tax Authorities and requisite affidavits proving service of the notices have been filed before this Tribunal.

9. As far as the observation in paragraph IV (3) of the said Report is concerned, the Petitioner Companies state that the Petitioner Companies are not doing real estate business.

10. As far as the observation in paragraph IV (4) of the said Report is concerned, the Petitioner Companies state that the Scheme contains adequate provisions regarding employees of the Transferor Company that will be transferred to the Transferee Company. The Transferee Company undertakes to this Hon’ble Tribunal that the Transferee Company will protect the interest of the employees of the Transferor Company transferred to the Transferee Company, in terms of the Scheme. The undertaking is accepted.

11. As far as the observation in paragraph IV (5) of the said Report is concerned, the Petitioner Companies state that completion will be carried out in accordance with the Scheme.

12. As far as the observation in paragraph IV (6) of the said Report is concerned, the Transferee Company undertakes to file prescribed forms with the concerned Registrar of Companies, under the Companies Act read with rules, as applicable.

13. As far as the observation in paragraph IV (7) of the said Report is concerned, the Transferor Company states that the Transferor Company undertakes to comply with the conditions mentioned in the letters dated 16.11.2016 issued by NSE and BSE.

14. The Petitioner Companies have filed their respective Affidavits dealing with the observations made by the Regional Director. The clarifications and undertakings given by the Petitioner Companies through the respective Affidavits, are hereby accepted.

15. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
16. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 484 of 2017 filed by the Transferor Company is made absolute in terms of prayer clauses (a) and (b) of that Petition and Company Scheme Petition No. 458 of 2017 filed by the Transferee Company is made absolute in terms of prayer clauses (a) and (b) of that Petition.

17. The Petitioner Companies to lodge certified copy of this order along with the sanctioned Scheme attached thereto with the concerned Collector of Stamps, for the purpose of adjudication of stamp duty payable, if any, within 60 days from the date of receipt of the certified copy of this order.

18. The respective Petitioner Companies are directed to file certified copy of this order along with a copy of the sanctioned Scheme, with the concerned Registrar of Companies, electronically, along with e-form INC 28 within 30 days of receipt of certified copy of this order along with the sanctioned Scheme.

19. The Petitioner Companies to individually pay costs of the respective Company Scheme Petition of INR 25,000/- each to the Regional Director, Western Region, Mumbai. Costs to be paid within four weeks from the date of the order.

20. All concerned authorities to act on certified copy of this order along with the sanctioned Scheme, duly certified by Registrar / Officer of the National Company Law Tribunal, Mumbai Bench.

Sd/-

V. Nallasenapathy, Member (T)                BSV Prakash Kumar, Member (J)
SCHEME OF ARRANGEMENT
BETWEEN
TATA CHEMICALS LIMITED
AND
YARA FERTILISERS INDIA PRIVATE LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

Under Sections 391 to 394 of the Companies Act, 1956 and all other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013 (to the extent notified).

I. INTRODUCTION:
(a) Tata Chemicals Limited (hereinafter referred to as “Transferor Company” or “TCL”) is a public limited company incorporated under the provisions of the Indian Companies Act, 1913, having its registered office at Bombay House, 24 Homi Mody Street, Fort, Mumbai - 400001, India. The Transferor Company is currently engaged, inter alia, in the business of manufacturing and sale of fertilizers including bulk and customized fertilizers through its plant located at Babrala, Uttar Pradesh. The Transferor Company’s business constitutes the Divestment Business (as defined hereinafter) and the Other Business (as defined hereinafter). The equity shares of the Transferor Company are listed on the Stock Exchanges (as defined hereinafter).

(b) Yara Fertilisers India Private Limited is a company duly incorporated under the laws of India, having its registered office at #402 Suyog Fusion Dhole Patil Road, Sangamwadi, Pune - 411001, Maharashtra, India (hereinafter referred to as “Transferee Company”). The Transferee Company is engaged in the business of import, sale and distribution of plant nutrition products in India.

(c) This Scheme of Arrangement (hereinafter referred to as the “Scheme”) provides for the transfer of the Divestment Business (as defined hereinafter) of the Transferor Company to, and vesting thereof in, the Transferee Company, as a “going concern” on a slump sale basis (as defined under Section 2(42C) of the Income-tax Act, 1961), for a lump sum Final Purchase Consideration (as defined hereinafter) as set out hereinafter payable by the Transferee Company to the Transferor Company, and in accordance with the terms of the Scheme and pursuant to the provisions of sections 391 to 394 and all other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013 (to the extent notified).

II. FACTS, RATIONALE AND BENEFITS:
(a) The Transferor Company and the Transferee Company have entered into an agreement dated August 10, 2016 (“Implementation Agreement”), pursuant to which it has been agreed to transfer the Divestment Business of the Transferor Company as a going concern on a slump sale basis to the Transferee Company and in exchange for which, the lump sum Final Purchase Consideration shall be paid by the Transferee Company to the Transferor Company, on the agreed terms and conditions as set out herein below and in the Implementation Agreement.
The transfer of the Divestment Business pursuant to this Scheme would *inter alia* result in the following benefits:

(i) In case of the Transferor Company:

1. Unlocking value for the Transferor Company by sale of part of its assets;
2. Strengthening the balance sheet of the Transferor Company; and
3. Pursue growth opportunities in line with its strategic directions.

(ii) In case of the Transferee Company:

1. Creation of value for shareholders by acquiring ready-to-use assets, including business undertakings and reducing time to markets; and
2. Allowing the expansion of the range of the products offered by the Transferee Company and its Affiliates in India.

III. PARTS OF THE SCHEME:

The Scheme is divided into the following parts:

(a) Part I deals with the definitions and share capital of the Transferor Company and the Transferee Company;

(b) Part II deals with transfer of the Divestment Business from the Transferor Company and its vesting in the Transferee Company for consideration and matters incidental thereto; and

(c) Part III deals with the general terms and conditions that would be applicable to the Scheme.

PART – I

DEFINITIONS AND SHARE CAPITAL:

1. DEFINITIONS:

1.1 In this Scheme unless the meaning or context otherwise requires (i) terms defined in the recitals and the introductory paragraphs above shall have the same meanings throughout this Scheme; and (ii) the following words or expressions, wherever used, (including in the Recitals and the introductory paragraphs above) shall have the following meanings:

1.1.1 “Act” means the Companies Act, 2013 (to the extent of the sections thereof that have been brought into force) and the Companies Act, 1956 (to the extent of the sections thereof that have not been repealed);

1.1.2 “Adjusted Capex Plan” means the Capex Plan as agreed between the Transferor Company and the Transferee Company at the Agreement Date, and revisions, if any, which are mutually agreed by the Transferor Company and the Transferee Company. The revisions will be agreed revisions of cost of Capex Plan items, if the Transferor Company can complete the items at the comparable quality and at a lower cost than estimated in the Capex Plan;

1.1.3 “Adjustment Time” means 1700 hours (Indian Standard Time) on the day immediately preceding the Completion Date;

1.1.4 “Affiliate” means, in relation to the Transferor Company and the Transferee Company, any other Person that, either directly or indirectly through one or
more intermediate Persons, Controls, is Controlled by, or is under common Control with, the Transferor Company, or the Transferee Company, as the case may be;

1.1.5 “Agreement Date” means August 10, 2016;

1.1.6 “Applicable Law” means, with respect to any Person, any binding federal, state, national or local statute, law, ordinance, notification, rule, regulation, order, writ, injunction, directive, judgment or decree, or other requirement of any Governmental Authority applicable to such Person or any of their respective properties or assets;

1.1.7 “Appointed Date” shall be the Effective Date as defined hereinafter in the Scheme;

1.1.8 “Approval” means any permission, approval, consent, license, order, decree, authorization, authentication of, or registration, qualification, designation, declaration or filing with or notification, exemption or ruling to or from any Governmental Authority required under any statute or regulation;

1.1.9 “Assumed Litigations” shall mean all claims, disputes, causes of action, litigation, and such other proceedings as shall remain attached to and/ or relating to the Divestment Business (or a part thereof) and which are listed in Schedule 1, other than the Excluded Litigation;

1.1.10 “Babrala Plant” means the plants utilised for the manufacture of ammonia and urea and customized fertilisers owned by the Transferor Company, located at Babrala, Uttar Pradesh (as more particularly described in Schedule 5);

1.1.11 “Board” or “Board of Directors” means the boards of directors of the Transferor Company and/ or the Transferee Company, as the context may require, and shall include a committee of such board duly constituted and authorized;

1.1.12 “Business Day” means any day, other than a Saturday and Sunday, on which banks in Mumbai, India remain open for normal business;

1.1.13 “Capex Adjustment” means the capex adjustment as defined in table B of Schedule 7, and is the Adjusted Capex Plan minus the cost of items on the Adjusted Capex Plan incurred by the Transferor Company between Agreement Date and Effective Date, minus capital expenditure incurred by the Transferor Company with prior written consent of the Transferee Company, minus capital work-in-progress, plus creditors for capital goods. It is clarified that if the Capex Adjustment is a positive number, the absolute amount will be deducted from the Purchase Consideration. If the Capex Adjustment is a negative number, the absolute amount will be added to the Purchase consideration;

It is clarified that (i) the objective of the Capex Plan (the Adjusted Capex Plan) and the Capex Adjustment is to ensure that the Transferor Company carries out the activities stated therein. If the Transferor Company completes such activities at a lower cost than the amount set out in the Capex Plan, at a quality level acceptable to the Transferee Company, the difference, on account of such lower cost, shall be adjusted for in the Adjusted Capex Plan; and (ii) in the event the cost for any item exceeds the amount set out in the Capex Plan, such excess will be to the account of the Transferor Company. In the event that the Transferor Company and the Transferee Company agree that the Transferor Company
will do additional projects at the cost of the Transferee Company, this cost will be added to the Purchase Consideration, as defined in the Capex Adjustment. For avoidance of doubt, it should be noted that the Transferor Company is required to maintain the asset at the same standard as of the Agreement Date, save for reasonable wear and tear in the ordinary course of business, regardless of the items and amounts in the capex plan, and the Transferor Company will not be reimbursed by the Transferee Company for this, with reference to Clause 7.8 of the Implementation Agreement.

1.1.14 "Capex Plan" means the Capex Plan as set in Schedule 2 which may be amended by agreement of the Transferor Company and the Transferee Company, forming the Adjusted Capex Plan;

1.1.15 "CCI" means the Competition Commission of India;

1.1.16 "Combination Regulations" shall have the meaning ascribed to such term in Clause 20.1.4;

1.1.17 "Completion" has the meaning ascribed to such term in Clause 11.3;

1.1.18 "Completion Date" has the meaning ascribed to such term in Clause 11.1;

1.1.19 "Completion Date Payment" has the meaning ascribed to such term in Clause 10.4;

1.1.20 "Completion Overpayment" has the meaning ascribed to such term in Clause 12.5;

1.1.21 "Completion Underpayment" has the meaning ascribed to such term in Clause 12.6;

1.1.22 "Consent" means any license, permission, approval, clearance, permit, notice, consent, authorization, waiver, grant, concession, agreement, certificate, exemption, order, or registration from any Governmental Authority or any other Person;

1.1.23 "Control" and its co-related words “Controlled by” or “under common Control with”, in relation to any Person, means: (i) the beneficial ownership, directly or indirectly, of more than 50% (fifty percent) of the voting power exercisable at any meeting of the members of such Person; or (ii) the power to elect a majority of the members of the management board (including directors) of such Person; or (iii) power to direct the management or policies of such Person;

1.1.24 "Current Assets" means, as of any specified date, all such assets relating or assigned to the Divestment Business which are customarily called current assets under the relevant prevailing Indian GAAP other than cash, and as provided for in the relevant statement of the Transferor Company. Such statement as of June 30, 2016 is set out in Schedule 3;

1.1.25 "Current Liabilities" means, as of any specified date, all such liabilities relating or assigned to the Divestment Business, which are customarily called current liabilities under the relevant prevailing Indian GAAP and as provided for in the relevant statement of the Transferor Company. Such statement as of June 30, 2016 is set out in Schedule 3;

1.1.26 "Divestment Assets" means the Divestment Real Estate, Divestment Equipment, Records, Divestment Contracts, Transferring Inventory, Current Assets and the Non-Current Assets, forming part of the Divestment
Business and any assets of the Divestment Business that have a significant
correlation or connection with the Divestment Assets or which are reasonably
required to enable the Transferee Company to operate or use the Divestment
Business or any Divestment Assets;

1.1.27 “Divestment Business” means the business of sale and distribution of
(i) Urea and (ii) customized fertilisers, in each case manufactured by the
Transferor Company through the Babrala Plant; and includes without
limitation, the Divestment Assets, the Divestment Liabilities and the
Divestment Employees;

1.1.28 “Divestment Contracts” means the contracts including the rights and
obligations thereunder, in relation to the Divestment Business including the
key contracts as listed in schedule 5 to the Implementation Agreement;

1.1.29 “Divestment Employees” means such employees of the Divestment Business
that will be transferred to the Transferee Company comprising:
(a) the existing employees of the Transferor Company based at the Babrala
Plant who are involved in the operations and production activities of the
Babrala Plant;
(b) the existing employees of the Transferor in the CAT centre at Aligarh; and
(c) between 70 (seventy) and 100 (hundred) other employees of the Transferor
Company who are directly involved in the Divestment Business, whose
identities shall be agreed between the Transferor Company and the
Transferee Company within 90 (ninety) days from the Agreement Date
minus any employees that resign, are dismissed, are terminated or
transferred between such date and the Effective Date; plus any transfer
or hire, from such date up to the Effective Date, as permitted under the
Implementation Agreement;

1.1.30 “Divestment Equipment” means the plant and machinery forming part
of the Divestment Business, as stated in the relevant extracts of the fixed
assets register of the Transferor Company as listed in schedule 5 to the
Implementation Agreement;

1.1.31 “Divestment Liabilities” means the liabilities and obligations of the
Transferor Company related to the Divestment Business or the result
or consequences of Assumed Litigations following the Effective Date
other than the Excluded Liabilities. For the avoidance of doubt, the
Divestment Liabilities shall only consist of and be limited to those listed in
Schedule 4;

1.1.32 “Divestment Real Estate” means the lands being used by the Transferor
Company in relation to the Divestment Business, a list of which as of the
Agreement Date, is specified in Schedule 5;

1.1.33 “Effective Date” shall mean the date on which the Scheme becomes effective
in accordance with its terms, which shall be the Completion Date;
Reference in this Scheme to the date of “coming into effect of this Scheme” or the
“Scheme becoming effective” or “effectiveness of the Scheme” shall mean
the Effective Date;

1.1.34 “Encumbrance” means (a) any mortgage, pledge, lien, charge (whether fixed
or floating), hypothecation, assignment, deed of trust, title retention, right of
set-off or counterclaim, security interest, security letter conferring any priority of payment in respect of any obligation of any Person; (b) purchase or option agreement or arrangement, right of first refusal, right of first offer, restriction on voting; (c) subordination agreement or arrangement; (d) agreements to create or effect any of the foregoing; (e) interest, option, or transfer restriction in favour of any Person; (f) any adverse claim as to title, possession or use; and (g) any encroachment on immovable properties;

1.1.35 “Estimated Working Capital Adjustment” means an amount equal to the absolute value of the difference between (i) the Estimated Working Capital Amount and (ii) the Target Working Capital;

1.1.36 “Estimated Working Capital Amount” has the meaning ascribed to such term in Clause 10.4;

1.1.37 “Excluded Assets” shall mean all the assets of the Transferor Company and any of its Affiliates, other than the Divestment Assets. It is hereby clarified that the Excluded Assets do not form a part of the Divestment Business and any co-relation or connection that an Excluded Asset may have, or may have had, with the Divestment Business is not significant for the normal conduct of the Divestment Business. Without limiting the generality of the foregoing, the Excluded Assets shall include the properties, assets, contracts and rights of Transferor and its Affiliates as listed out in Schedule 6;

1.1.38 “Excluded Liabilities” means any and all liabilities or obligations of the Transferor Company to the extent they are not part of the Divestment Liabilities including those related to or arising out of (a) the Excluded Assets or (b) the operation of the Divestment Business or the ownership or use of the Divestment Assets prior to the Effective Date (other than those included in or forming a part of the Divestment Liabilities);

1.1.39 “Excluded Litigations” shall mean all litigations other than the Assumed Litigations and which litigations shall not stand transferred to the Transferee Company pursuant to this Scheme;

1.1.40 “Final Completion Statement” means the statement in the format specified in Part B of Schedule 7, as determined in accordance with Clause 12;

1.1.41 “Final Determination Date” has the meaning ascribed to such term in Clause 12;

1.1.42 “Final Purchase Consideration” has the meaning ascribed to such term in Clause 9.1;

1.1.43 “Governmental Authority” means any: (a) national, provincial or local government or political subdivision or department thereof of any jurisdiction, or any governmental, administrative or regulatory body, commission, board, bureau, agency or instrumentality, or any court, arbitrator, alternative dispute resolution body or tribunal, in each case with applicable jurisdiction; or (b) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative functions of the government or Tax authority or power of any nature in respect of the Transferor Company, the Transferee Company or this Scheme;

1.1.44 “Governmental Authorization” means all filings, including Consents and Approvals, with any Governmental Authority, Consents (to the extent required from a Governmental Authority), licenses, franchises, permits, concessions,
exemptions, orders, certificates, registrations, re-registrations, applications, declarations and filings pertaining to the aforesaid issued, granted, given or otherwise made available by or under the authority of any Governmental Authority or pursuant to any Applicable Law.

1.1.45 “Haldia Plant” means the plant located at Haldia, West Bengal, for the manufacture of DAP, NPK / NP complex fertilizers and SSP;

1.1.46 “High Court Order(s)” means the order(s) passed by the High Court sanctioning the Scheme and includes any High Court or other applicable authority’s order(s) for extension of time or condonation of delay in filing of the requisite forms with the RoC in relation to the Scheme, if applicable;

1.1.47 “High Court” means the Hon’ble High Court of Judicature at Mumbai having jurisdiction in relation to the Transferor Company and the Transferee Company, as the case may be and shall include the National Company Law Tribunal, as applicable or such other forum or authority as may be vested with any powers of a High Court in relation to the Scheme under the Act;

1.1.48 “Independent Auditor” means an international audit firm to be mutually appointed by the Transferor Company and the Transferee Company;

1.1.49 “Indian GAAP” means and refers to the generally accepted accounting principles as applicable in India, including inter alia accounting standards and other authoritative pronouncements, issued by the Institute of Chartered Accountants of India, or such other body or person having a right under Applicable Laws to issue such accounting standards and other authoritative pronouncements;

1.1.50 “IT Act” means the Income Tax Act, 1961 and rules and regulations made thereunder and shall include any statutory modification, amendment, and re-enactment thereof for the time being in force;

1.1.51 “Listing Regulations” means the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, and shall include any statutory modification, amendment, and re-enactment thereof for the time being in force or any act, regulations, rules, guidelines etc., that may replace such regulations;

1.1.52 “Long Stop Date” means the date immediately after the expiry of 18 (eighteen) months from the Agreement Date or such other date as may be agreed between the Transferor Company and the Transferee Company in writing;

1.1.53 “Non-Current Assets” means, as of any specified date, all such assets relating or assigned to the Divestment Business, which are customarily called non-current assets under the relevant prevailing Indian accounting standards, or as agreed between the Transferor Company and the Transferee Company and set out in Schedule 3;

1.1.54 “Non-Current Liabilities” means, as of any specified date, all such liabilities relating or assigned to the Divestment Business, which are customarily called non-current liabilities under the relevant prevailing Indian accounting standards, or as agreed between the Transferor Company and the Transferee Company and set out in Schedule 4;

1.1.55 “Other Business” means any business of the Transferor Company or any of its Affiliates other than the Divestment Business, including for the avoidance
of doubt the business of the Transferor Company conducted by and through the Haldia Plant and the Trading Business and shall also include any business of Transferor Company or any of its Affiliates conducted under the ‘Tata’, ‘Tata Chemicals Limited’ or ‘TCL’ brands;

1.1.56 **“Person”** means any individual or other entity, whether a corporation, firm, body corporate, joint venture, trust, association, organization, partnership or proprietorship, whether or not having a separate legal personality, including any Governmental Authority;

1.1.57 **“Preliminary Completion Statement”** has the meaning ascribed to such term in Clause 12.1;

1.1.58 **“Proposed Completion Statement”** has the meaning ascribed to such term in Clause 10.4;

1.1.59 **“Purchase Consideration”** has the meaning ascribed to such term in Clause 9.1.1;

1.1.60 **“Records”** means any and all books, accounts and other records relating to the Divestment Business to the extent that they relate to the period up to Completion;

1.1.61 **“Representatives”** means the duly authorized directors, officers, managers and employees of the Transferor Company or the Transferee Company, as the context may require;

1.1.62 **“RoC”** means the respective Registrar of Companies having jurisdiction over the Transferor Company and the Transferee Company, as the case may be;

1.1.63 **“Rs.” or “Rupees” or “INR”** means Indian Rupees, the lawful currency of India;

1.1.64 **“Scheme” “the Scheme” or “this Scheme”** means this scheme of arrangement in its present form or with any modification(s) made under Clause 19 of this Scheme or any modifications approved or directed by the High Court or any other Government Authority;

1.1.65 **“SEBI”** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;

1.1.66 **“SEBI Circular”** means Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, issued by SEBI, as amended or replaced from time to time;

1.1.67 **“Stock Exchanges”** shall mean the BSE Limited and the National Stock Exchange of India Limited collectively;

1.1.68 **“Target Working Capital”** means Rs. 814,23,28,800 (Rupees eight hundred fourteen crores twenty three lakhs twenty eight thousand and eight hundred);

1.1.69 **“Tax”** means all applicable forms of taxation, duties, levies imposed, whether direct or indirect, whether central, state or local, including without limitation corporate income tax, service tax, withholding tax, stamp duty, value added tax, customs and excise duties, entry tax, sales taxes, capital tax and other legal transaction taxes, dividend withholding tax, dividend distribution tax, land taxes, and duties and any other type of taxes or duties payable by virtue of any Applicable Law; together with any interest, penalties, surcharges or fines relating to them, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction;
1.1.70 “Trading Business” means and includes the (i) import and sale of bulk fertilisers (DAP, MOP), and (ii) sale and purchase/contract manufacture of non-bulk fertilisers (specialty fertilisers, seeds, pesticides etc.);

1.1.71 “Transferring Inventory” means all inventories, wherever located, including all raw materials, work-in-progress, finished products, and packaging and labelling material exclusively or predominantly related to the Divestment Business, whether held at any location or facility of the Transferor Company or in transit to the depot or at a railway siding (but excluding goods in relation to which invoice is issued, but which may not have been delivered and which are not included in the Current Assets), in each case, as of the Adjustment Time;

1.1.72 “Working Capital” means an amount, in INR, equal to (a) the Current Assets plus (b) long-term loans, advances and deposits less (c) the Current Liabilities and less (d) Non-current Liabilities, in each case calculated as of the Adjustment Time. For the avoidance of doubt, Working Capital shall exclude non-current assets (except long-term loans, advances and deposits) and creditors for capital goods, as defined in Schedule 7, table A; and

1.1.73 “Working Capital Adjustment” means an amount equal to the difference between (i) the Working Capital set forth in the Final Completion Statement; and (ii) the Target Working Capital. The Working Capital Adjustment shall be determined in accordance with Schedule 7, table A.

1.2 Upon implementation of the provisions applicable to schemes of arrangement contained in the Companies Act, 2013, if the Scheme has been filed with the High Court and is pending disposal, the procedure to be followed from the date of such implementation would be as prescribed in the rules promulgated under the Companies Act, 2013 as may be applicable.

1.3 Interpretation:

1.3.1 In this Scheme, reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment (whether before or after the Agreement Date) for the time being in force or to any provisions replacing such statutory provisions and to all statutory instruments or orders made pursuant to such statutory provisions.

1.3.2 Unless the context otherwise requires, words denoting the singular shall include the plural and words denoting any gender shall include all genders.

1.3.3 Headings, subheadings, titles, subtitles to clauses, sub-clauses and paragraphs are for information only and shall not form part of the operative provisions of this Scheme or the Schedules hereto and shall be ignored in construing the same.

1.3.4 The Schedules refer to the schedules to this Scheme and form part of this Scheme. If there is any conflict or inconsistency between a term in the body of this Scheme and a term in any of the Schedules, exhibits or any other document referred to or otherwise incorporated in this Scheme, the term in the body of this Scheme shall take precedence.

1.3.5 References to days, months and years are to calendar days (unless otherwise specified), calendar months and calendar years, respectively. Where a period expressed in days, weeks, months or years is to be calculated from the moment at which an event occurs or an action takes place, the day during which that event occurs or that action takes place shall not be counted as falling within the
period in question. A period expressed in weeks, months or years shall end with the expiry of whichever day in the last week, month or year (as applicable) of such period is the same day of the week (in the case of weeks), or falls on the same date (in the case of months or years), as the day on which the event or action from which the period is to be calculated occurred or took place. If, for a given period expressed in months, the last day of such period does not fall during the last month expressed to be in such period, such period shall end on the last day of that month.

1.3.6 Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day if the last day of such period is not a Business Day; and whenever any payment is to be made or action to be taken under this Scheme is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day.

1.3.7 Words “directly or indirectly” mean directly, or indirectly, through one or more intermediary persons or through contractual or other legal arrangements, and “direct or indirect” have the correlative meanings.

1.3.8 Any reference in this Scheme to any document shall include reference to such document as amended, modified or restated, whether before or after the Agreement Date.

1.3.9 If, in calculating a price or an amount, the relevant variables for such calculation are expressed in different currencies then all such variables for the purposes of such calculation shall be in Rupees.

2. SHARE CAPITAL:

2.1 The authorized, issued, subscribed and paid up share capital of the Transferor Company and the Transferee Company as on June 30, 2016, as under:

<table>
<thead>
<tr>
<th>Transferor Company:</th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td><strong>Particulars</strong></td>
<td><strong>Amount (Rs. In Crores)</strong></td>
<td></td>
</tr>
<tr>
<td>Authorized Capital</td>
<td></td>
<td></td>
</tr>
<tr>
<td>27,00,00,000 Ordinary Shares of Rs. 10/- each</td>
<td>270.00</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>270.00</strong></td>
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</tr>
<tr>
<td>Issued Capital</td>
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</tr>
<tr>
<td>25,48,42,598 Ordinary Shares of Rs. 10/- each</td>
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<tr>
<td>Subscribed and Fully Paid-up Capital</td>
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<td></td>
</tr>
<tr>
<td>25,47,56,278 Ordinary Shares of Rs. 10/- each</td>
<td>254.76</td>
<td></td>
</tr>
<tr>
<td>Forfeited Shares</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amount originally paid-up on 86,320 forfeited shares</td>
<td>0.06</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>254.82</strong></td>
<td></td>
</tr>
</tbody>
</table>
Transferee Company:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorized Capital</td>
<td></td>
</tr>
<tr>
<td>20,000,000 Equity Shares of Rs. 10/- each</td>
<td>200,000,000</td>
</tr>
<tr>
<td>Total</td>
<td>200,000,000</td>
</tr>
<tr>
<td>Issued Subscribed and Paid-up Capital</td>
<td></td>
</tr>
<tr>
<td>13,417,970 Equity Shares of Rs. 10/- each</td>
<td>134,179,700</td>
</tr>
<tr>
<td>Total</td>
<td>134,179,700</td>
</tr>
</tbody>
</table>

2.2 It is clarified that until the Scheme becomes effective, the Transferor Company and the Transferee Company are free to alter their respective authorised, issued, subscribed and paid up share capital.

PART – II

TRANSFER AND VESTING OF DIVESTMENT BUSINESS IN THE TRANSFEE Company:

3. VESTING OF DIVESTMENT BUSINESS:

3.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the Divestment Business in its entirety shall, pursuant to Sections 391 to 394 read with other relevant provisions of the Act and without any further act, instrument, deed, matter or thing be transferred to and vested in and/or be deemed to be and stand transferred to and vested in the Transferee Company as a ‘going concern’ on a slump sale basis for a lump sum consideration as set out hereinafter free from all Encumbrances, subject to the following:

3.1.1 In the event any part of the Divestment Business intended to be transferred does not get transferred to the Transferee Company upon the effectiveness of the Scheme, the Transferor Company and the Transferee Company undertake to take all necessary steps, and execute all necessary documents, to ensure the transfer of such part of the Divestment Business thereof to the Transferee Company forthwith without any further consideration. The Transferor Company and the Transferee Company agree that pending such transfer, the Transferor Company shall hold such part of the Divestment Business in trust for the Transferee Company, and shall put in place necessary arrangements to allow the Transferee Company to enjoy the benefit of the same without incurring monetary obligations for such actions.

3.1.2 The Divestment Assets, Divestment Liabilities, Assumed Litigations and the Divestment Employees which form part of the Divestment Business shall be transferred to the Transferee Company in accordance with this Scheme. For the avoidance of doubt, the Other Business shall continue to vest in the Transferor Company;

3.1.3 Upon the Scheme becoming effective, the Transferee Company shall carry out or perform all such formalities and compliances under various Applicable Laws or to be carried out or performed in relation to or as a consequence of the vesting of the Divestment Business into the Transferee Company.

4. DIVESTMENT ASSETS:

4.1 Without prejudice to the generality of Clause 3 (Vesting of Divestment Business) above, upon the Scheme coming into effect and at all times with effect from the Appointed
Date, the Divestment Assets shall stand transferred to and vested in the Transferee Company in the following manner, unless specifically otherwise provided under the Scheme:

4.1.1 The Divestment Assets, which are movable in nature, and/or otherwise capable of transfer by manual or constructive delivery and/or endorsement and delivery, the same may, upon coming into effect of this Scheme, be so transferred or deemed to be so transferred to the Transferee Company, and shall become the assets of the Transferee Company and title to the assets will be deemed to have been vested accordingly without requiring any deed or instrument of conveyance pursuant to the provisions of Sections 391 to 394 and/or other applicable provisions of the Act and shall upon such transfer become the property of, and an integral part of, the Transferee Company.

4.1.2 The Divestment Real Estate (including land together with the buildings and structures standing thereon), whether freehold or leasehold and all documents of title, rights and easements in relation thereto, will stand transferred to and be vested in the Transferee Company, without any further act, instrument or deed and pursuant to the provisions of Sections 391 to 394 and/or other applicable provisions of the Act. With effect from the Appointed Date, the Transferee Company shall be entitled to exercise all rights and privileges and be liable to fulfill all obligations, in relation to or applicable to such immovable properties.

4.1.3 In respect of the Divestment Assets other than those dealt with in Clause 4.1.1 and 4.1.2 above, the same shall stand transferred to and vested in the Transferee Company without any notice or other intimation to any Person in pursuance of the provisions of the Sections 391 to 394 read with other relevant provisions of the Act to the end and intent that the right of the Transferor Company to recover or realise the same stands transferred to the Transferee Company. The Transferee Company may, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such Person, as the case may be, that the said assets stand transferred to and vested in the Transferee Company and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes.

4.1.4 Without prejudice to the aforesaid and Clause 6 (Divestment Contracts), the Transferee Company may, if so required under any Applicable Law or otherwise, at any time after the Scheme becoming effective, in accordance with the provisions hereof, execute or enter into any arrangements, conveyance, confirmations, deeds, documents, letters or any other instruments relating to any Divestment Assets with any party to any contract or agreements to which the Transferor Company is a party. For such purposes, if so requested by the Transferee Company, the Transferor Company shall provide the required assistance.

4.1.5 In so far as the Divestment Assets are concerned, any Encumbrance over them, to the extent that such Encumbrance relates to any liabilities (other than the Divestment Liabilities) of the Transferor Company, shall, without any further act, instrument, or deed, be released and the Divestment Assets shall no longer be available as a security for such liabilities. The absence of any formal amendment which may be required by a lender or a third party to effect such release shall not affect the operation of the foregoing sentence.
4.1.6 In so far as the assets of the Other Business are concerned, any Encumbrance over them, to the extent they relate to the Divestment Liabilities (other than the liabilities of the Other Business) shall, without any further act, instrument, or deed be released and discharged from such security. The absence of any formal amendment which may be required by a lender or a third party to effect such release shall not affect the operation of the foregoing sentence.

4.1.7 Without prejudice to what is stated in Clauses 4.1.5 and 4.1.6 above, the Transferor Company and the Transferee Company shall execute such documents/ instruments or do all such acts and deeds including filing of necessary particulars and/ or modification of charge with the concerned RoC to give formal effect to the above Clauses, if required.

5. DIVESTMENT LIABILITIES:

5.1 Without prejudice to the generality of Clause 3 (Vesting of Divestment Business) above, upon the Scheme becoming effective, the Divestment Liabilities shall stand transferred to and vested in the Transferee Company in the following manner, unless specifically otherwise provided under the Scheme:

5.1.1 Upon the Scheme becoming effective and with effect from the Appointed Date, all Divestment Liabilities shall, to the extent they are outstanding on the Effective Date, without any further act or deed become liabilities of the Transferee Company and all rights, powers, duties, and obligations in relation thereto shall stand transferred to, vested in, and shall be exercised by or against the Transferee Company, as if it has incurred such liabilities. The Transferee Company shall undertake to meet, discharge and satisfy the same to the exclusion of the Transferor Company.

5.1.2 Prior to and upon the Scheme becoming effective, all the liabilities other than the Divestment Liabilities and those relating to the Other Business, whether provided or not in the books of account of the Transferor Company, shall continue to remain the liabilities of the Transferor Company. The Transferor Company shall undertake to meet, discharge and satisfy the same to the exclusion of the Transferee Company.

5.1.3 On transfer to and vesting of the Divestment Business in the Transferee Company, the mortgages and charges, if any, affecting the same shall, subject to sub-clauses 4.1.6, 4.1.7 and 4.1.8, be as hereinafter provided:

(a) The Encumbrances relating to the Divestment Business, whether existing or those created by the Transferor Company, over the assets of the Divestment Business or any part thereof transferred to the Transferee Company by virtue of this Scheme, shall be released. Such Encumbrances shall not relate or attach to any of the assets of the Divestment Business or any other assets of the Transferee Company.

(b) The Encumbrances shall after the Effective Date relate and attach to the assets or any part thereof of the Other Business of the Transferor Company.

5.1.4 Without prejudice to the provisions of the foregoing Clauses and with effect from the Effective Date, the Transferor Company and the Transferee Company shall enter into and execute such other deeds, instruments, documents and/or writings and/or do all acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the concerned RoC to give formal effect to the provisions of this Clause, if required.
5.1.5 With effect from the Effective Date, the Transferee Company alone shall be liable to perform all obligations in respect of the Divestment Liabilities and the Transferor Company shall not have any obligations in respect of the Divestment Liabilities.

5.1.6 With effect from the Effective Date, the Transferor Company alone shall be liable to perform all obligations in respect of the Other Business and the Transferee Company shall not have any obligations in respect of the Other Business.

5.1.7 It is expressly clarified that, save as mentioned in this Scheme, no other terms or conditions of the Divestment Liabilities are modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.

5.1.8 Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this Clause shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deeds, and writings and the terms of sanction or issue of any security document shall stand modified and/or superseded by the foregoing provisions.

6. DIVESTMENT CONTRACTS:

6.1 Without prejudice to the generality of Clause 3 (Vesting of Divestment Business) above, upon the Scheme becoming effective, the Divestment Contracts shall stand transferred to and vested in the Transferee Company in the following manner, unless otherwise specifically provided under the Scheme:

6.1.1 Upon the Scheme becoming effective and subject to the other provisions contained in this Scheme, all Divestment Contracts entered into, subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectively as if the Transferee Company instead of Transferor Company, had been a party thereto. The absence of any formal amendment which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence.

6.1.2 Without prejudice to what is stated in Clause 6.1.1 above, upon the Scheme becoming effective, the Transferee Company shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Clause.

7. ASSUMED LITIGATIONS:

7.1 Without prejudice to the generality of Clause 3 (Vesting of Divestment Business) above, upon the Scheme becoming effective, the Assumed Litigations shall stand transferred to the Transferee Company in the following manner:

7.1.1 Upon the Scheme becoming effective and subject to the other provisions contained in this Scheme, all the Assumed Litigations shall be enforced by or against the Transferee Company.

7.1.2 Upon the Scheme becoming effective and subject to the other provisions contained in this Scheme, the Transferee Company shall assume, and shall agree to pay, perform and discharge when due, all liabilities and obligations of the Transferor Company, related to or arising out of in any manner, the Assumed Litigations.
7.1.3 Upon the Scheme becoming effective, all the Excluded Litigations shall remain with the Transferor Company.

7.1.4 Upon the Scheme becoming effective, the Transferor Company and the Transferee Company shall, wherever necessary, enter into and/or execute all such documents as maybe necessary to give formal effect to the provisions of this Clause.

8. DIVESTMENT EMPLOYEES:

8.1 Without prejudice to the generality of Clause 3 (Vesting of Divestment Business) above, upon the Scheme becoming effective, the Divestment Employees shall stand transferred to the Transferee Company in the following manner:

8.1.1 The Divestment Employees shall become employees of the Transferee Company without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favorable than the terms and conditions as were applicable to such employees relating to the Divestment Business of the Transferor Company immediately prior to the transfer of the Divestment Business.

8.1.2 The Transferee Company agrees that the service of all Divestment Employees up to the Effective Date shall be taken into account for the purpose of all retirement benefits to which they may be eligible. The Transferee Company further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with the Transferor Company, shall also be taken into account and agrees and undertakes to pay the same as and when payable.

8.1.3 The Transferee Company shall make all the necessary contributions for such Divestment Employees, and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. The Transferee Company will also file relevant intimations in respect of the Divestment Business with the statutory authorities concerned who shall take the same on record and substitute the name of the Transferee Company for the Transferor Company.

8.1.4 In so far as the existing provident fund, gratuity fund and pension and/or superannuation fund / trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits created by the Transferor Company for the Divestment Employees are concerned, such proportion of the funds, contributions to the funds or trusts or the scheme or the investments made into the funds, schemes or trusts relatable to the Divestment Employees as on the Effective Date, upon the Scheme becoming effective, shall be transferred to the necessary funds, schemes or trusts of the Transferee Company and till the time such necessary funds, schemes or trusts are created by the Transferee Company, all contributions shall continue to be made to the existing funds, schemes or trusts of Transferor Company and will be transferred to the funds, schemes or trusts once created by the Transferee Company.

9. FINAL PURCHASE CONSIDERATION:

9.1 The total lump sum consideration payable by the Transferee Company to the Transferor Company for the purchase of the Divestment Business (“Final Purchase Consideration”) on a slump sale basis, on the terms and conditions of this Scheme, shall be:
9.1.1 Rs. 2,669,61,60,000 (Rupees two thousand six hundred sixty nine crores sixty one lakhs and sixty thousand) (“Purchase Consideration”); 

9.1.2 plus, the Working Capital Adjustment (if the Working Capital set forth in the Final Completion Statement is greater than the Target Working Capital) or (ii) minus the Working Capital Adjustment (if the Working Capital set forth in the Final Completion Statement is less than the Target Working Capital), as the case may be; 

9.1.3 plus/ minus the Capex Adjustment. It is clarified that the Transferee Company shall not be liable to reimburse the Transferor Company for incurring the capital expenditure committed in the Capex Plan. 

10. CONDUCT OF DIVESTMENT BUSINESS TILL COMPLETION DATE:

10.1 On and from the Agreement Date and up to and including the Completion Date, the Transferor Company shall so far as permitted by Applicable Law carry on the Divestment Business in all material respects as a going concern in the ordinary course as carried on immediately prior to the Agreement Date. Notwithstanding the foregoing, but without limiting its generality, the Transferor Company covenants that it will comply with the provisions of clause 7.2 of the Implementation Agreement.

10.2 On and from the Agreement Date and up to and including the Completion Date, the Transferor Company shall use commercially reasonable efforts to, where required pursuant to Applicable Law or considered as being reasonably prudent (in the opinion of the Transferor Company), file applications to Governmental Authorities for relevant Governmental Authorisations or for approval of a court of law, tribunal or any other authorization, Approval, Consent or waiver of a third party (if applicable), in the name of and for the benefit of the Transferee Company.

10.3 No later than 10 (ten) Business Days prior to the Completion Date, the Transferor Company shall deliver to the Transferee Company, with reasonably detailed supporting information, a statement (“Proposed Completion Statement”) setting forth, as per Schedule 7 (Completion Statement), (i) a reasonable, good faith estimate of the Working Capital of the Divestment Business as of the Adjustment Time (“Estimated Working Capital Amount”), (ii) the amount of the capital expenditure actually incurred by the Transferor Company, whether (a) towards the capital expenditure committed in the Capex Plan or (b) incurred by the Transferor Company with prior written consent of the Transferee Company from the Agreement Date; and (iii) the amount, computed as per the following formula, to be paid by the Transferee Company to the Transferor Company on the Completion Date (“Completion Date Payment”):

10.3.1 the Purchase Consideration;

10.3.2 (i) plus the Estimated Working Capital Adjustment (if the Estimated Working Capital Amount is greater than the Target Working Capital) or (ii) minus the Estimated Working Capital Adjustment (if the Estimated Working Capital Amount is less than the Target Working Capital);

10.3.3 plus/ minus the Capex Adjustment.

It is clarified that the Transferee Company shall not be liable to reimburse the Transferor Company for incurring the capital expenditure committed in the Capex Plan.
11. COMPLETION:

11.1 Completion shall be on a date mutually agreed between the Transferor Company and the Transferee Company but shall be no later than 20 (twenty) Business Days from the later of (a) the date of receipt of the High Court Order(s) sanctioning the Scheme (or the High Court Order(s) for granting extension of time or condonation of delay in or granting extension of time for filing e-form INC 28, if applicable); (b) fulfillment of the Regulatory Approvals; and (c) issue of Transferor CP Satisfaction Certificate in terms of the Implementation Agreement (“Completion Date”).

11.2 The activities/ matters contemplated under this Scheme to be completed on the Completion Date shall be deemed to occur simultaneously and no such activity/ matter shall be consummated, or be deemed to be consummated, unless all such activities/ matters have been consummated.

11.3 On the Completion Date, each of the following shall be simultaneously undertaken:

11.3.1 The Transferor Company and the Transferee Company shall each duly file e-form INC 28 on the website of the Ministry of Corporate Affairs;

11.3.2 The Transferee Company shall convene a meeting of its Board of Directors or committee of directors so authorised for declaring the effectiveness of the Scheme, and shall provide a certified true copy of the said resolution to the Transferor Company; provided that failure to hold such meeting will not render the Scheme ineffective;

11.3.3 The Transferor Company shall convene a meeting of its Board of Directors or committee of directors so authorised for declaring the effectiveness of the Scheme and shall provide a certified true copy of the said resolution to the Transferor Company; provided that failure to hold such meeting will not render the Scheme ineffective;

11.3.4 The Transferee Company shall pay to the Transferor Company an amount equal to the Completion Date Payment, in immediately available funds, in the designated bank account of the Transferor Company, details whereof shall be provided by the Transferor Company to the Transferee Company at least 5 (five) Business Days prior to the Completion Date;

11.3.5 The Divestment Business (including the Divestment Assets, the Divestment Liabilities, the Divestment Employees and the Assumed Litigations) and all rights, benefits and interest therein, shall stand transferred to the Transferee Company pursuant to the Scheme in the manner set out herein, free of any Encumbrance.

11.3.6 The Transferor Company and the Transferee Company shall enter into separate lease agreements for:

(a) land admeasuring 1.292 hectares situated at Khasra No.1046 and 1047, village Naiparapur, Pergana, Tehsil Khairabad, district Sitapur;

(b) land admeasuring 2.6375 acres situated at Khewat/Khatauni No.883/1493 rectangle and Killa Nos.146/21/1(3-11), 193/1/1/1(3-12), 147/25(6-0), and 192/5/1(7-19) situated at Sunam-B, Tehsil Sunam, district Sangrur; and

(c) land admeasuring 0.798 hectares situated at Khasra Plot Nos.514/1, 514/2 and 662, village Ram Nagar Karjaha, Tappa-Patura, Pargana- Haveli, Tehsil Chowri-Chowra, district Gorakhpur.
whereby the Transferor Company shall lease out the above mentioned land parcels including the existing fittings and equipment thereat to the Transferee Company for a period of 10 (ten) years at nominal consideration of ₹1000 (Rupees one thousand) per annum for each parcel of land. The Transferee Company undertakes to maintain and preserve the aforesaid land parcels in the same condition as received by the Transferee Company from the Transferor Company, subject to reasonable wear and tear in the course of business. The Transferee Company shall hand over the same to the Transferor Company at the end of the 10 (ten) year period free of any Encumbrance created by the Transferee Company. It is clarified that the Transferee Company shall not be required to remove any Encumbrance existing on the Completion Date or not created by the Transferee Company.

The consummation of all the activities specified in this Clause 11.3 shall together constitute “Completion”.

11.4 With effect from the Completion Date, the Transferee Company shall pay, perform and discharge, when due, or cause to be paid, performed and discharged when due, all the Divestment Liabilities in relation to the period after the Completion Date.

12. POST COMPLETION ADJUSTMENT:

12.1 Within 10 (ten) days after the Completion Date, the Transferor Company shall present to the Transferee Company, a statement (“Preliminary Completion Statement”), with reasonably detailed supporting information, setting forth the actual amounts of the items set out in Clause 10.3 as on the Completion Date. The Transferee Company shall, in consultation with its advisors, conduct an audit of the Preliminary Completion Statement and within 30 (thirty) Business Days of the receipt of the Preliminary Completion Statement the Transferee Company shall communicate to the Transferor Company whether it agrees or does not agree with the Preliminary Completion Statement. In the event the Transferee Company (a) agrees with the Preliminary Completion Statement provided by the Transferor Company, it will so communicate to the Transferor Company within the period referred to above; (b) does not agree with the amounts mentioned in the Preliminary Completion Statement, the Transferee Company and the Transferor Company shall consult with each other to determine the actual amounts as on the Completion Date of the items set out in Clause 10.3 of this Scheme within 10 (ten) days or such other date as may be agreed between the Transferor Company and the Transferee Company of the Transferee Company communicating to the Transferor Company that it does not agree with the amounts mentioned in the Preliminary Completion Statement. The Transferor Company and the Transferee Company will record the actual amounts, as on the Completion Date, of the items set out in Clause 10.3 of the Scheme as determined under this Clause in the format at Schedule 7 (Completion Statement), which shall be the Final Completion Statement and the date of such recording shall be the Final Determination Date.

12.2 In the event, the Transferor Company and the Transferee Company are unable to agree on the amounts as on the Completion Date of the items set out in Clause 10.3 of this Scheme within the specified period, the Transferee Company and the Transferor Company shall jointly engage the Independent Auditor within 5 (five) days, in compliance with the terms of reference for the Independent Auditor attached as Schedule 8 (Terms of Reference of the Independent Auditor), to conduct an audit of the Preliminary Completion Statement and determine the actual amounts as on the Completion Date of the items set out in Clause 10.3 of this Scheme within 20 (twenty) days from the date of appointment of the Independent Auditor or such other
date as may be agreed between the Transferor Company and the Transferee Company. Such final determination, in the format at Schedule 7 (Completion Statement), shall be the Final Completion Statement. The date on which the Final Completion Statement is presented by the Independent Auditor shall be referred to as the “Final Determination Date”. During such review by the Independent Auditor, the Transferor Company and the Transferee Company shall each make available to the Independent Auditor access as required to, such individuals and such information, books and records as may be requested by the Independent Auditor to make its final determination.

12.3 Absent fraud, misconduct or manifest error, the Final Completion Statement determined by the Independent Auditor shall be conclusive and binding upon the Transferor Company and the Transferee Company.

12.4 The fees and disbursements of the Independent Auditor shall be borne by the Transferor Company and the Transferee Company in equal proportions.

12.5 The Independent Auditor shall act as an expert and not as an arbitrator.

12.6 If the Final Purchase Consideration calculated in accordance with the Final Completion Statement, exceeds the Completion Date Payment (such difference, the “Completion Underpayment”) by an amount equal to at least Rs. 10,00,000 (Rupees Ten Lakhs), the Transferee Company shall pay to the Transferor Company within 5 (five) Business Days of the Final Determination Date, an amount equal to the Completion Underpayment by wire transfer of immediately available funds to the designated bank account of the Transferor Company.

12.7 If the Final Purchase Consideration calculated in accordance with the Final Completion Statement, is less than the Completion Date Payment (such difference, the “Completion Overpayment”) by an amount equal to at least Rs. 10,00,000 (Rupees Ten Lakhs), the Transferor Company shall pay to the Transferee Company within 5 (five) Business Days of the Final Determination Date an amount equal to the Completion Overpayment by wire transfer of immediately available funds to a bank account designated in writing by the Transferee Company (such designation to be made at least 3 (three) Business Days prior to the day on which such payment is due).

12.8 For the avoidance of doubt, if the Completion Underpayment or the Completion Overpayment described in sub-clauses 12.6 or 12.7 above is less than Rs. 10,00,000 (Rupees Ten Lakhs), the Completion Date Payment shall not be adjusted and no payments shall be due under sub-clauses 12.6 and 12.7.

12.9 To the extent that any of the Transferor Company and the Transferee Company or any of their respective Affiliates have any obligation under this Scheme or under any other agreement to indemnify or to make any other payment (other than the Purchase Consideration), no amount with respect to a matter to which such obligation or payment relates shall be included in the calculation of the Proposed Completion Statement, the Preliminary Completion Statement or the Final Completion Statement. No amount with respect to a matter shall be included more than once in the calculation of the Proposed Completion Statement, the Preliminary Completion Statement or the Final Completion Statement.

13. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEROR COMPANY:

13.1 The Transferor Company shall account for the transfer and vesting of the Divestment Business by derecognising the carrying values of the Divestment Assets and Divestment
Liabilities which cease to be the assets and liabilities of the Transferor Company as of the Appointed Date in accordance with applicable accounting standards.

13.2 The difference between the Final Purchase Consideration and the derecognised values referred to in Clause 13.1 above would be dealt with as per applicable accounting standards.

14. **ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEE COMPANY:**

14.1 The Transferee Company shall account for the transfer and vesting of the Divestment Business as of the Appointed Date by recording the Divestment Assets and Divestment Liabilities taken over under the Scheme at their fair values in accordance with applicable accounting standards.

14.2 The difference, if any, between the Final Purchase Consideration paid and the fair value of the net assets (fair value of Divestment Assets less fair value of Divestment Liabilities) will be adjusted in the goodwill / capital reserve account, as the case may be, in accordance with the applicable accounting standards.

15. **SAVING OF CONCLUDED TRANSACTIONS:**

Nothing in the Scheme shall affect any transaction or proceeding already concluded by the Transferor Company in respect of the Divestment Business, to the end and intent that the Transferee Company shall accept and adopt all acts, deeds and things done and executed by the Transferor Company in regard to the Divestment Business as if it is done and executed by the Transferee Company itself.

**PART – III**

**GENERAL TERMS AND CONDITIONS:**

16. **AMENDMENT OF MEMORANDUM OF ASSOCIATION OF THE TRANSFEE COMPANY**

Clause III (A) (1) (main objects) of the memorandum of association of the Transferee Company shall, as a part of and, upon the coming into effect of this Scheme and without any further act or deed, be replaced by the following clause:

“To carry on in India and abroad the business of manufacturing, buying, storing, packing, re-packaging, marketing, distributing, transporting, converting, altering, trading in, and improving fertilizers of all forms including chemical, organic and inorganic fertilisers, and selling the same to wholesalers and retailers in India or abroad and rendering all forms of assistance with respect to fertilizers manufactured and sold in the field of agriculture”

It is clarified that for the purposes of this Clause 16, the consent of the shareholders of the Transferee Company to this Scheme shall be sufficient for the purposes of effecting the above amendment in the objects of the Transferee Company, and shall be deemed to include consent under any other provisions of the Act that may be applicable and no further resolution under any provision of the Act including Section 13 would be separately required.

17. **OTHER BUSINESS:**

17.1 Upon the Scheme coming into effect and with effect from the Effective Date, the Other Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Transferor Company.
17.2 All legal, taxation or other proceedings (whether civil or criminal including before any Governmental Authority) by or against the Transferor Company under any Applicable Laws whether pending on the Effective Date or which may be instituted at any time, and in each case relating to the liability, obligation or duties of the Transferor Company in respect of the Other Business shall be continued and enforced, after the Effective Date, by or against the Transferor Company only.

18. APPLICATION TO HIGH COURT:

The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make applications/ petitions to the High Court for sanctioning this Scheme under Sections 391 to 394 of the Act and other applicable provisions of the Act and for such other orders as the High Court may deem fit for bringing the Scheme into effect and all matters ancillary or incidental thereto.

19. MODIFICATION OR AMENDMENTS TO THE SCHEME:

19.1 Subject to Clause 19.4, the Transferor Company and the Transferee Company by their respective Boards of Directors or such other Person or Persons, as the respective Boards of Directors, may authorize, may make and/or consent to (i) any modifications/amendments to the Scheme (including but not limited to the terms and conditions thereof); or (ii) to any conditions or limitations that the High Court or any other Governmental Authority may deem fit to direct or impose; or (iii) modification/amendment which may otherwise be considered necessary, desirable or appropriate by them. No further approval of the shareholders or creditors of any of the Transferor Company or the Transferee Company shall be necessary for giving effect to the provisions of this Clause.

19.2 The Transferor Company and the Transferee Company, by their respective Boards of Directors or such other Person or Persons, as the respective Boards of Directors may authorize including any committee or subcommittee thereof, shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any authorities or otherwise howsoever arising out of, or under, or by virtue of the Scheme and/or any matter concerned or connected therewith, including but not limited to any questions relating to whether any assets or liabilities of the Transferor Company are included in the definition of “Divestment Business”.

19.3 For the purpose of giving effect to this Scheme or to any modifications or amendments or additions thereto, the Representatives of the Transferor Company and the Transferee Company may jointly give and are hereby jointly authorised to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

19.4 Notwithstanding anything stated in Clauses 19.1, 19.2, and 19.3 hereinabove, no amendments or changes to the Scheme shall be carried out or be permissible unless and until the same are approved by the High Court before which the Transferor Company and the Transferee Company have filed the petition for sanctioning the Scheme.

20. CONDITIONALITY OF THE SCHEME:

20.1 The transfer of the Divestment Business to the Transferee Company shall require the following approvals, sanctions and consents (each a “Regulatory Approval”):

20.1.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the shareholders and/or creditors of each
of the Transferor Company and the Transferee Company, as may be required under Sections 391 and other relevant provisions of the Act;

20.1.2 The Stock Exchanges issuing their observation/ no-objection letters and SEBI issuing its comments on the Scheme, to the Transferor Company including comments/ approval after sanction of the Scheme by the High Court, as required under regulation 37 of the Listing Regulations read with the SEBI Circular and regulation 11 and 94 of the Listing Regulations;

20.1.3 The Scheme being sanctioned by the High Court in terms of Sections 391 to 394 and/or all other relevant provisions of the Act;

20.1.4 The occurrence of the first of any of the following, if applicable: pursuant to the provisions of the Competition Act, 2002 of India and the rules and regulations thereunder including the Competition Commission of India (Procedure in Regard to the Transaction of Business Relating to Combinations) Regulations, 2011 (“Combination Regulations”), the CCI (or any appellate authority in India having appropriate jurisdiction) having either (i) granted approval to the Scheme in form and substance reasonably acceptable to the Transferor Company and the Transferee Company, or (ii) been deemed to have granted approval to the Scheme through the expiration of time periods available for their investigation and any period of limitation for filing an appeal therefrom having elapsed; and

20.1.5 The transaction contemplated under this Scheme being approved by the competition authorities of Ukraine, if applicable.

21. OPERATIONALIZATION OF THE SCHEME:

This Scheme shall become effective with effect from the Appointed Date.

22. EFFECT OF NON-RECEIPT OF SANCTIONS:

22.1 In the event any of the conditions stipulated in Clause 20 (Conditionality of the Scheme) are not satisfied prior to the Long Stop Date or within such further period as may be mutually agreed upon between the Transferor Company and the Transferee Company through their respective Boards of Directors (which Boards of Directors are hereby empowered and authorized to agree to from time to time without any limitation), this Scheme shall stand revoked, cancelled. In such an event, each party shall bear and pay its respective costs, charges and expenses for and in connection with the Scheme.

22.2 The Boards of Directors of the Transferor Company and the Transferee Company, shall be entitled to withdraw this Scheme prior to the Effective Date. It is hereby clarified that notwithstanding anything to the contrary contained this Scheme, neither the Transferor Company, nor the Transferee Company, shall be entitled to withdraw the Scheme unilaterally without the prior written consent of the other.

23. SEVERABILITY:

23.1 If any part of this Scheme is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Company and the Transferee Company that such part shall be severable from the remainder of the Scheme. Further, if the deletion of such part of this Scheme may cause this Scheme to become materially adverse to the Transferor Company and/or the Transferee Company, then in such case the Transferor Company and/or the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Company and the Transferee Company the benefits and obligations of the Scheme, including but not limited to such part.
23.2 If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the mutual agreement of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

23.3 The non-receipt of any sanctions or approvals for a particular asset or liability forming part of any of the Divestment Business getting transferred pursuant to this Scheme, shall not affect the effectiveness of the other parts of the Scheme.

24. COST, CHARGES AND EXPENSES:

24.1 The Transferor Company and the Transferee Company shall bear their respective taxes in respect of the transfer of Divestment Business in accordance with this Scheme and the transactions hereby contemplated. The Transferor Company and the Transferee Company shall bear their own respective legal, accounting, professional and advisory fees, commissions, and other costs and expenses incurred by it in connection with this Scheme and the transactions thereby contemplated.

24.2 The Transferee Company shall be liable and responsible for the payment of all stamp duty and registration charges with respect to the transfer of the Divestment Business including any Divestment Assets.

25. NO CAUSE OF ACTION

No third party claiming to have acted or changed his position in anticipation of this Scheme taking effect, shall get any cause of action against the Transferor Company or the Transferee Company or their directors or officers, if the Scheme does not take effect or is withdrawn, amended or modified for any reason whatsoever.
<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Under Act</th>
<th>Parties</th>
<th>Case Type</th>
<th>Court / Forum</th>
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<th>Status</th>
<th>Claim Amount</th>
<th>Litigation By / Against Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Contract Labour (Regulation and Abolition) Act, 1970</td>
<td>Ram Singh Vs (1) Chief Manager (Pradhan Prabandhak) M/s Tata Chemicals Limited, Babrala District Badaun (2) M/s Pragati Electric Company Narora, Dist- Bulandshahar Site TCL, Bhabla Badaun</td>
<td>Employment Dispute No. 01/2011</td>
<td>Labour court Bareilly</td>
<td>10/24/2009</td>
<td>Matter of dispute is “Whether the termination of service of Ram Singh from 303.09 is reasonable and legal, and if not what benefit can be availed by petitioner”.</td>
<td>18-07-2016</td>
<td>Cross examination is in progress.</td>
<td>NA</td>
<td>No claim amount in Labour Matter</td>
<td>Pending</td>
<td>0</td>
<td>Against Company</td>
</tr>
<tr>
<td>2</td>
<td>Contract Labour (Regulation and Abolition) Act, 1970</td>
<td>Veerpal Vs (1) General Manager (Maha Prabandhak), M’s Tata Chemicals Limited, Indira Dham, Babrala (2) Manager, M’s ANS Construction, Indira Dham Babrala Badaun, through Tata Chemicals Limited Babrala Badaun</td>
<td>Employment Dispute No. 27/2012</td>
<td>Labour Court Rampur</td>
<td>1/30/2013</td>
<td>Matter of dispute is “Whether the removal of worker veerpal from the post of “Mali” w.e.f. 27/02/2011 by General Manager - Tata Chemicals ltd and ANS constructions is valid and legal, and If not, worker is entitled for what benefit among others relief”s”?</td>
<td>30-06-2016</td>
<td>Labour Court is vacant. New date will be informed separately once new presiding officer joins the court.</td>
<td>NA</td>
<td>Pending</td>
<td>0</td>
<td>Against Company</td>
<td></td>
</tr>
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<td>3</td>
<td>Writ Petition under Article 226</td>
<td>Uttar Pradesh Pollution Control Board Vs Tata Chemicals Ltd &amp; another</td>
<td>Writ Petition No. 4310/2007</td>
<td>Allahabad High Court</td>
<td>8/22/2007</td>
<td>Writ petition has been filed by the Uttar Pradesh Pollution Control Board (UPPCB) for setting aside the Judgment &amp; Order passed in the favour of the Company by the Cess Appellate Committee, Lucknow in an appeal filed by the Company challenging therein the water cess assessment order served upon the Company under Water Prevention and Control of Pollution, Cess Act, 1977 and to direct the Company to deposit the impugned assessed amount of water cess</td>
<td>30/06/2016</td>
<td>There is no order of listing.</td>
<td>Specific</td>
<td>Nine Lakhs Eighty Two Thousand Four Hundred Ten only</td>
<td>Pending</td>
<td>962410.48</td>
<td>Against Company</td>
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<td>Sr. No</td>
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<td>4</td>
<td>Payment of Gratuity Act</td>
<td>Shambhu Rai S/o Shraday Rai Vs (1) Employer (Sevayogak) General Manager (Maha Prabhandak), TCL Babrala Dist Sambhal (U.P) (2) M/s Singh &amp; Company, Amar Nagar, 777, Rae Bareilly, U.P</td>
<td>Gratuity Dispute No. 21/P.G.A/2013</td>
<td>Controlling Authority, Moradabad</td>
<td>5/30/2013</td>
<td>The contract of bagging Contractor (M/s Singh &amp; Company) who was engaged with the TCL since long was not renewed after expiry of time. After non renewal of the contract the employees of the contractor approached his employer(contractor) claiming the gratuity but the Contractor refused to pay. Thereafter all the concerned persons have filed the applications claiming gratuity before the appropriated authority in which TCL is also made as a party.</td>
<td>02.07.2016</td>
<td>cross examination of the applicants are in progress.</td>
<td>Specific</td>
<td>(Thirty Five Lakhs)</td>
<td>Pending</td>
<td>350000</td>
<td>Against Company</td>
</tr>
<tr>
<td>5</td>
<td>Payment of Wages Act, 1936</td>
<td>Om Prakash Vs (1) Employer (Sevayogak) General Manager (Maha Prabhandak) TCL, Babrala(sambhal) (2) Employer (Sevayogak)/Contractor (Thkadad) Gonard Infratech Ltd Branch office H-116 Sector 63 Noida (U.P) 201301</td>
<td>Payment of Wages Act No. 41/2013</td>
<td>Concerned Officer/Deputy Labour Commissioner</td>
<td>8/12/2013</td>
<td>Joint application (47 applicants) has been filed by the applicants under the Payment of Wages alleging non-payment of wages by the contractor. It is also alleged that applicants had worked under the contractor in civil construction for the construction of new township</td>
<td>18/07/2016</td>
<td>Authority has directed the applicant to amend the application, and to affix the photographs &amp; personal details of all the applicants on whose behalf application under PWA has been filed.</td>
<td>Specific</td>
<td>(Rupees Eight Lakh Twenty Two Thousand Forty Eight Only (ruppes 8,22,434/-))</td>
<td>Pending</td>
<td>822434</td>
<td>Against Company</td>
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<td>6</td>
<td>Code of Civil Procedure, 1908</td>
<td>Amit Kr Choudhary Vs Tata Chemicals Ltd</td>
<td>Civil Suit No. 260/2014</td>
<td>Civil Judge (Sr Division)</td>
<td>4/22/2014</td>
<td>Civil Suit has been filed by the Plaintiff (contractor) for recovery of his dues. Contract of the Plaintiff (contractor) was terminated under termination clause for breaching the terms and conditions of the agreement executed between the plaintiff (contractor) &amp; defendant (Tata Chemicals Ltd).</td>
<td>25/07/2016</td>
<td>Written Statement under preparation.</td>
<td>Specific</td>
<td>(Rupees Four Lakhs Twenty Nine Thousand Twenty Two Only (Rs. 4,29,022/-))</td>
<td>Pending</td>
<td>429022</td>
<td>Against Company</td>
</tr>
<tr>
<td>7</td>
<td>Payment of Wages Act, 1936</td>
<td>Jeeptpal Vs General Manager (Maha Prabhandak) - TCL Babrala(Dist -sambhal) (2) Gonard Infratech Ltd Branch office H-119 Sector 63 Noida (U.P) 201301</td>
<td>Payment of Wages Act No. 43/2014</td>
<td>Deputy Labour Commissioner</td>
<td>9/4/2014</td>
<td>Application has been filed by one alleged Subcontractor making allegations about non-payment of wages to its workers employed by the subcontractor.</td>
<td>18/07/2016</td>
<td>Authority has directed the applicant to amend the application, and to affix the photographs &amp; personal details of all the applicants on whose behalf application under PWA has been filed.</td>
<td>Specific</td>
<td>(Rupees Twelve Lakhs Fifty Thousand Only (Rs.12,50,000/-))</td>
<td>Pending</td>
<td>1250000</td>
<td>Against Company</td>
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<td>8</td>
<td>Payment of Gratuity Act</td>
<td>Chunni Singh Vs M/s Employer (Sevayogak) General Manager (Maha Prabandhal) TCL, Babrala</td>
<td>Application No. 30/2014</td>
<td>Controlling Authority</td>
<td>12/1/2014</td>
<td>Application has been filed by the Contractor ex-employee claiming gratuity from TCL.</td>
<td>2/7/2016</td>
<td>TCL</td>
<td>47K</td>
<td>Forty Seven Thousand</td>
<td>Pending</td>
<td>47000</td>
<td>Against Company</td>
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<tr>
<td>9</td>
<td>U P Industrial Dispute Act, 1947</td>
<td>Damodar Sharma Vs (1) M/s Vice President TCL Babrala Dist Sambhal UP (2) M/s Pragati Electric Company, TCL Babrala Dist Sambhal, Permanent Address - M/s Pragati Electric Co, Naurra (Bulandshahr) UP</td>
<td>Employment Dispute No. ______/2016</td>
<td>Labour Court Rampur</td>
<td>26-05-2016</td>
<td>Applicant an employee of an ex-electrical contractor has alleged illegal retrenchment from the post of electrician.</td>
<td>30/06/2016</td>
<td>NA</td>
<td>0</td>
<td>NA</td>
<td>Pending</td>
<td>0</td>
<td>Against Company</td>
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<tr>
<td>10</td>
<td>U P Industrial Dispute Act, 1947</td>
<td>Udayvir Vs (1) M/s Vice President TCL Babrala Dist Sambhal UP (2) M/s S K Enterprises TCL Babrala Dist Sambhal, Permanent address Hari Baba Marg Lekpal Colony Babrala Sambhal UP</td>
<td>Employment Dispute No. ______/2016</td>
<td>Labour Court Rampur</td>
<td>26-03-2016</td>
<td>Applicant an ex-employee of courier and housekeeping contractor has alleged his illegal retrenchment from his services by his employer.</td>
<td>30/06/2016</td>
<td>NA</td>
<td>0</td>
<td>NA</td>
<td>Pending</td>
<td>0</td>
<td>Against Company</td>
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<tr>
<td>11</td>
<td>Workmen compensation Act</td>
<td>Smt Puspha Rajput Vs (1) Tata Chemicals Ltd through its Manager Babrala Dist Sambhal (2) M/s Anoop Refrigeration, D.S. 185-186, Sector -D, LDA Colony Lucknow - 12</td>
<td>Workman Compensation No. 91/2015</td>
<td>Deputy Labour Commissioner</td>
<td>5/1/2015</td>
<td>Application under employees compensation act has been filed by the legal heirs of contractor employee who has died due to cardiac arrest within the plant premises.</td>
<td>5/7/2016</td>
<td>Specific</td>
<td>20L</td>
<td>Rupees Twenty Lakhs Only (Rs. 20,00,000/-) only</td>
<td>Pending</td>
<td>2000000</td>
<td>Against Company</td>
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<td>12</td>
<td>U P Industrial Dispute Act,1947</td>
<td>Nathu Singh Vs (1) General Manager (Maha Prabandhak) M/s TCL, Babrala Dist Sambhal, (2) Contractor (samvidyak) M/s Shiva Medichinicals, TCL Babrala 3/336 Purshap Vihar Colony, Avas Vikas Chandravati (3) Managing Director, TCL 24 Hrni Mod Street Fort Mumbai 400001, (4) Senior Vice President TCL Sector 62 Navda Gantam Budh Nagar</td>
<td>Conciliation No. 11/2015</td>
<td>Assistant Labour commissioner</td>
<td>9/10/2015</td>
<td>Contractor employee has filed an application before the Conciliation officer, Moradabad under the provisions of U.P Industrial Disputes Act, 1947 alleging retrenchment from services.</td>
<td>2/7/2016</td>
<td>The contractor has filed its detailed reply, the matter will be listed for arguments or for the reply to be filed by applicant against the submissions made by the contractor. TCL has already submitted its reply.</td>
<td>NA</td>
<td>Pending</td>
<td>0</td>
<td>Against Company</td>
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<td>13</td>
<td>Payment of Gratuity Act</td>
<td>Damodar Sharma Vs (1) M/s Vice President, TCL Babrala Dist Sambhal (2) M/s Pragati Electric Company, TCL Babrala Dist Sambhal, Permanent Address - M/s Pragati Electric Co, Narona (Bulandshahar)</td>
<td>Gratuity Dispute No. 25/2015</td>
<td>Assistant Labour Commissioner</td>
<td>6/1/2015</td>
<td>Ex-employee of previous contractor has filed an application claiming therein gratuity.</td>
<td>2/7/2016</td>
<td>TCL will file its objection on the ground that the applicant has filed a conciliation case before the concerned authority.</td>
<td>NA</td>
<td>Pending</td>
<td>83930</td>
<td>Against Company</td>
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<tr>
<td>14</td>
<td>Writ Petition under Article 226</td>
<td>Tata Chemicals Ltd Vs Collector, Badaun</td>
<td>Disputes with the Government No.9829/2010</td>
<td>High Court of Uttar Pradesh, Allahabad</td>
<td>8/17/2010</td>
<td>TCL had filed Writ Petition challenging the Judgment &amp; order passed by the Collector, Badaun whereby imposing penalty of Rs. 25400/- along with dispossession from 2530 sq.m land in dispute.</td>
<td>30/06/2016</td>
<td>There is no further orders of listing.</td>
<td>Specific</td>
<td>Twenty Eight Thousand Four Hundred</td>
<td>Pending</td>
<td>28400</td>
<td>By Company</td>
</tr>
<tr>
<td>15</td>
<td>First Appeal</td>
<td>Tata Chemicals Ltd Vs collector and others</td>
<td>First Appeal No. 62/2007</td>
<td>High Court of Uttar Pradesh, Allahabad</td>
<td>3/21/2007</td>
<td>First Appeal has been filed against the Award/Decree dated 20.07.1989 passed by the District Court, Badaun whereby compensation awarded by SLAO was increased by the District Court.</td>
<td>12/7/2016</td>
<td>Final arguments will take place. a) on the issue of limitation. b) on substitution applications filed by TCL.</td>
<td>Specific</td>
<td>Amount deposited &amp; appeal filed.(AS - 29 Remote)</td>
<td>Pending</td>
<td>829137</td>
<td>By Company</td>
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<td>16</td>
<td>Environment Protection Act</td>
<td>M C Mehta Vs Union of India &amp; Others</td>
<td>Environment No. 200/2014</td>
<td>National Green Tribunal</td>
<td>1/2/2016</td>
<td>Applicant M. C. Mehta had filed a petition before the Supreme Court of India against Union of India &amp; Others asking for directions to save river Ganges and its tributaries from pollution by industries and municipalities in the ganga basin. The Supreme Court had passed Judgment and Order dated 22/09/1987 and has issued directions and monitoring progress of pollution control measures in ganga basin. In 2014 vide an order dated 29.10.2014 the Supreme Court transferred the matters to the National Green Tribunal (NGT) for further action and monitoring of progress. NGT has interalia directed the CPCB and UPPCB to file a list of polluting industries and other polluters and notify such polluters/industries to file their say, if any. UPPCB has filed the list wherein name of TCL is appearing. Objections will be prepared and filed before the authority.</td>
<td>NA</td>
<td>Pending</td>
<td>0</td>
<td>Against Company</td>
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<td></td>
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<td>17</td>
<td>Employee Compensation Act 1923</td>
<td>Omwati Vs (1) General manager TCL (Mahabubnagar) TCL Babrala Dist Sambhal (2) Contractor/Employer ANS Company TCL Babrala</td>
<td>Workmen compensation No. 192/2015</td>
<td>Assistant Labour commissioner</td>
<td>6/11/2015</td>
<td>Application has been filed by the legal heirs of employee of horticulture contractor for compensation alleging death during the course of employment.</td>
<td>2/7/2016</td>
<td>TCL will file its objections on merits.</td>
<td>Specific</td>
<td>FIVE LAKH</td>
<td>Pending</td>
<td>500000</td>
<td>Against Company</td>
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<td>18</td>
<td>Civil Procedure Code 1908</td>
<td>Makhan Singh &amp; others Vs Collector Badaun &amp; other</td>
<td>Voucher Application No. 16/2008</td>
<td>Addl. District &amp; Sessions Judge</td>
<td>1/4/2001</td>
<td>Special Land Acquisition officer (SLAO) passed the acquisition award/compensation on 2003/1987. - Being aggrieved by the award/compensation of SLAO 40 land references were referred to the Court of Additional District and Session Court, Badaun in the year 1988. - Hon'ble Court revised the compensation by increasing by judgment and order dated 20/07/1989. - TCL challenged the judgment and order of lower court by filing first appeal. By mistake only 39 first appeals were filed instead of 40. - After about 11 years (but within the period of limitation) decree holder filed the execution application in the year 2001 to enforce the decree. - On the application of the decree holder order was passed on 02/12/2006 to pay the decreed amount. - TCL filed FA bearing no 62/2007 (defective appeal) challenging therein the judgment and order dated 20/07/1989. - In compliance of the order passed in execution application TCL deposited the entire decreed amount via DD amounting to rupees 829137/- on 19 Jan, 2008. - Voucher application filed by the applicant to withdraw the money. - Objection by TCL requesting the Hon'ble court not to disburse the amount till the final disposal of the FA pending before the High Court. - Till date application is not decided.</td>
<td>02-07-2016</td>
<td>Voucher application filed by the applicant to release the payment yet to be decided.</td>
<td>NA</td>
<td>Pending</td>
<td>0</td>
<td>Against Company</td>
<td></td>
</tr>
</tbody>
</table>
## SCHEDULE 2
### CAPEX PLAN
Amount proposed to be spent on Capital items from Jun 2016 to June 2017

<table>
<thead>
<tr>
<th>Sr No</th>
<th>Project title</th>
<th>Total Cost of the Project (Rs Crs)</th>
<th>Category</th>
<th>Urea Upto May 16</th>
<th>June 16 to June 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>On-off Valve for SSF in Cooling Tower</td>
<td>0.1000</td>
<td>Maintenance</td>
<td>0.10</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>VFD installation in 58 MK1 compressor</td>
<td>0.1500</td>
<td>Improvements/Upgradations</td>
<td>0.15</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Revamping of Cathodic protection system in ammonia, urea &amp; off-site plant</td>
<td>0.9500</td>
<td>Improvements/Upgradations</td>
<td>0.92</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Installation of heater in dehumidifying system</td>
<td>0.1500</td>
<td>Improvements/Upgradations</td>
<td>0.15</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Replacement of Analyser shelter (Packaged AC)</td>
<td>0.20</td>
<td>Improvements/Upgradations</td>
<td>0.20</td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Procurement of AC compressor for CCR - 2 Nos</td>
<td>0.045</td>
<td>Maintenance</td>
<td>0.05</td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Resin for WBA-D</td>
<td>0.2700</td>
<td>Maintenance</td>
<td>0.27</td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Resin for PCC-C</td>
<td>0.0650</td>
<td>Maintenance</td>
<td>0.07</td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Resin for MB-E</td>
<td>0.1050</td>
<td>Maintenance</td>
<td>0.11</td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Water testing Equipment for Lab - Turbidity Meter - Flame Photometer</td>
<td>0.0120</td>
<td>Maintenance</td>
<td>0.01</td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Volumetric analysis equipments for Lab - Auto Titrator - KF Titrator - Digital Burettes</td>
<td>0.1550</td>
<td>Maintenance</td>
<td>0.16</td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Gas Flow Meter (02 Nos.) for Lab</td>
<td>0.016</td>
<td>Maintenance</td>
<td>0.02</td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>Hot Plate for Lab</td>
<td>0.005</td>
<td>Maintenance</td>
<td>0.01</td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>Flame Proof Vacuum Pump (Portable Type) for Lab</td>
<td>0.01</td>
<td>Maintenance</td>
<td>0.01</td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td>Replacement of P-19 pump</td>
<td>0.10</td>
<td>Maintenance</td>
<td>0.10</td>
<td></td>
</tr>
<tr>
<td>16.</td>
<td>DCS Up gradation (Phase-II)</td>
<td>9.000</td>
<td>Maintenance</td>
<td>8.360</td>
<td>0.05</td>
</tr>
<tr>
<td>17.</td>
<td>Up gradation of Belt Conveyor from Urea plant to PPP</td>
<td>4.000</td>
<td>Improvements/Upgradations</td>
<td>3.360</td>
<td>0.50</td>
</tr>
<tr>
<td>18.</td>
<td>Replacement of up-graded Ammonia Condenser (E-510)-3 nos</td>
<td>8.500</td>
<td>Improvements/Upgradations</td>
<td>0.000</td>
<td>1.50</td>
</tr>
<tr>
<td>19.</td>
<td>Energy Meter for Effluent Treatment-3 Nos.</td>
<td>0.0200</td>
<td>Maintenance</td>
<td>0.0000</td>
<td>0.02</td>
</tr>
<tr>
<td>Sr No</td>
<td>Project title</td>
<td>Total Cost of the Project (Rs Crs)</td>
<td>Category</td>
<td>Urea</td>
<td></td>
</tr>
<tr>
<td>-------</td>
<td>--------------------------------------------------------------------------------</td>
<td>------------------------------------</td>
<td>---------------------</td>
<td>------------</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Upto May 16</td>
<td>June 16 to June 17</td>
</tr>
<tr>
<td>20.</td>
<td>Online display board at Factory main gate</td>
<td>0.1500</td>
<td>Maintenance</td>
<td>0.0000</td>
<td>0.15</td>
</tr>
<tr>
<td>21.</td>
<td>Audiometry sound proof booth</td>
<td>0.0160</td>
<td>Maintenance</td>
<td>0.0000</td>
<td>0.02</td>
</tr>
<tr>
<td>22.</td>
<td>397 Nos Street light upgradation to LED. (phased out in 03 years)</td>
<td>0.6800</td>
<td>Improvements/Upgradations</td>
<td>0.0000</td>
<td>0.16</td>
</tr>
<tr>
<td>23.</td>
<td>228 Nos CCR lights upgradation to LED</td>
<td>0.0700</td>
<td>Maintenance</td>
<td>0.0000</td>
<td>0.07</td>
</tr>
<tr>
<td>24.</td>
<td>Replacement of Effluent water header line (Between GP to Monitoring pond) - 1000 mt - 6” line</td>
<td>0.60</td>
<td>Maintenance</td>
<td>0.00</td>
<td>0.60</td>
</tr>
<tr>
<td>25.</td>
<td>New Wet Dedusting System in Urea Plant</td>
<td>1.20</td>
<td>Improvements/Upgradations</td>
<td>0.00</td>
<td>1.20</td>
</tr>
<tr>
<td>26.</td>
<td>Upgradation of 300 MR effluent line from DM Plant to ETP from MSRL to CPVC</td>
<td>0.25</td>
<td>Improvements/Upgradations</td>
<td>0.00</td>
<td>0.25</td>
</tr>
<tr>
<td>27.</td>
<td>Replacement of Horticulture line segment in town ship area (1250 Mtr near School &amp; DBs)</td>
<td>0.90</td>
<td>Maintenance</td>
<td>0.00</td>
<td>0.90</td>
</tr>
<tr>
<td>28.</td>
<td>Replacement of Fire water line in Ammonia Plant</td>
<td>0.25</td>
<td>Maintenance</td>
<td>0.00</td>
<td>0.25</td>
</tr>
<tr>
<td>29.</td>
<td>DCP Extinguisher (Cartridge Type &amp; Cap.-6 Kg)- 200 Nos., CO₂ Extinguisher (40 Nos. (Cap.- 22.5 Kg), 25 nos. (Cap.-4.5 kg), 15 Nos.(Cap.- 2 Kg) (Total 280 Nos)</td>
<td>0.3000</td>
<td>Maintenance</td>
<td>0.0000</td>
<td>0.30</td>
</tr>
<tr>
<td>30.</td>
<td>Hydro jetting suit (02 Nos.)</td>
<td>0.0400</td>
<td>Maintenance</td>
<td>0.0000</td>
<td>0.04</td>
</tr>
<tr>
<td>31.</td>
<td>Nomex Suit (02 nos.)</td>
<td>0.0300</td>
<td>Maintenance</td>
<td>0.0000</td>
<td>0.03</td>
</tr>
<tr>
<td>32.</td>
<td>Aluminized fire proximity suit (03 Nos.)</td>
<td>0.0300</td>
<td>Maintenance</td>
<td>0.0000</td>
<td>0.03</td>
</tr>
<tr>
<td>33.</td>
<td>Rescue Dummy (01 Nos.)</td>
<td>0.0160</td>
<td>Maintenance</td>
<td>0.0000</td>
<td>0.02</td>
</tr>
<tr>
<td>34.</td>
<td>Portable Detector 04 (LEL- 2, Chlorine - 1, H₂ CO -01)</td>
<td>0.0300</td>
<td>Maintenance</td>
<td>0.0000</td>
<td>0.03</td>
</tr>
<tr>
<td>35.</td>
<td>Fast-Act Extinguisher (Toxic Chemical Vapour Neutralisation) - 04 Nos.</td>
<td>0.0160</td>
<td>Maintenance</td>
<td>0.0000</td>
<td>0.02</td>
</tr>
<tr>
<td>36.</td>
<td>Vented Chemical Storage Cabinet for Lab</td>
<td>0.02</td>
<td>Maintenance</td>
<td>0</td>
<td>0.02</td>
</tr>
<tr>
<td>37.</td>
<td>Air / Emission, Workplace monitoring equipment for Lab</td>
<td>0.025</td>
<td>Maintenance</td>
<td>0</td>
<td>0.03</td>
</tr>
<tr>
<td>38.</td>
<td>On-line monitoring system (Gaseous)</td>
<td>1.000</td>
<td>Improvements/Upgradations</td>
<td>0.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Sr No</td>
<td>Project title</td>
<td>Total Cost of the Project (Rs Crs)</td>
<td>Category</td>
<td>Urea</td>
<td></td>
</tr>
<tr>
<td>-------</td>
<td>------------------------------------------------------------------------------</td>
<td>------------------------------------</td>
<td>-------------------------</td>
<td>------------</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Upto May 16</td>
<td>June 16 to June 17</td>
</tr>
<tr>
<td>39.</td>
<td>Cooling Tower Sulphuric Acid System upgradation</td>
<td>0.120</td>
<td>Improvements/ Upgradations</td>
<td>0.000</td>
<td>0.12</td>
</tr>
<tr>
<td>40.</td>
<td>Replacement of higher capacity De-dusting blower for Urea Plant</td>
<td>0.250</td>
<td>Improvements/ Upgradations</td>
<td>0.000</td>
<td>0.25</td>
</tr>
<tr>
<td>41.</td>
<td>Replacement of Television - 5 Nos for Guest House</td>
<td>0.020</td>
<td>Maintenance</td>
<td>0.000</td>
<td>0.02</td>
</tr>
<tr>
<td>42.</td>
<td>Grinder for Labour Canteen</td>
<td>0.0030</td>
<td>Maintenance</td>
<td>0.000</td>
<td>0.00</td>
</tr>
<tr>
<td>43.</td>
<td>Replacement of Cooking Range for DB</td>
<td>0.0060</td>
<td>Maintenance</td>
<td>0.000</td>
<td>0.01</td>
</tr>
<tr>
<td>44.</td>
<td>Motor Bike - 2 Numbers for Security Use</td>
<td>0.0120</td>
<td>Maintenance</td>
<td>0.000</td>
<td>0.01</td>
</tr>
<tr>
<td>45.</td>
<td>Cooking range and chimney for labour canteen</td>
<td>0.0150</td>
<td>Maintenance</td>
<td>0.000</td>
<td>0.02</td>
</tr>
<tr>
<td>46.</td>
<td>Furniture for Admin use in plant</td>
<td>0.1500</td>
<td>Maintenance</td>
<td>0.000</td>
<td>0.15</td>
</tr>
<tr>
<td>47.</td>
<td>Phase wise Replacement of Phase-4 ceiling fan 360 Nos (phased out in 03 years)</td>
<td>0.0900</td>
<td>Maintenance</td>
<td>0.000</td>
<td>0.03</td>
</tr>
<tr>
<td>48.</td>
<td>Mechanization of CI2 tonner handling system</td>
<td>0.20</td>
<td>Maintenance</td>
<td>0.000</td>
<td>0.20</td>
</tr>
<tr>
<td>49.</td>
<td>Replacement of 44”HP Scanner</td>
<td>0.0800</td>
<td>Maintenance</td>
<td>0.000</td>
<td>0.08</td>
</tr>
<tr>
<td>50.</td>
<td>Tube-well - 1 no</td>
<td>0.4800</td>
<td>Maintenance</td>
<td>0.000</td>
<td>0.48</td>
</tr>
<tr>
<td>51.</td>
<td>Turn out for Railway siding (1 in 8 52 kg/M) - 2 sets</td>
<td>0.7000</td>
<td>Improvements/ Upgradations</td>
<td>0.000</td>
<td>0.70</td>
</tr>
<tr>
<td>52.</td>
<td>Xerox Multifunction Machine for school</td>
<td>0.0200</td>
<td>Maintenance</td>
<td>0.000</td>
<td>0.02</td>
</tr>
<tr>
<td>53.</td>
<td>Dome Climber for school</td>
<td>0.0070</td>
<td>Maintenance</td>
<td>0.000</td>
<td>0.01</td>
</tr>
<tr>
<td>54.</td>
<td>CCTV for school</td>
<td>0.0600</td>
<td>Maintenance</td>
<td>0.000</td>
<td>0.06</td>
</tr>
<tr>
<td>55.</td>
<td>Construction of labour toilet at other side of bagging plant</td>
<td>0.085</td>
<td>Maintenance</td>
<td>0.000</td>
<td>0.09</td>
</tr>
<tr>
<td>56.</td>
<td>Internal: Minor Capital Schemes</td>
<td>1.00</td>
<td>Improvements/ Upgradations</td>
<td>0.00</td>
<td>0.80</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>32.77</td>
<td></td>
<td>11.72</td>
<td>12.51</td>
</tr>
</tbody>
</table>
## SCHEDULE 3
CURREN T ASSETS, CURRENT LIABILITIES &
NON CURRENT ASSETS

### Current assets

<table>
<thead>
<tr>
<th>INR in million</th>
<th>30-Jun-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventories</td>
<td>1,161.9</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>8,658.6</td>
</tr>
<tr>
<td>Short-term loans and advances</td>
<td>117.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9,937.5</strong></td>
</tr>
</tbody>
</table>

Source: Trial Balance as on 30th June 2016

### Inventories

<table>
<thead>
<tr>
<th>INR in million</th>
<th>30-Jun-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw materials</td>
<td>46.9</td>
</tr>
<tr>
<td>Manufactured finished goods*</td>
<td>929.08</td>
</tr>
<tr>
<td>Stores and spare parts, packing materials</td>
<td>185.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,161.9</strong></td>
</tr>
</tbody>
</table>

Source: Trial Balance as on 30th June 2016

* Includes WIP Rs. 47.8 million

### Trade receivables

<table>
<thead>
<tr>
<th>INR in million</th>
<th>30-Jun-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidy</td>
<td>8,250.0</td>
</tr>
<tr>
<td>Other debtors*</td>
<td>413.5</td>
</tr>
<tr>
<td>Provision for doubtful debtors</td>
<td>(4.9)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8,658.6</strong></td>
</tr>
</tbody>
</table>

Source: Trial Balance as on 30th June 2016

* Excluding amount of Rs. 7.48 million receivable from Notore

### Short term loans and advances

<table>
<thead>
<tr>
<th>INR in million</th>
<th>30-Jun-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposits with Government, public bodies and others</td>
<td>78.55</td>
</tr>
<tr>
<td>Advances recoverable in cash or kind</td>
<td>31.02</td>
</tr>
<tr>
<td>Advances to suppliers</td>
<td>5.64</td>
</tr>
<tr>
<td>Advances to employees</td>
<td>1.80</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>117.0</strong></td>
</tr>
</tbody>
</table>

Source: Trial Balance as on 30th June 2016

### Current liabilities

<table>
<thead>
<tr>
<th>INR in million</th>
<th>30-Jun-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade payables</td>
<td>666.8</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>522.9</td>
</tr>
<tr>
<td>Short-term provisions</td>
<td>101.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,290.9</strong></td>
</tr>
</tbody>
</table>

Source: Trial Balance as on 30th June 2016
Trade payables

<table>
<thead>
<tr>
<th></th>
<th>INR in million</th>
<th>30-Jun-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creditors for supplies/services</td>
<td>651.6</td>
<td></td>
</tr>
<tr>
<td>Other payables</td>
<td>15.2</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>666.8</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: Trial Balance as on 30th June 2016

Other current liabilities

<table>
<thead>
<tr>
<th></th>
<th>INR in million</th>
<th>30-Jun-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market incentive provisions</td>
<td>22.6</td>
<td></td>
</tr>
<tr>
<td>Deposits from customers</td>
<td>158.3</td>
<td></td>
</tr>
<tr>
<td>Advances received from customers</td>
<td>162.0</td>
<td></td>
</tr>
<tr>
<td>Creditors for statutory dues</td>
<td>100.4</td>
<td></td>
</tr>
<tr>
<td>Creditors for capital goods</td>
<td>10.5</td>
<td></td>
</tr>
<tr>
<td>Other liabilities</td>
<td>69.1</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>522.9</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: Trial Balance as on 30th June 2016

Short term provisions

<table>
<thead>
<tr>
<th></th>
<th>INR in million</th>
<th>30-Jun-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Privilege leave</td>
<td>61.0</td>
<td></td>
</tr>
<tr>
<td>Sick leave</td>
<td>39.6</td>
<td></td>
</tr>
<tr>
<td>Long service award</td>
<td>0.5</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>101.2</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: Trial Balance as on 30th June 2016

* Excluding Rs. 22.9 million of indirect tax cases not being transferred

1. The above schedules do not include any amount on account of short term borrowings, proposed dividend and inter company balances
2. Creditors for capital goods will not be considered as part of working capital

Non-current assets

<table>
<thead>
<tr>
<th></th>
<th>INR in million</th>
<th>30-Jun-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangible assets</td>
<td>5,401.4</td>
<td></td>
</tr>
<tr>
<td>Capital work-in-progress</td>
<td>3.4</td>
<td></td>
</tr>
<tr>
<td>Long-term loans and advances</td>
<td>9.4</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,414.3</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: Trial Balance as on 30th June 2016

Long term loans and advances

<table>
<thead>
<tr>
<th></th>
<th>INR in million</th>
<th>30-Jun-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital advances</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security deposits (with Government, public bodies and others)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advances to employee</td>
<td>8.2</td>
<td></td>
</tr>
<tr>
<td>Advances recoverable in cash/kind (including deposits)</td>
<td>1.2</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9.4</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: Trial Balance as on 30th June 2016
## SCHEDULE 4
### DIVESTMENT LIABILITIES

#### Divestment liabilities

<table>
<thead>
<tr>
<th>INR in million</th>
<th>30-Jun-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current liabilities</td>
<td>1,290.9</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>44.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,335.0</strong></td>
</tr>
<tr>
<td>Contingent liabilities</td>
<td>1,915.3</td>
</tr>
</tbody>
</table>

Source: Trial Balance as on 30th June 2016

#### Contingent liabilities

<table>
<thead>
<tr>
<th>INR in million</th>
<th>30-Jun-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales tax</td>
<td>-</td>
</tr>
<tr>
<td>Labour &amp; other legal</td>
<td>9.0</td>
</tr>
<tr>
<td>Letter of credit</td>
<td>1,906.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,915.3</strong></td>
</tr>
</tbody>
</table>

Source: Management information
## Contingent liabilities

**Letter of credit as at 30th June 2016**

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Issuing Bank</th>
<th>BG no/Bank Ref No</th>
<th>Date of Issue / Date of renewal</th>
<th>Date of Expiry</th>
<th>Beneficiary</th>
<th>Place</th>
<th>Currency</th>
<th>INR in million</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>State Bank of India, Mumbai</td>
<td>0999508LC0000134</td>
<td>01-Jul-2015</td>
<td>30-Jun-2016</td>
<td>Chief Commercial Manager, NR</td>
<td>New Delhi</td>
<td>INR</td>
<td>8.0</td>
</tr>
<tr>
<td>3</td>
<td>HDFC Bank Limited, Mumbai</td>
<td>560SBLC112500001</td>
<td>05-Jun-2015</td>
<td>30-Jun-2016</td>
<td>BP Exploration (Alpha) Limited</td>
<td>Mumbai</td>
<td>INR</td>
<td>84.5</td>
</tr>
<tr>
<td>5</td>
<td>Axis Bank Limited, Mumbai</td>
<td>0040100003649</td>
<td>05-Feb-2016</td>
<td>11-Feb-2017</td>
<td>Indian Oil Corporation Limited, Institutional Area Lodhi Road, New Delhi.</td>
<td>New Delhi</td>
<td>INR</td>
<td>280.0</td>
</tr>
<tr>
<td>6</td>
<td>Axis Bank Limited, Mumbai</td>
<td>0004010008231</td>
<td>30-Dec-2015</td>
<td>13-Jan-17</td>
<td>Gas Authority of India Ltd., 3rd Floor, Fortune Tower, 10 Rana Pratap Marg, Lucknow - 226001..</td>
<td>Lucknow</td>
<td>INR</td>
<td>720.0</td>
</tr>
<tr>
<td>7</td>
<td>Axis Bank Limited, Mumbai</td>
<td>40100003827</td>
<td>22-Jun-2015</td>
<td>04-Aug-2016</td>
<td>Reliance Gas Transportation Infrastructure</td>
<td>Mumbai</td>
<td>INR</td>
<td>66.2</td>
</tr>
<tr>
<td>8</td>
<td>Axis Bank Limited, Mumbai</td>
<td>0004010009347</td>
<td>01-Jun-2016</td>
<td>31-Jul-2016</td>
<td>Gujarat State Petroleum Corporation</td>
<td>Gandhinagar</td>
<td>INR</td>
<td>290.5</td>
</tr>
<tr>
<td>9</td>
<td>Axis Bank Limited, Mumbai</td>
<td>0004010009272</td>
<td>06-May-2016</td>
<td>30-Apr-2017</td>
<td>Gail Gas Limited</td>
<td>Noida</td>
<td>INR</td>
<td>242.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>1,906.3</strong></td>
</tr>
<tr>
<td>Sr. No.</td>
<td>Entity-Unit/ Location-Dept</td>
<td>Under Act</td>
<td>Parties</td>
<td>Court/Forum</td>
<td>Case File On Dt</td>
<td>Facts</td>
<td>Stage</td>
<td>Claim</td>
</tr>
<tr>
<td>---------</td>
<td>----------------------------</td>
<td>-----------</td>
<td>---------</td>
<td>-------------</td>
<td>----------------</td>
<td>-------</td>
<td>-------</td>
<td>-------</td>
</tr>
<tr>
<td>1</td>
<td>Tata Chemicals - BABRALA - Legal</td>
<td>Payment of Gratuity Act</td>
<td>Shambhu Rai S/o Shraday Rai Vs Tata Chemicals</td>
<td>Labour</td>
<td>Controlling Authority, Moradabad</td>
<td>30-05-2013</td>
<td>ex contractors of bagging contractor have filed 50 applications before the Controlling Authority, Moradabad under the payment of gratuity act claiming gratuity. TCL has been arrayed as Employer in all those applications.</td>
<td>matter listed for applicants evidence</td>
</tr>
<tr>
<td>2</td>
<td>Tata Chemicals - BABRALA - Legal</td>
<td>Payment of Wages Act, 1936</td>
<td>Om Prakash Vs Tata Chemicals</td>
<td>Payment of Wages Act</td>
<td>Concerned Officer/ Deputy Labour Commissioner</td>
<td>12/8/2013</td>
<td>case has been filed, alleging therein, for nonpayment of wages by the contractor engaged for construction of new township within TCL premises. Preliminary Objections filed by TCL. Hearing on objections will take place</td>
<td>5 to 10 Lac</td>
</tr>
<tr>
<td>3</td>
<td>Tata Chemicals - BABRALA - Legal</td>
<td>First Appeal</td>
<td>Tata Chemicals Vs collector and others</td>
<td>First Appeal</td>
<td>High Court of Uttar Pradesh, Allahabad</td>
<td>21-03-2007</td>
<td>This is the lone remaining appeal, which has been filed against the Award &amp; Decree dated 20.07.1989, passed by ADJ, Badau towards compensation for land acquisition for the plant.</td>
<td>Unspecified</td>
</tr>
<tr>
<td>4</td>
<td>Tata Chemicals - BABRALA - Legal</td>
<td>Writ Petition under Article 226</td>
<td>Tata Chemicals Vs Collector, Badau</td>
<td>Disputes with the Government</td>
<td>High Court of Uttar Pradesh, Allahabad</td>
<td>17-08-2010</td>
<td>TCL had filed writ petition challenging order passed by Collector Badau thereby imposing penalty of Rs. 28,400 along with dispossession from the disputed land. matter has been stayed by High Court. No listing for final arguments.</td>
<td>Less than 1 Lac</td>
</tr>
<tr>
<td>5</td>
<td>Tata Chemicals - BABRALA - Legal</td>
<td>Payment of Wages Act, 1936</td>
<td>Jyotpaul Singh Yadav vs Tata Chemicals Limited</td>
<td>Labour</td>
<td>Concerned Officer / Deputy Labour Commissioner</td>
<td>9/4/2014</td>
<td>Case has been filed, alleging therein, for non-payment of wages by the contractor engaged for construction of new township within TCL premises. V/P has been filed by the counsel of the Company.</td>
<td>10 to 25 Lac</td>
</tr>
<tr>
<td>Sr. No.</td>
<td>Entity-Unit/</td>
<td>Under Act</td>
<td>Parties</td>
<td>Parties Case Type</td>
<td>Court/Forum</td>
<td>Case File On Dt</td>
<td>Facts</td>
<td>Stage</td>
</tr>
<tr>
<td>---------</td>
<td>--------------</td>
<td>-----------</td>
<td>---------</td>
<td>------------------</td>
<td>-------------</td>
<td>----------------</td>
<td>-------</td>
<td>-------</td>
</tr>
<tr>
<td>6</td>
<td>Tata Chemicals - BABRALA - Legal</td>
<td>Code of Civil Procedure</td>
<td>Amit Kr Choudhary - BABRALA - Legal</td>
<td>Civil Suit</td>
<td>Civil Judge, (Sr Division) Bulandshahar</td>
<td>4/22/2014</td>
<td>Civil Suit has been filed by the plaintiff for recovery of dues. In fact contract of the plaintiff was terminated for breach of the terms and conditions executed between defendant and plaintiff.</td>
<td>Objections under preparation.</td>
</tr>
<tr>
<td>7</td>
<td>Tata Chemicals - BABRALA - Legal</td>
<td>Payment of Gratuity Act</td>
<td>Chunni vs Tata Chemicals</td>
<td>Payment of Gratuity Act</td>
<td>Controlling Authority, Moradabad</td>
<td></td>
<td>ex employee of mechanical contractor has filed an application before the Controlling Authority, Moradabad under the payment of gratuity act claiming gratuity.</td>
<td>Objections to be filed by TCL</td>
</tr>
<tr>
<td>9</td>
<td>Tata Chemicals - BABRALA - Legal</td>
<td></td>
<td>Omwati w/o Late Ramsahay vs TCL &amp; another</td>
<td>Employees Compensation Act</td>
<td>Employees Compensation Commissioner, Moradabad</td>
<td></td>
<td>Application has been filed by legal heirs of employee of contractor for compensation alleging death during the course of employment.</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Tata Chemicals - BABRALA - Legal</td>
<td>Payment of Gratuity Act</td>
<td>Damodar Sharma vs Tata Chemicals &amp; another</td>
<td>Payment of Gratuity Act</td>
<td>Controlling Authority, Moradabad</td>
<td></td>
<td>Ex-employee of erstwhile electrical contractor has filed an application before the Controlling Authority, Moradabad under the payment of gratuity act claiming gratuity.</td>
<td>Objections to be filed by TCL</td>
</tr>
<tr>
<td>11</td>
<td>Tata Chemicals - BABRALA - Legal</td>
<td></td>
<td>Smt Pushpa Rajput vs TCL &amp; another</td>
<td>Employees Compensation Act</td>
<td>Employees Compensation Commissioner, Moradabad</td>
<td></td>
<td>Application has been filed by legal heirs of employee of contractor for compensation alleging that their son has died due to accident in the course of employment.</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Current liabilities**

<table>
<thead>
<tr>
<th>INR in million</th>
<th>30-Jun-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade payables</td>
<td>666.8</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>522.9</td>
</tr>
<tr>
<td>Short-term provisions</td>
<td>101.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,290.9</strong></td>
</tr>
</tbody>
</table>

Source: Trial Balance as on 30th June 2016

**Trade payables**

<table>
<thead>
<tr>
<th>INR in million</th>
<th>30-Jun-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creditors for supplies/services</td>
<td>651.6</td>
</tr>
<tr>
<td>Other payables</td>
<td>15.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>666.8</strong></td>
</tr>
</tbody>
</table>

Source: Trial Balance as on 30th June 2016

**Other current liabilities**

<table>
<thead>
<tr>
<th>INR in million</th>
<th>30-Jun-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market incentive provisions</td>
<td>22.6</td>
</tr>
<tr>
<td>Deposits from customers</td>
<td>158.3</td>
</tr>
<tr>
<td>Advances received from customers</td>
<td>162.0</td>
</tr>
<tr>
<td>Creditors for statutory dues</td>
<td>100.4</td>
</tr>
<tr>
<td>Creditors for capital goods</td>
<td>10.5</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>69.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>522.9</strong></td>
</tr>
</tbody>
</table>

Source: Trial Balance as on 30th June 2016

**Short term provisions**

<table>
<thead>
<tr>
<th>INR in million</th>
<th>30-Jun-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Privilege leave</td>
<td>61.0</td>
</tr>
<tr>
<td>Sick leave</td>
<td>39.6</td>
</tr>
<tr>
<td>Long service award</td>
<td>0.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>101.2</strong></td>
</tr>
</tbody>
</table>

Source: Trial Balance as on 30th June 2016

1. The above schedules do not include any amount on account of short term borrowings, proposed dividend and inter company balances
2. Creditors for capital goods will not be considered as part of working capital
Non-current liabilities

<table>
<thead>
<tr>
<th>INR in million</th>
<th>30-Jun-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-term provisions</td>
<td>44.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>44.1</strong></td>
</tr>
</tbody>
</table>

Source: Trial Balance as on 30th June 2016

Long term provisions

<table>
<thead>
<tr>
<th>INR in million</th>
<th>30-Jun-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long Service Award</td>
<td>7.6</td>
</tr>
<tr>
<td>Gratuity</td>
<td>10.9</td>
</tr>
<tr>
<td>Family Benefit Scheme</td>
<td>25.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>44.1</strong></td>
</tr>
</tbody>
</table>

Source: Trial Balance as on 30th June 2016
# SCHEDULE 5
## DIVESTMENT REAL ESTATE

### A. Leasehold Land

Plot No. A admeasuring 1519.79 acres at Industrial Area Babrala, District Badaun, Tehsil Gunoor, Uttar Pradesh.

### B. Freehold Land

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Description of Property</th>
<th>Area</th>
<th>Vendor</th>
<th>Vendor Details of Instrument</th>
<th>Registered</th>
<th>Stamped</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Land situate at Khasra Plot No.382/1 (part), Village Mankapur, Tehsil and District Badaun</td>
<td>13,558.5 sq. mts.</td>
<td>Shri Keshav Krishna Goyal</td>
<td>Sale Deed dated April 4, 1996</td>
<td>Registered</td>
<td>Stamped for Rs. 1,57,325/-</td>
</tr>
<tr>
<td>2</td>
<td>Land situate at Khasra No.396, Village Lalpur Hameer, Pargana and Tehsil Bilari, District Moradabad</td>
<td>4,360 sq. mts.</td>
<td>Shri Abdul Waris</td>
<td>Sale Deed dated July 30, 1997</td>
<td>Registered</td>
<td>Stamped for Rs. 73,500/-</td>
</tr>
<tr>
<td>3</td>
<td>Land situate at Khasra No.662, Village Ujrai, Tehsil, Etanapur District, Agra</td>
<td>5 bighas 15 biswas and 11 biswansi</td>
<td>Shri Jihijan Lal, Srinivas and Saresh</td>
<td>Sale Deed dated August 8, 1997</td>
<td>Registered</td>
<td>Stamped for Rs. 197,051/-</td>
</tr>
<tr>
<td>4</td>
<td>Land situate at Khasra Nos.496, 485M and 505, Village Bhedpur, Paraganja Jamaur, Tehsil Sadar, District Shahjahanpur</td>
<td>1,367 hectares</td>
<td>Smt. Rama Devi Gupta</td>
<td>Sale Deed dated February 20, 1998</td>
<td>Registered</td>
<td>Stamped for Rs. 2,00,450/-</td>
</tr>
</tbody>
</table>

### C. Leasehold Premises

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Description of Premises</th>
<th>Area</th>
<th>Vendor</th>
<th>Details of Instrument</th>
<th>Registered</th>
<th>Stamped</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Premises B1/1, 2nd Floor, Deep Lok, Mahanagar Extension, Lucknow (Uttar Pradesh)</td>
<td>1,250 sq. ft.</td>
<td>Mr. Deepak Marwah and Mr. Alok Marwah</td>
<td>Lease deed dated October 9, 2013</td>
<td>Not registered</td>
<td>Stamped for Rs. 100/-</td>
</tr>
<tr>
<td>2</td>
<td>Premises at ground floor, Plot No. 373A, Nageshwar Colony, Boring Road, Patna - 1</td>
<td>1,800 sq. ft.</td>
<td>Mrs. Renu Thakur</td>
<td>Lease deed (December 2014)</td>
<td>Not registered</td>
<td>Stamped for Rs. 1000/-</td>
</tr>
<tr>
<td>3</td>
<td>Premises at Plot No. 302 at Aggarwal Flats, Aggarwal Dharan Kanta, Bypass Road, Biralpar Chauraha, Barielly</td>
<td>2,300 sq. ft.</td>
<td>Pankaj Kumar Aggarwal HUF</td>
<td>Lease dated July 1, 2015</td>
<td>Not registered</td>
<td>Stamped for Rs. 100/-</td>
</tr>
<tr>
<td>4</td>
<td>Premises at SCO 121-122-123, Sector 34-A, Chandigarh</td>
<td>650 sq. ft.</td>
<td>DLG Builders Private Limited</td>
<td>March 26, 2003 as latest extended vide letter dated November 1, 2013</td>
<td>Not registered</td>
<td>Stamped for Rs. 10/-</td>
</tr>
<tr>
<td>5</td>
<td>Premises at Padam Business Park Plaza Office, 312, 3rd Floor, Plot No. Ins 1, Sector 12A, Sikandra Awas Vikas Yojna, Agra – 282004</td>
<td>850 sq. ft.</td>
<td>Mr. Uday Kumar Aggarwal</td>
<td>July 20, 2011 as latest extended vide letter dated May 28, 2015</td>
<td>Not registered</td>
<td>Stamped for Rs. 10/-</td>
</tr>
</tbody>
</table>
SCHEDULE 6
EXCLUDED ASSETS

1. Other Business (including for the avoidance of doubt, the business of the Transferor Company and its Affiliates conducted by and through the Haldia Plant and the Trading Business).

2. **Aligarh (Freehold):**
   (i) 1/9th share of agricultural land admeasuring 2.902 hectares (equivalent to 0.3224 hectares), situate at Khasra No.251, Village Bhartari, Pergana and Tehsil Koil, District Aligarh, by and under registered Sale Deed dated November 26, 1997; and
   (ii) Agricultural land situate at Khasra No.18 (admeasuring 1.565 hectares) and Khasra No.19 (admeasuring 0.288 hectares), collectively admeasuring 1.853 hectares), Village Bhankri Khas, Pergana, Tehsil Koil, District Aligarh, by and under registered Sale Deed dated November 26, 1997

3. **Marble Arch (Freehold):** Residential premises located in the building known as ‘Marble Arch’, situate at 9, Prithviraj Road, New Delhi – 110 011, including flat number C-2, C-4, and C-6 by and under 3 (three) simultaneously executed Agreements for Sale dated February 26, 1986 executed between various entities of the Tata Group (which was subsequently transferred to the Transferor Company) and Ramesh Apartments (Delhi) Private Limited;

4. **NOIDA (Freehold)**
   (i) Office space admeasuring 962.62 sq. mts. in the building known as ‘The Corenthum’ situate at Sector 62, Noida, by and under Transfer Deed dated October 19, 2012 executed between DMG Finance & Investments Private Limited and the Transferor Company; and

5. All cash and cash equivalents, bank accounts and deposits, marketable securities, and Investments of any type;

6. Any receivable (including any amount or enhancement of the amount of subsidy, grant or reimbursement) in relation to the period before Completion Date, where the Transferor Company’s entitlement of such receivable was or is contested, disputed or not accepted by the Person authorised or entitled to authorise or approve the grant or release of such receivable to the Transferor Company and where the Transferor Company had not provided for such receivable in its books of account and consequently not included in the Divestment Business;

7. Any receivable (including any amount or enhancement of the amount of subsidy, grant or reimbursement) in relation to the period before Completion Date, which is in excess of amount actually claimed by the Transferor Company or in excess of an amount provided for in the books of account of the Transferor Company;

8. All causes of action, lawsuits (other than Assumed Litigations), judgments, claims and demands of any nature and all other claims or rights against Third Parties (other than rights under the Divestment Contracts for products sold or services performed after the Completion Date), and all proceeds of any of the foregoing;
9. All properties and assets of every kind, nature and description, whether real, personal or mixed, whether tangible or intangible, and wherever situated, used by the Transferor Company or any of its Affiliates in connection with, or otherwise related or historically allocable to, any Other Business;

10. All corporate and constitution documents, taxpayer and other identification numbers, seals, minute books, stock transfer books and other documents relating to the organization, maintenance and existence of the Transferor Company or any of its Affiliates;

11. All refunds or claims for refunds due from central, state, local and foreign taxing authorities with respect to Taxes paid (including where paid under protest) or to be paid by the Transferor Company or any of its Affiliates in relation the Divestment Assets;

12. Any inventories other than Transferring Inventory and labels and pre-printed packaging, in each case relating to products or otherwise, and owned by the Transferor Company or any of its Affiliates;

13. All insurance policies;

14. All rights of indemnification, insurance proceeds, claims against insurers, and similar rights related to any matters occurring on or before the Completion Date;

15. All ledgers (except those dealing exclusively with the Divestment Business), journals (except those dealing exclusively with the Divestment Business), tax returns (other than returns for indirect taxes which are specifically related to the Divestment Business);

16. All rights to intellectual property belonging to the Transferor Company or its Affiliates including the Tata Name;

17. All rights of Transferor Company and its Affiliates under the Implementation Agreement, the other transaction documents or the confidentiality agreement dated July 14, 2015 by and between the Transferor Company and the Transferee Company;

18. All real property owned or leased by the Transferor Company or any of its Affiliates excluding the Divestment Real Estate;

19. All other properties, assets (real, personal or movable, tangible or intangible), contracts and rights that are not expressly included in the Divestment Assets; and

20. The hedge instruments to cover the forex risk on the acceptances in the form of supplier credits in relation to the Divestment Business.
## SCHEDULE 7
COMPLETION STATEMENT

Table A. Working capital adjustment

<table>
<thead>
<tr>
<th>Amount in INR</th>
<th></th>
<th></th>
<th>Date:</th>
<th>DDMMYYYY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Babrala</td>
<td></td>
<td></td>
<td>Babrala</td>
<td></td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventory</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables</td>
<td></td>
<td></td>
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<tr>
<td>Short-term loans and advances (including other current assets)</td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
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</tr>
<tr>
<td>Long-term loans and advances (1)</td>
<td></td>
<td></td>
<td></td>
<td>Sub total</td>
</tr>
<tr>
<td><strong>Current Liabilities (2)</strong></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Trade payables</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Other current liabilities (3)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Short-term provisions</td>
<td></td>
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<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Long-term provisions</td>
<td></td>
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<tr>
<td>Other non-current liabilities</td>
<td></td>
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</tr>
<tr>
<td><strong>Net working capital</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td><strong>Less: Targeted Working Capital</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Working Capital Adjustment</strong></td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes:

Cash and bank balances and short term borrowings are not to form part of the above computation.

1. Long-term loans and advances will be part of Non-Current Assets and will be included in the Completion Statement as the only item within Non-Current Assets.
2. Current Liabilities means, as of any specified date, all such liabilities relating or assigned to the Divestment Business, which are customarily called current liabilities under the Indian GAAP. Such statements as of June 30, 2016 are set out in Schedule 3.
3. Other current liabilities shall exclude creditors for capital goods, as this is adjusted for under Table B.
4. Current liabilities shall exclude the provisions towards tax litigation.
Table B. Capex adjustment

<table>
<thead>
<tr>
<th>Amount in INR</th>
<th>Date:</th>
<th>DDMMYYYY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount as per Capex Plan (1)</td>
<td></td>
<td>Babrala</td>
</tr>
<tr>
<td>+/- Agreed changes to the CAPEX Plan, approved by the Transferee Company</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted Capex Plan (2)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: Capital work-in-progress</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plus: Creditors for capital goods</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: Additional capital expenditure incurred by the Transferor Company with prior written consent of the Transferee Company</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: the cost of items on the Adjusted Capex Plan incurred and completed by the Transferor Company between Agreement Date and Completion</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Capex adjustment (3)</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes:

1. *Capex Plan means for the purposes of the above statement, is the Capex Plan as defined in the Scheme.*

2. *Adjusted Capex Plan for the purposes of the above statement, is the Adjusted Capex Plan as defined in the Scheme.*

3. *Capex adjustment for the purposes of the above statement, the Capex Adjustment as defined in the Scheme.*
SCHEDULE 8

TERMS OF REFERENCE OF THE INDEPENDENT AUDITOR

The following terms of reference shall be binding on the Independent Auditor appointed by the Transferor Company and the Transferee Company:

The overall objective of the Independent Auditor’s verification will be to conduct a audit as required to settle the disputes between the Transferor Company and the Transferee Company, and as required (i) verify the Preliminary Completion Statement and (ii) certify the capital expenditure amount provided by the Transferor Company.

The deliverable of the Independent Auditor’s verification/certification in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes and Standards on Auditing issued by the Institute of Chartered Accountants of India will be the (i) Final Completion Statement duly approved by it and an audit opinion that the Working Capital specified therein is true and fair, and the (ii) capital expenditure amount claimed to be spent by the Transferor Company duly approved by it and an opinion that the capital expenditure amount is true and fair.

The terms of the Independent Auditor’s appointment and the aforesaid deliverables shall include, the following:

- Ensure that the Working Capital as at the Completion Date as set forth in the Preliminary Completion Statement and the amount of capital expenditure has been accurately calculated in accordance with the definitions and related calculation schedules contained in the Scheme.

- Ensure that the amounts used in the calculation of the Working Capital and capital expenditure as at the Completion Date is in agreement with the books of account of the Transferor Company and do not contain misstatements or omissions. The Independent Auditor shall carry out the physical verification of inventory, including stores and spares, at the plants in the presence of representatives of the Transferor Company and the Transferee Company as at the Completion Date and corroborate the results of physical verification with the inventory, including stores and spares, at the plants used in calculation of Working Capital in the Preliminary Completion Statement.

- The Independent Auditor shall verify a representative sample of receivables including outstanding urea subsidy receivable, and ensure that the allowance for doubtful debt is accurately calculated, and that Completion Statement accurately represent the receivables, as per Indian accounting rules and policies. It is clarified that this we will not get external confirmation from the government.

- Ensure that the amounts used in the calculation of Working Capital and capital expenditure as at the Completion Date is computed in accordance with the relevant accounting policies of the Transferor Company and are also in compliance with the requirements of Indian GAAP, to the extent applicable.

The Independent Auditor shall prepare and deliver its opinion within 45 (forty five) days from the Completion Date. The Independent Auditor’s opinion shall be addressed to the Transferor Company with a copy to the Transferee Company.
BEFORE THE NATIONAL COMPANY LAW
TRIBUNAL, BENCH, AT MUMBAI COMPANY
SCHEME PETITION NO. 484 OF 2017
CONNECTED WITH
COMPANY SCHEME APPLICATION NO. 186 OF 2017

In the matter of Scheme of Arrangement between Tata Chemicals Limited
and Yara Fertilisers India Private Limited
and their respective shareholders and creditors

Tata Chemicals Limited ...Petitioner Company

SCHEME ALONG WITH FINAL ORDER

Date 18th day of December, 2017

AZB & Partners
Advocates for the Petitioner Company
Sakhar Bhavan, 4th Floor,
230 Nariman Point,
Mumbai 400 021
C.P (C.A.A.) NO. 4009 OF 2019

IN

C.A (C.A.A.) NO. 3029 of 2019

In the matter of sections 230 to 232 and other applicable provisions of the companies act 2013 and

In the matter of the scheme of arrangement amongst tata chemicals limited and tata global beverages limited and their respective shareholders and creditors

Tata Chemicals Limited, a company incorporated under the provisions of the Companies Act, 1913 having Corporate Identification Number: L24239MH1939PLC002893 and having its registered office at Bombay House, 24 Homi Mody Street, Fort, Mumbai 400001 Petitioner/Demerged Company

Order delivered on 10th January 2020

Coram: Smt. Suchitra Kanuparthi, Member (J)

Sh. V. Nallasenapathy, Member (T)

Mr. Gaurav Joshi, Senior Counsel, Ms. Priyanka Desai, Ms. Pratiksha Basarkar, Mr. Aman Yagnik and Mr. Rushabh Gala i/b Khaitan & Co, Advocates for the Petitioner Company

Per: The Hon’ble Suchitra Kanuparthi, Member (Judicial)

For the Regional Director, Ms. Rupa Sutar, Deputy Director

Per: V. Nallasenapathy, Member (T)
ORDER

1. Heard the Learned Counsel for the Petitioner Company. No objector has come before the Tribunal to oppose the Petition and nor has any party controverted any averments made in the Petition.

2. The sanction of this Tribunal is sought under Sections 230 to 232 and other applicable provisions of Companies Act, 2013, to a Scheme of Arrangement amongst Tata Chemicals Limited (“Petitioner Company / Demerged Company”) and Tata Global Beverages Limited (“Resulting Company”) and their respective shareholders and creditors in the nature of demerger by which the Consumer Products Business / Demerged Undertaking of the Petitioner Company is being demerged and transferred to the Resulting Company (“Scheme”).

3. The Petitioner Company has approved the said Scheme by passing a Board Resolution and thereafter it has approached this Tribunal by the captioned Petition for sanction of the Scheme.

4. The Petitioner Company is inter alia, engaged in diversified businesses dealing in (a) Basic Chemistry Products consisting of Soda Ash and Other Bulk Chemicals; (b) Specialty Products consisting of Nutritional Solutions, Agri Solutions and Advanced Materials and (c) Consumer Products Business relating to the sourcing, packaging, marketing, distribution and sales of (i) vacuum evaporated edible common salt for human consumption, (ii) spices, (iii) protein foods and (iv) certain other food and other products.

5. The Learned Counsel for the Petitioner Company submits that the rationale of the Scheme is as under:

   i) The Demerged Company is engaged in diversified businesses dealing in basic chemistry products and specialty products and in the Consumer Products Business (more particularly defined hereinafter). The Resulting Company is engaged, inter alia, in the business of marketing, distribution and/or sale of tea, coffee and water.

   ii) The Demerged Company is one of the key participants in the foods category, selling products under iconic brands such as ‘Tata Salt’ and ‘Tata Sampann’ among others. The Resulting Company is one of the key participants in the beverages category, selling products globally under iconic brands such as ‘Tata Tea’ and ‘Tetley’ among others. The Resulting Company is expected to gain from the consumer market growth.

   iii) With the view to enable the Demerged Company to focus on its basic chemistry and specialty products business and to integrate the consumer products business activities undertaken by both, the Demerged Company and the Resulting Company, under a single entity, it is proposed that the Consumer Products Business of the Demerged Company be demerged and transferred to the Resulting Company under the terms and conditions of this Scheme.

   iv) The Scheme would inter alia have the following benefits:

       a. enable the Resulting Company to expand its presence in the fast moving consumer goods categories in India and abroad;

       b. result in revenue and cost synergies including from supply chain opportunities, operational improvements, logistics alignment leading to economies of scale, creation of efficiencies
and optimization of capital and operational expenditure, leveraging distribution networks,
and optimization of overlapping infrastructure;

c. enhance the financial profile with higher growth margin expansion and increased cash
flows which will provide further headroom for inorganic growth opportunities in India and
abroad; and

d. the shareholders of the Demerged Company will continue to participate in the growth of
a larger consumer focused company i.e. the Resulting Company, while continuing to own
shares in the Demerged Company which will remain focused on its basic chemistry and
specialty products businesses.

v) The Scheme would be in the best interest of the shareholders of the Demerged Company
and the Resulting Company and shall not in any manner be prejudicial to the interests of the
concerned shareholders and creditors or general public at large.

6. The Learned Counsel for the Petitioner Company further submits that the Petition had been filed
in consonance with the Order dated 11th September, 2019 passed by this Tribunal in Company
Application No. 3029 of 2019.

7. The Learned Counsel for the Petitioner Company states that the Petitioner Company has complied
with all requirements as per the directions of this Tribunal and has filed necessary Affidavits of
compliance before this Tribunal. Moreover, the Petitioner Company, through its Counsel, undertakes
to comply with all statutory requirements, if any, as required under the Companies Act, 2013 and
the Rules made thereunder whichever is applicable. The said undertaking given by the Petitioner
Company is accepted.

8. The Learned Counsel for the Petitioner Company states that the shares of the Petitioner Company
are listed and traded on the National Stock Exchange of India Limited (“NSE”) and BSE Limited
(“BSE”). The Petitioner Company has obtained the approval of the Scheme/no objection to the
Scheme in terms of the SEBI Circular CFD/DIL3/CIR/2017/21 dated 10th March, 2017 and
Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from
both BSE and the NSE vide their observation letters dated 26th August, 2019.

9. The Regional Director has filed its Report dated 26th December, 2019 (“Report”) praying that this
Tribunal may pass such orders as it thinks fit, save and except as stated in paragraphs IV (a) to (c) of
his Report. In paragraphs IV (a) to (c) of the said Report, the Regional Director has stated that:

“IV. The observations of the Regional Director on the proposed Scheme to be considered by the
Hon’ble NCLT are as under:

(a) In compliance of AS-14 (IND AS-103), the Petitioner Companies shall pass such accounting
entries which are necessary in connection with the scheme to comply with other applicable
Accounting Standards such as AS-5(IND AS-8) etc.

(b) As per the definition of the Scheme,

“Appointed Date” means 1 April 2019

“Effective Date” means the date on which, the last of conditions referred to in Clause 8 of Part
C hereof have been fulfilled.

In this regard, it is submitted that Section 232(6) of the Companies Act, 2013 states that
the scheme under this section shall clearly indicate an appointed date from which it shall be effective and the scheme shall be deemed to be effective from such date and not at a date subsequent to the appointed date. However, this aspect may be decided by the Hon’ble Tribunal taking into account its inherent powers.

Further, the Petitioner may be asked to comply with the requirements and clarified vide circular no. F. No. 7/12/2019/CI-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs.

(c) Registrar of Companies has observed in his report dated 18.12.2019 as follows:

(1) As per MCA Master Data of the Demerged Company Authorised Capital is Rs. 270,00,00,00/- and the paid up capital Rs. 254,75,62,780/- which agrees with the scheme. However, as per para 4.1 of the scheme, the issued, subscribed and paid up capital also includes 86,320 forfeited shares amounting to Rs. 6,41,172.50/- and the total paid up capital is 254,82,03,950.50/-

(2) There are several complaints received against the Transferor Company in respect of recovery of debentures, share certificate, and providing certified copy of MOA and AIDA, prohibited e-voting login ID & password not provided, non-payment of dividend etc.

(3) The name of the Resulting Company shall be Tata Consumer Product Limited or such other name, which is available and approved by the ROC.

(4) Interest of the creditors should be safeguarded.

In this regards, the petitioner company have to undertake to clarify the same.”

10. In response to the above observations of the Regional Director, the Petitioner Company has already filed an Affidavit dated 2nd January, 2020 with the Tribunal in this regard, a copy of which was also served on the Regional Director. The Learned Counsel for the Petitioner Company states as follows:

a) As far as the observations made in paragraph IV (a) of the Report of the Regional Director are concerned, the Petitioner Company undertakes to pass such accounting entries which are necessary in connection with the Scheme to comply with such Accounting Standards notified under Section 133 of the Companies Act, 2013 as may be applicable to the Petitioner Company (including Ind AS-103 and Ind AS-8).

b) As far as the observations made in paragraph IV (b) of the Report of the Regional Director are concerned, the Petitioner Company submits that the Appointed Date for the Scheme shall be 1st April, 2019. The Petitioner Company confirms that the Scheme will take effect from the Appointed Date as per Section 232(6) of the Companies Act, 2013. The Petitioner Company undertakes to comply with the requirements of circular no. F. No. 7/12/2019/CI-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs.

c) As far as the observations made in paragraph IV (c) (1) of the Report of the Regional Director are concerned, the Petitioner Company submits that at para 4.1 of the Scheme, the amount of Issued, Subscribed and Paid-up Capital of the Petitioner Company is as per its corresponding figures i.e.:
<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in INR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issued Capital</td>
<td></td>
</tr>
<tr>
<td>25,48,42,598 Ordinary Shares of Rs 10 each</td>
<td>254,84,25,980</td>
</tr>
<tr>
<td>Subscribed and Paid-up Capital</td>
<td></td>
</tr>
<tr>
<td>25,47,56,278 Ordinary Shares of Rs 10 each</td>
<td>254,75,62,780</td>
</tr>
</tbody>
</table>

The total of Rs 254,82,03,952.50 (inclusive of the forfeited shares) is only for presentation purpose and does not describe the Subscribed and Paid-up Capital of the Petitioner Company.

d) As far as the observations made in paragraph IV (c) (2) of the Report of the Regional Director are concerned, the Petitioner Company submits that on receipt of letter dated 4th December, 2019 bearing No. ROC/IPC/PBG/2019/2953 from the Registrar of Companies, regarding the pending complaints, the Petitioner Company, has vide its letter dated 16th December, 2019 provided an update on the status of each such complaint along with enclosures evidencing that the complaints have been resolved.

e) As far as the observations made in paragraph IV (c) (3) and (c) (4) of the Report of the Regional Director are concerned, the Petitioner Company undertakes to comply with the requirements contained therein.

11. In response to the Affidavit dated 2nd January, 2020 filed by the Petitioner Company with the Tribunal, a copy of which was also served on the Regional Director on 3rd January, 2020, the Regional Director has filed his further Supplementary Report dated 8th January, 2020 with the Tribunal in this regard, wherein the undertakings provided by the Petitioner Company in its Affidavit dated 2nd January, 2020 have been accepted.

12. From the material on record, the Scheme annexed as Exhibit A-1 to Company Petition No. 4009 of 2019 appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. None of the parties concerned have come forward to oppose the Scheme.

13. Since all the requisite statutory compliances have been fulfilled, the Scheme annexed as Exhibit A-1 to Company Petition No. 4009 of 2019 is sanctioned and Company Scheme Petition No. 4009 of 2019 is made absolute in terms of the prayer clauses 36 (a) to 36 (g) in the said Company Scheme Petition.

14. The Petitioner Company is directed to file a copy of this Order along with a copy of the Scheme with the concerned Registrar of Companies, electronically along with E-Form INC-28, in addition to physical copy within 30 days from the date of issuance of the Order by the Registry.

15. The Petitioner Company is to lodge a copy of this Order and the Scheme duly certified by the Deputy Director, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps for adjudication of stamp duty payable, if any, on the same within 60 days from the date of receipt of the certified copy of the Order.

16. All concerned regulatory authorities to act on a copy of this Order along with Scheme duly certified by the Deputy Director, National Company Law Tribunal, Mumbai Bench.

17. Any person interested is at liberty to apply to the Tribunal in the above matters for any directions that may be necessary.

18. Any concerned authorities are at liberty to approach this Tribunal for any further clarification after sanctioning of the Scheme.
19. The Scheme is sanctioned, and the Appointed Date of the Scheme is fixed as 1st April, 2019.

Sd/-
V. NALLASENAPATHY
Member (Technical)

Sd/-
SUCHITRA KANUPARTHI
Member (Judicial)
SCHEME OF ARRANGEMENT

AMONGST

TATA CHEMICALS LIMITED

AND

TATA GLOBAL BEVERAGES LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

(UNDER SECTIONS 230 TO 232 AND OTHER RELEVANT PROVISIONS OF THE COMPANIES ACT, 2013)
SCHEME OF ARRANGEMENT

I. PREAMBLE

1. This Scheme of Arrangement (“Scheme”, more particularly defined hereinafter) is presented pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Act (defined hereinafter), as may be applicable, and also read with Section 2(19AA) and other relevant provisions of the IT Act (defined hereinafter), as may be applicable, for the demerger of the Demerged Undertaking (defined hereinafter) of Tata Chemicals Limited into Tata Global Beverages Limited on a going concern basis.

II. BACKGROUND AND DESCRIPTION OF THE COMPANIES

1. Tata Chemicals Limited (hereinafter referred to as the “Demerged Company”) is a public limited company incorporated on 23 January 1939 under the Companies Act, 1913 with CIN L24239MH1939PLC002893 and having its registered office at Bombay House, 24 Homi Mody Street, Fort, Mumbai 400001. The equity shares of the Demerged Company are listed on NSE and BSE.

2. Tata Global Beverages Limited (hereinafter referred to as the “Resulting Company”) is a public limited company incorporated on 18 October 1962 under the Companies Act, 1956 with CIN L15491WB1962PLC031425 and having its registered office at 1, Bishop Lefroy Road, Kolkata 700020. The equity shares of the Resulting Company are listed on NSE, BSE and CSE. The Global Depository Receipts of the Resulting Company are listed on the London Stock Exchange and the Luxembourg Stock Exchange.

III. RATIONALE AND PURPOSE OF THE SCHEME

1. The Demerged Company is engaged in diversified businesses dealing in basic chemistry products and specialty products and in the Consumer Products Business (more particularly defined hereinafter). The Resulting Company is engaged, inter alia, in the business of marketing, distribution and/or sales of tea, coffee and water.

2. The Demerged Company is one of the key participants in the foods category, selling products under iconic brands such as ‘Tata Salt’ and ‘Tata Sampann’ among others. The Resulting Company is one of the key participants in the beverages category, selling products globally under iconic brands such as ‘Tata Tea’ and ‘Tetley’ among others. The Resulting Company is expected to gain from the consumer market growth.

3. With the view to enable the Demerged Company to focus on its basic chemistry and specialty products business and to integrate the consumer products business activities undertaken by both, the Demerged Company and the Resulting Company, under a single entity, it is proposed that the Consumer Products Business of the Demerged Company be demerged and transferred to the Resulting Company under the terms and conditions of this Scheme.

4. The Scheme would inter alia have the following benefits:

   4.1. enable the Resulting Company to expand its presence in the fast moving consumer goods categories in India and abroad;

   4.2. result in revenue and cost synergies including from supply chain opportunities, operational improvements, logistics alignment leading to economies of scale, creation of efficiencies and optimization of capital and operational expenditure, leveraging distribution networks and optimization of overlapping infrastructure;
4.3. enhance the financial profile with higher growth, margin expansion and increased cash flows which will provide further headroom for inorganic growth opportunities in India and abroad; and

4.4. the shareholders of the Demerged Company will continue to participate in the growth of a larger consumer focused company i.e. the Resulting Company, while continuing to own shares in the Demerged Company which will remain focused on its basic chemistry and specialty products businesses.

5. The Scheme would be in the best interest of the shareholders of the Demerged Company and the Resulting Company and shall not in any manner be prejudicial to the interests of the concerned shareholders and creditors or general public at large.

IV. PARTS OF THE SCHEME

1. The Scheme is divided into the following parts:

   PART A deals with definitions, interpretation, effective date and share capital;

   PART B deals with the transfer of Demerged Undertaking from the Demerged Company and its vesting in the Resulting Company for consideration and matters incidental thereto; and

   PART C deals with the general terms and conditions.

2. This Scheme also provides for various other matters consequential, incidental or otherwise integrally connected therewith.
PART A

1. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned herein below:

1.1. “Act” means the Companies Act, 2013 and the rules and/or regulations framed under such a statute and includes any alterations, modifications and amendments made to such a statute or any re-enactment of such a statute, and/or other guidelines or notifications under Applicable Laws, made thereunder from time to time.

1.2. “Applicable Law” means (a) all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, listing agreements, notifications, guidelines or policies of any applicable country and/or jurisdiction; (b) writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals of, or agreements with, any Governmental Authority or recognized stock exchange.

1.3. “Appointed Date” means 1 April 2019.

1.4. “Board of Directors” means the Board of Directors of the Demerged Company and/or the Resulting Company, as the context may require, and includes committees of the Board of Directors (if any) constituted for the implementation of this Scheme.

1.5. “BSE” means BSE Limited.

1.6. “CIN” means Corporate Identity Number.

1.7. “Consumer Products Business” means the business of the Demerged Company relating to the sourcing, packaging, marketing, distribution and sales of (i) vacuum evaporated edible common salt for human consumption, (ii) spices, (iii) protein foods and (iv) certain other food and other products.


1.9. “Demerged Company” means Tata Chemicals Limited, a public listed company incorporated under the provisions of the Companies Act, 1913 with CIN L24239MH1939PLC002893 and having its registered office at Bombay House, 24 Homi Mody Street, Fort, Mumbai – 400001, India.

1.10. “Demerged Undertaking” means the entire Consumer Products Business, as a going concern as of the Appointed Date, including all its assets, investments, rights, approvals, licenses and powers, leasehold rights and all its debts, outstandings, liabilities, duties, obligations and employees in each case pertaining exclusively and solely (other than in relation to items set out in (g) and (i) below and unless otherwise mutually determined by the Board of Directors of the Demerged Company and the Resulting Company) to the Consumer Products Business and including, but not in any way limited to, the following:

(a) all immovable properties i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, leave and licensed, right of way, tenancies or otherwise) including offices, structures, workshop, benefits of any rental agreement for use of premises, marketing offices, share of any joint assets, etc., which immovable properties are currently being used exclusively and solely for the purpose of and in
relation to the Consumer Products Business and all documents (including panchnamas, 
declarations, receipts) of title, rights and easements in relation thereto and all rights, 
covenants, continuing rights, title and interest in connection with the said immovable 
properties;

(b) all assets, as are movable in nature and exclusively and solely pertaining to and in relation 
to the Consumer Products Business, whether present or future or contingent, tangible 
or intangible including goodwill, whether recorded in the books or not, in possession 
or reversion, including electrical fittings, furniture, fixtures, appliances, accessories, 
power lines, office equipments, computers, communication facilities, installations, 
tools, plants, vehicles, inventory and stock in trade and merchandise (including, raw 
materials, supplies, finished goods, and wrapping, supply, advertisement, promotional 
and packaging material), wherever lying, actionable claims, current assets, earnest 
monies and sundry debtors, financial assets, investment (including in subsidiaries, 
associates, joint venture, whether in India or abroad), outstanding loans and advances 
recoverable in cash or in kind or for value to be received, provisions, receivables, funds, 
cash and bank balances and deposits including accrued interest thereto with Government, 
semi-Government, local and other authorities and bodies, banks, customers and other 
Persons, insurances, the benefits of any bank guarantees, performance guarantees and 
letters of credit;

c) all permits, licenses, permissions, approvals, clearances, consents, benefits, registrations, 
rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no 
objection certificates, exemptions, concessions, subsidies, liberties and advantages 
including those relating to privileges, powers, facilities of every kind and description 
of whatsoever nature and the benefits thereto that pertain exclusively and solely to the 
Consumer Products Business;

d) all contracts, agreements, purchase orders/service orders, operation and maintenance 
contracts, memoranda of understanding, memoranda of undertakings, memoranda 
of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, 
expression of interest, letter of intent, hire and purchase arrangements, lease/license 
agreements, tenancy rights, agreements/panchnamas for right of way, equipment 
purchase agreements, agreement with customers, purchase and other agreements with 
the supplier/manufacturer of goods/service providers, other arrangements, undertakings, 
deeds, bonds, schemes, insurance covers and claims, clearances and other instruments 
of whatsoever nature and description, whether written, oral or otherwise and all rights, 
title, interests, claims and benefits thereunder exclusively and solely pertaining to the 
Consumer Products Business;

e) all applications (including hardware, software, licenses, source codes, parameterization 
and scripts), registrations, licenses, trade names, service marks, trademarks, copyrights, 
patents, domain names, designs, intellectual property rights (whether owned, licensed 
or otherwise, and whether registered or unregistered), trade secrets, research and 
studies, technical knowhow, confidential information and all such rights of whatsoever 
description and nature that in each case pertain exclusively and solely to the Consumer 
Products Business including, without limitation, the intellectual properties of the 
Demerged Company;

(f) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line 
connections and installations, utilities, electricity and other services, reserves, 
provisions, funds, benefits of assets or properties or other interests held in trusts,
registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Demerged Company and exclusively and solely pertaining to or in connection with the Consumer Products Business and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Demerged Company and exclusively and solely pertaining to the Consumer Products Business;

(g) all tax related assets, all the credits for taxes such as sales tax, service tax, CENVAT, GST, tax deduction at source, accumulated losses and unabsorbed depreciation as per books if any as well as per the IT Act enjoyed by the Demerged Company pertaining to the Consumer Products Business;

(h) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form that pertain to the Consumer Products Business;

(i) all debts, liabilities, duties, taxes and obligations of the Demerged Company pertaining to the Consumer Products Business, namely:

(i) the debts of the Demerged Company which arises out of the activities or operations of the Consumer Products Business;

(ii) specific loans and borrowings raised, incurred and utilized for the activities or operations of or pertaining to Consumer Products Business;

(iii) general and multipurpose borrowings of the Demerged Company shall be allocated to Consumer Products Business in the same proportion which the value of the assets transferred under this Scheme bears to the total value of assets of Demerged Company immediately before the demerger;

(j) all employees of the Demerged Company employed/engaged exclusively and solely in the Consumer Products Business as on the Effective Date; and

(k) all legal or other proceedings of whatsoever nature relating to the Consumer Products Business.

In case of any question that may arise as to whether any particular asset or liability and/or employee pertains or does not pertain exclusively and solely to the Consumer Products Business or whether it arises out of the activities or operations of the Consumer Products Business, the same shall be decided by mutual agreement between the Board of Directors of the Demerged Company and the Resulting Company.

1.11. “Effective Date” means the means the date on which the last of conditions referred to in Clause 8 of Part C hereof have been fulfilled.
1.12. “Governmental Approvals” means any consent, approval, authorization, waiver, permit, permission, clearance, license, exemption, no objection certificate, registration, with, of or from any Governmental Authority.

1.13. “Governmental Authority” means any government authority, statutory authority, regulatory authority, agency, government department, board, commission, SEBI, Stock Exchanges, administrative authority, tribunal or court or any authority (including authorities administering Taxes) or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, having or purporting to have jurisdiction on behalf of the Republic of India or any state or province or other political subdivision thereof or any municipality, district or other subdivision thereof or in any other nation over the Demerged Company and/or the Resulting Company, as the context may require.

1.14. “GST” means the goods and services tax.

1.15. “IT Act” means the Income-tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force.

1.16. “NCLT” means, the National Company Law Tribunal, Mumbai Bench having jurisdiction in relation to the Demerged Company and the National Company Law Tribunal, Kolkata Bench having jurisdiction in relation to the Resulting Company, or such other forum or authority as may be vested with any of the powers for approving any scheme of arrangement, compromise or reconstruction of a company under Sections 230 to 232 of the Act of the above mentioned tribunal under the Act.

1.17. “NCLT Order” means all order(s) passed by the NCLT sanctioning the Scheme and includes any orders passed by NCLT or any other Governmental Authority’s order(s) for extension of time or condonation of delay in filing of the requisite forms with the Registrar of Companies in relation to this Scheme, if applicable.

1.18. “NSE” means National Stock Exchange of India Limited.

1.19. “Parties” shall mean collectively the Demerged Company and the Resulting Company, and “Party” shall mean each of them, individually.

1.20. “Person” means any individual or other entity, whether a corporation, firm, company, joint venture, trust, association, organization, partnership or proprietorship, including any governmental agency or regulatory body.

1.21. “Record Date” means the date to be fixed by the Board of Directors of the Resulting Company in consultation with the Board of Directors of the Demerged Company, for the purpose of determining the shareholders of the Demerged Company to whom fully paid up equity shares of the Resulting Company shall be issued in consideration for the demerger of the Demerged Undertaking of the Demerged Company into the Resulting Company on a going concern basis pursuant to and as contemplated under this Scheme.

1.22. “Registrar of Companies” means the Registrar of Companies, Mumbai having jurisdiction over the Demerged Company and the Registrar of Companies, Kolkata having jurisdiction over the Resulting Company.

1.23. “Remaining Business” with respect to the Demerged Company means the business, employees, assets and liabilities of the Demerged Company other than the Demerged Undertaking.
1.24. “Resulting Company” means Tata Global Beverages Limited, a public listed company incorporated under the Companies Act, 1956 with CIN L15491WB1962PLC031425 and having its registered office at 1, Bishop Lefroy Road, Kolkata – 700020, India.

1.25. “Rupees” or “Rs.” or “INR” means the lawful currency of India.

1.26. “Scheme” or “the Scheme” or “this Scheme” means this Scheme of Arrangement in its present form or with any modification(s) approved or imposed or directed by the NCLT or any other Governmental Authorities.

1.27. “SEBI” means the Securities and Exchange Board of India.


1.29. “Stock Exchanges” means BSE, NSE and CSE collectively.

1.30. “Tax” or “Taxes” means and include any tax, whether direct or indirect, including income tax (including withholding tax, dividend distribution tax), GST, excise duty, VAT, CST, service tax, octroi, local body tax and customs duty, duties, charges, fees, levies or other similar assessments by or payable to Governmental Authority, including in relation to (i) income, services, gross receipts, premium, immovable property, movable property, assets, profession, entry, capital gains, municipal, interest, expenditure, imports, wealth, gift, sales, use, transfer, licensing, withholding, employment, payroll and franchise taxes, and (ii) any interest, fines, penalties, assessments, or additions to Tax resulting from, attributable to or incurred in connection with any proceedings or late payments in respect thereof.

2. INTERPRETATION

2.1. In addition to the above terms, certain terms may be defined elsewhere in this Scheme and wherever such terms are used in this Scheme, they shall have the meaning so assigned to them.

2.2. The terms referred to in this Scheme shall, unless defined otherwise in this Scheme or inconsistent with the context or meaning thereof, bear the meaning ascribed to them under the relevant statute/legislation.

2.3. All references in this Scheme to statutory provisions shall be construed as meaning and including references to:

(a) any statutory modification, consolidation or re-enactment made after the date of approval this Scheme by the Board of Directors of the Demerged Company and the Resulting Company and for the time being in force;

(b) all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated);

(c) all statutory instruments or orders made pursuant to a statutory provision;

(d) any statutory provisions of which these statutory provisions are a consolidation, re-enactment or modification.
2.4. Words denoting the singular shall include the plural and words denoting any gender shall include all genders.

2.5. Headings, subheadings, titles, subtitles to clauses, sub-clauses, sections and paragraphs are for information only and shall not form part of the operative provisions of this Scheme or the schedules hereto and shall be ignored in construing the same.

2.6. References to clauses, and schedules are, unless the context otherwise requires, references to clauses, and schedules to this Scheme.

2.7. Reference to days, months and years are to calendar days, calendar months and calendar years, respectively.

2.8. Any reference to “writing” shall include printing, typing, lithography and other means of reproducing words in visible form.

2.9. The words “include” and “including” are to be construed without limitation.

2.10. Where a wider construction is possible, the words “other” and “otherwise” shall not be construed ejusdem generis with any foregoing words.

3. **DATE OF TAKING EFFECT**

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT or by any Governmental Authority shall be effective from the Appointed Date but shall be operative from the Effective Date.

4. **SHARE CAPITAL**

4.1. The share capital of the Demerged Company as on March 31, 2019 is as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in INR</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Authorised:</strong></td>
<td></td>
</tr>
<tr>
<td>27,00,00,000 Ordinary Shares of Rs. 10 each</td>
<td>270,00,00,000</td>
</tr>
<tr>
<td>Total</td>
<td>270,00,00,000</td>
</tr>
<tr>
<td><strong>Issued, Subscribed and Paid-up:</strong></td>
<td></td>
</tr>
<tr>
<td>Issued Capital</td>
<td></td>
</tr>
<tr>
<td>25,48,42,598 Ordinary Shares of Rs. 10 each</td>
<td>254,84,25,980</td>
</tr>
<tr>
<td>Subscribed and Paid-up</td>
<td></td>
</tr>
<tr>
<td>25,47,56,278 Ordinary Shares of Rs. 10 each</td>
<td>254,75,62,780</td>
</tr>
<tr>
<td>Forfeited shares</td>
<td></td>
</tr>
<tr>
<td>Amount originally paid up on 86,320 forfeited shares</td>
<td>6,41,172.50</td>
</tr>
<tr>
<td>Total</td>
<td>254,82,03,952.50</td>
</tr>
</tbody>
</table>

Subsequent to the above date and till the date of the Scheme being approved by the Board of Directors of the Demerged Company, there has been no change in the authorized, issued, subscribed and paid-up capital of the Demerged Company.
4.2. The share capital of the Resulting Company as on March 31, 2019 is as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in INR</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Authorised:</strong></td>
<td></td>
</tr>
<tr>
<td>110,00,00,000 Equity Shares of Re. 1 each</td>
<td>110,00,00,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>110,00,00,000</td>
</tr>
<tr>
<td><strong>Issued, Subscribed and Paid-up:</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Issued Capital</strong></td>
<td></td>
</tr>
<tr>
<td>63,11,29,729 Equity Shares of Re. 1 each</td>
<td>63,11,29,729</td>
</tr>
<tr>
<td><strong>Subscribed and Paid-up</strong></td>
<td></td>
</tr>
<tr>
<td>63,11,29,729 Equity Shares of Re. 1 each</td>
<td>63,11,29,729</td>
</tr>
<tr>
<td><strong>Forfeited shares</strong></td>
<td></td>
</tr>
<tr>
<td>Amount originally paid up on forfeited shares</td>
<td>NIL</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>63,11,29,729</td>
</tr>
</tbody>
</table>

Subsequent to the above date and till the date of the Scheme being approved by the Board of Directors of the Resulting Company, there has been no change in the authorized, issued, subscribed and paid-up capital of the Resulting Company.
PART B
TRANSFER AND VESTING OF DEMERGED UNDERTAKING OF THE DEMERGED COMPANY INTO THE RESULTING COMPANY

1. TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING

Upon the coming into effect of this Scheme and with effect from the Appointed Date, and subject to the provisions of this Scheme and pursuant to Sections 230 to 232 of the Act, all the properties/assets (tangible and intangible assets including goodwill) and liabilities of the Demerged Undertaking will be transferred to the Resulting Company at values appearing in the books of accounts of the Demerged Company immediately before the demerger, in accordance with Section 2(19AA) of the IT Act, and the Demerged Undertaking shall, without any further act, instrument or deed, be demerged from the Demerged Company and stand transferred to and vested in and/or deemed to have been demerged from the Demerged Company and stand transferred to and vested in the Resulting Company as a going concern, for a consideration provided in Clause 2.1 of Part B, so as to become the undertaking of the Resulting Company by virtue of this Scheme and in the following manner:

1.1. All assets of the Demerged Company in relation to the Demerged Undertaking that are movable in nature and/or otherwise capable of transfer by physical or constructive delivery, novation and/or endorsement and delivery or by operation of law, pursuant to the NCLT Order, shall be vested in the Resulting Company. Upon this Scheme becoming effective, the title of such property shall be deemed to have been mutated and recognised as that of the Resulting Company, absolutely and forever.

1.2. In respect of such of the assets of the Demerged Company in relation to the Demerged Undertaking other than those referred to in Clause 1.1 of Part B above, outstanding loans and advances, if any, all kind of banking accounts including but not limited to current and saving accounts, term deposits, recoverable in cash or in kind or for value to be received, deposits, if any, with Governmental Authorities and other authorities and bodies, shall, without any further act, instrument or deed, be and stand transferred to and vested in the Resulting Company and/or be deemed to be transferred to and vested in the Resulting Company on the Appointed Date upon effectiveness of the Scheme. The Resulting Company shall upon sanction of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard.

1.3. All immovable properties of the Demerged Company in relation to the Demerged Undertaking, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Demerged Company in relation to the Demerged Undertaking, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall stand vested in and/or be deemed to have been vested in the Resulting Company, by operation of Applicable Law pursuant to the sanctioning of the Scheme and upon the Scheme becoming effective. Such assets shall stand vested in the Resulting Company and shall be deemed to be and become the property as an integral part of the Resulting Company by operation of Applicable Law. The Resulting Company shall upon the NCLT Orders sanctioning the Scheme and upon this Scheme becoming effective, be always entitled to all the rights and privileges attached in relation to such immovable properties and shall be liable to pay appropriate rent, rates and taxes and fulfill all obligations in relation thereto or as applicable to such immovable properties. Upon this Scheme becoming effective, the title to such properties shall be deemed to have been mutated and recognised as that of the Resulting Company and the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant Government Authority, if and as may be required, shall
suffice as record of continuing title with the Resulting Company and shall be constituted as a deemed mutation and substitution thereof. The Resulting Company shall subsequent to Scheme becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard. It is hereby clarified that all the rights, title and interest of the Demerged Company in relation to the Demerged Undertaking in any leasehold properties shall without any further act, instrument or deed, be vested in or be deemed to have been vested in the Resulting Company.

1.4. All the other assets, rights, title, interests and investments of the Demerged Company in relation to the Demerged Undertaking shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Resulting Company upon the coming into effect of this Scheme.

1.5. Upon the Scheme coming into effect, all debts (secured and unsecured), liabilities, bonds, debentures (including contingent liabilities), duties and obligations of every kind, nature and description of the Demerged Company in relation to the Demerged Undertaking shall without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to, and vested in, the Resulting Company, so as to become on and from the Appointed Date, the debts, liabilities, bonds, debentures (including contingent liabilities), duties and obligations of the Resulting Company on the same terms and conditions as were applicable to the Demerged Company, and further that it shall not be necessary to obtain the consent / approval of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause. Necessary modification as may be required would be carried out to the debt instrument issued by the Demerged Company in relation to the Demerged Undertaking.

1.6. Upon this Scheme becoming effective, the secured creditors (including any general purpose borrowings) of the Demerged Company in relation to the Demerged Undertaking and/or other holders of security over the properties of the Demerged Company in relation to the Demerged Undertaking shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Demerged Company in relation to the Demerged Undertaking, as existing immediately prior to the effectiveness of this Scheme and the secured creditors of the Resulting Company and/or other holders of security over the properties of the Resulting Company shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Resulting Company, as existing immediately prior to the effectiveness of this Scheme. It is hereby clarified that pursuant to this Scheme, (a) the secured creditors of the Demerged Company in relation to the Demerged Undertaking and/or other holders of security over the properties of the Demerged Company in relation to the Demerged Undertaking shall not be entitled to any additional security over the properties, assets, rights, benefits and interest of the Resulting Company and therefore, such assets which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Resulting Company; and (b) the secured creditors of the Resulting Company and/or other holders of security over the properties of the Resulting Company shall not be entitled to any additional security over the properties, assets, rights, benefits and interest of the Demerged Undertaking and therefore, such assets which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Resulting Company.

1.7. All Governmental Approvals and other consents, permissions, quotas, rights, authorizations, entitlements, no objection certificates and licenses, including those relating to tenancies, privileges, powers and facilities of every kind and description of whatsoever nature, to which the Demerged Company in relation to the Demerged Undertaking is a party or to the benefit
of which the Demerged Company in relation to the Demerged Undertaking may be entitled to use or which may be required to carry on the operations of the Demerged Company in relation to the Demerged Undertaking, and which are subsisting or in effect immediately prior to the Effective Date, shall be, and remain, in full force and effect in favour of or against the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party, a beneficiary or an oblige thereto and shall be appropriately mutated by the relevant Governmental Authorities in favour of the Resulting Company. In so far as the various incentives, service tax benefits, subsidies (including applications for subsidies), rehabilitation schemes, grants, special status, rights, and other benefits or privileges enjoyed, granted by any Governmental Authority or by any other Person, or availed of, by the Demerged Company in relation to the Demerged Undertaking are concerned, the same shall, without any further act or deed, vest with and be available to the Resulting Company on the same terms and conditions as are available to the Demerged Company in relation to the Demerged Undertaking.

1.8. All registrations, licenses, trademarks, patents, copyrights, domain names, applications for copyrights, patents, trade-names and trademarks, etc. pertaining to the Demerged Company in relation to the Demerged Undertaking, shall stand vested in the Resulting Company without any further act, instrument or deed, upon the sanction of the Scheme and upon this Scheme becoming effective.

1.9. Any third party or Governmental Authority required to give effect to any provisions of this Scheme, shall take on record the NCLT Orders sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of the Resulting Company as successor in interest, pursuant to the sanction of this Scheme by the NCLT, and upon this Scheme becoming effective. For this purpose, the Resulting Company shall file certified copies of such NCLT Order and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of Governmental Approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental Authorities for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.

1.10. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, certificates, clearances, authorities, power of attorneys given by, issued to or in favour of the Demerged Company in relation to the Demerged Undertaking shall stand transferred to the Resulting Company, as if the same were originally given by, issued to or executed in favour of the Demerged Company in relation to the Demerged Undertaking shall stand transferred to the Resulting Company, as if the same were originally given by, issued to or executed in favour of the Resulting Company, and the Resulting Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Resulting Company.

1.11. The Resulting Company shall, at any time after this Scheme coming into effect, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which the Demerged Company in relation to the Demerged Undertaking have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. The Resulting Company shall for this purpose, under the provisions hereof, be deemed to have been authorized to execute any such writings on behalf of the Demerged Company in relation to the Demerged Undertaking and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company in relation to the Demerged Undertaking.
1.12. For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure (i) implementation of the provisions of the Scheme; (ii) uninterrupted transfer of the relevant consents, approvals, patents, permissions, licenses, registrations, certificates etc.; and (iii) continued vesting of the benefits, exemptions available to the Demerged Company in relation to the Demerged Undertaking in favour of the Resulting Company, the Board of Directors of the Demerged Company and the Resulting Company shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable and the same shall be considered as giving effect to the NCLT Order(s) and shall be considered as an integral part of this Scheme.

2. CONSIDERATION

2.1. Upon the coming into effect of this Scheme, and in consideration of the transfer and vesting of the Demerged Undertaking of the Demerged Company in the Resulting Company, the Resulting Company shall, without any further application, act, instrument or deed, issue and allot to all the equity shareholders of the Demerged Company, whose names appear in the register of members as on the Record Date, 114 equity shares of the Resulting Company of INR 1/- each fully paid-up for every 100 equity shares held in the Demerged Company of INR 10/- each fully paid-up. No shares shall be issued by the Resulting Company to the extent of shares, if any, held by it or its subsidiaries in the Demerged Company.

2.2. The shares issued pursuant to Clause 2.1 of Part B above (“New Shares”), shall be issued to the shareholders of the Demerged Company in demat form, that is, dematerialized shares unless otherwise notified in writing by a shareholder of the Demerged Company to the Resulting Company on or before such date as may be determined by the Board of Resulting Company. In the event that such notice has not been received by Resulting Company in respect of any of the shareholders of Demerged Company, the equity shares, shall be issued to such shareholders in dematerialized form provided that the shareholders of Demerged Company shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event that Resulting Company has received notice from any shareholder that the equity shares are to be issued in physical form or if any shareholder has not provided the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required or if the details furnished by any shareholder do not permit electronic credit of the shares of Resulting Company, then the Resulting Company shall issue the equity shares in physical form to such shareholder or shareholders.

2.3. The New Shares to be issued by the Resulting Company in respect of the shares of the Demerged Company the allotment or transfer of which is held in abeyance under Applicable Law, shall, pending allotment or settlement of dispute by order of the appropriate court or otherwise, also be kept in abeyance in like manner by the Resulting Company.

2.4. In case any shareholder’s holding in the Demerged Company is such that such shareholder becomes entitled to a fraction of a New Share, the Resulting Company shall not issue fractional shares to such shareholders but shall consolidate such fractions and round up the aggregate of such fractions to the next whole number and issue and allot the consolidated shares directly to an authorised representative or an individual trustee or a board of trustees or a corporate trustee or a SEBI registered merchant banker, nominated by the Board of the Resulting Company in that behalf, who/which shall sell such shares in the market at such price or prices and on such time or times as he/she/it in its sole discretion decide and on such sale, shall, subject to withholding tax, distribute the net sale proceeds (after deduction of applicable
taxes and other expenses incurred) to the concerned shareholders of the Demerged Company in proportion to their respective fractional entitlements.

2.5. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of the Demerged Company, the Board of Directors of the Demerged Company, shall be empowered prior to the Record Date, to effectuate such transfers in the Demerged Company as if such changes in registered holders were operative as on the Record Date, in order to remove any difficulties arising to the transferors of the shares in relation to the New Shares after the Scheme is effected. The Board of Directors of the Demerged Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Resulting Company on account of difficulties faced in the transition period.

2.6. The New Shares issued under this Clause 2 of Part B shall be subject to the provisions of the memorandum and articles of association of the Resulting Company and shall rank pari passu in all respects with the then existing equity shares of the Resulting Company.

2.7. In the event that either of the Demerged Company and/or the Resulting Company restructure their equity share capital by way of share split / consolidation / issue of bonus shares or other corporate actions as may be undertaken in accordance with Applicable Law during the pendency of the Scheme, the issue of shares pursuant to Clauses 2.1 of Part B above, shall be adjusted accordingly to take into account the effect of any such corporate actions.

2.8. The New Shares allotted and issued in terms of Clause 2.1 of Part B above, shall be listed and/or admitted to trading on the Stock Exchanges after obtaining the requisite approvals. The Resulting Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Applicable Laws for complying with the formalities of the Stock Exchanges.

2.9. It is clarified that upon the approval of this Scheme by the shareholders of the Demerged Company and the Resulting Company under Sections 230 and 232 of the Act, the shareholders shall be deemed to have approved this Scheme under Sections 13, 14, 62 and any other applicable provisions under the Act and that no separate approval from the shareholders to that extent shall be required to be sought for the matters specified in this Scheme.

3. ACCOUNTING TREATMENT

3.1. Notwithstanding anything to the contrary herein, upon this Scheme becoming effective, the Demerged Company and the Resulting Company shall give effect to the accounting treatment in its books of account in accordance with the accounting standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015.

3.2. Accounting treatment in the books of the Demerged Company:

3.2.1 Pursuant to the Scheme coming into effect, with effect from the Appointed Date, the Demerged Company shall account for the demerger of the Demerged Undertaking in its books of account in the following manner:

(i) The Demerged Company shall transfer all the assets and liabilities pertaining to the Demerged Undertaking as on the Appointed date at the values appearing in its books of account (i.e., the book value) at the Appointed Date to the Resulting Company. Accordingly, the Demerged Company shall reduce from its books of
account, the book values appearing on such date in accordance with the provisions of Section 2(19AA) of the IT Act.

(ii) Having recorded the transfer of the assets and liabilities, as aforesaid, the Demerged Company shall make necessary adjustments for the sake of compliance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013, specifically Ind AS 10 Appendix A ‘Distribution of Non cash assets to Owners’, and shall debit the fair value of the Demerged Undertaking to the Retained Earnings/General Reserve and create a corresponding liability.

(iii) The book value of net assets derecognised at (i) above will be adjusted against the liability recognised at (ii) above. The difference, if any, shall be recognised in the Statement of Profit and Loss in accordance with Ind AS 10 Appendix A.

3.3. Accounting treatment in the books of the Resulting Company:

3.3.1. Pursuant to the Scheme coming into effect, with effect from the Appointed Date, the Resulting Company shall account for the demerger, in its books of accounts such that:

(i) The Resulting Company shall record the assets and liabilities of the Demerged Undertaking, transferred to and vested in it pursuant to this Scheme, at their respective book values as appearing in the books of account of the Demerged Company immediately before the Appointed Date in accordance with the provisions of section 2(19AA) of the IT Act;

(ii) The Resulting Company shall credit its equity share capital account with the face value of New Shares issued in accordance with Clause 2.1 of Part B.

(iii) The difference between the value of new equity shares issued under Clause 2.1 of Part B and the face value of New Shares Issued by the Resulting Company will be credited to securities premium account of the Resulting Company.

(iv) The difference between the value of new equity shares issued under Clause 2.1 of Part B and the aggregate values of Net Assets (refer sub-clause (i) above) shall be debited to goodwill or as the case may be credited to capital reserve.

(v) Having recorded the transfer of the assets and the liabilities as aforesaid and after receiving the relevant information on the fair values of assets acquired and liabilities assumed, the Resulting Company shall, to comply with the provisions of Indian Accounting Standards and more specifically Ind AS 103, ‘Business Combinations’, notified under Section 133 of the Act, read with the rules made there under and other Generally Accepted Accounting Principles, make necessary accounting adjustments, such that all identifiable assets acquired and liabilities assumed (including assets and liabilities not specifically recognized by the Demerged company in its financial statements) (“Identifiable Net Assets”) are reflected at their Appointed Date fair values within the measurement period specified in the said Ind AS 103 and corresponding adjustment shall be made to goodwill and / or capital reserve as computed in sub-clause (iv) above. Further, acquisition related costs will also be accounted in accordance with the requirements of the said Ind AS 103.
4. **TAXATION MATTERS**

4.1. Notwithstanding anything to the contrary contained in this Scheme, upon effectiveness of this Scheme:

4.1.1. the Demerged Company shall be liable for any Tax payable to Governmental Authorities under Applicable Laws relating to Tax ("Tax Laws") and shall be entitled to any refunds of Tax from Governmental Authorities under Tax Laws, which, in each case, arise from the operation or activities of the Demerged Undertaking prior to the Appointed Date, regardless of whether such payments or receipts are provided or recorded in the books of the Demerged Company and whether such payments or receipts are due or realised on, before or after the Appointed Date; and

4.1.2. the Resulting Company shall be liable for any Tax payable to Governmental Authorities under Tax Laws and shall be entitled to refunds of any Tax from Governmental Authorities under Tax Laws, which, in each case, arise from the operation or activities of the Demerged Undertaking on or after the Appointed Date, regardless of whether such payments or receipts are provided or recorded in the books of the Demerged Company and whether such payments or receipts are due or realised on, before or after the Appointed Date.

4.2. Upon effectiveness of this Scheme, all applicable Taxes paid or payable by the Demerged Company in respect of the operations and/ or the profits of the Demerged Undertaking on and from the Appointed Date, shall be on account of the Resulting Company. Upon effectiveness of this Scheme, the payment of any Tax, whether by way of deduction at source (including foreign tax credit), or otherwise howsoever, by the Demerged Company in respect of the activities or operations of the Demerged Undertaking on and from the Appointed Date, shall be deemed to have been paid by the Resulting Company, and, shall, in all proceedings, be dealt with accordingly.

4.3. Any refund of Tax paid under Tax Laws including income tax, sales tax, value added tax, service tax, GST, CENVAT or any other Tax, in relation to the operation and activities of the Demerged Undertaking prior to the Appointed Date shall belong to and be received by the Demerged Company, even if the prescribed time limits for claiming such refunds or credits have lapsed. Any refund of Tax paid under Tax Laws including income tax, sales tax, value added tax, service tax, GST, CENVAT or any other Tax, in relation to the operation and activities of the Demerged Undertaking on or after the Appointed Date shall belong to and be received by the Resulting Company, even if the prescribed time limits for claiming such refunds or credits have lapsed.

4.4. Any Tax incentives, subsidies, exemptions, special status, tax benefits (including but not limited to export incentives, credits/ incentives in respect of income tax, sales tax, value added tax, GST, turnover tax, excise duty, service tax etc.), duty drawbacks, and other benefits, credits, exemptions or privileges enjoyed, granted by a Governmental Authority or availed of by the Demerged Company shall, without any further act or deed, in so far as they relate to or are available for the operation and activities of the Demerged Undertaking on or after the Appointed Date, vest with and be available to Resulting Company on the same terms and conditions, as if the same had been allotted and / or granted and / or sanctioned and / or allowed to the Resulting Company.

4.5. Each of the Resulting Company and the Demerged Company shall be entitled to, amongst others, file/ revise its income-tax returns, TDS certificates, TDS / TCS returns, GST returns, wealth
tax returns, service tax, excise duty, sales tax, value added tax, entry tax, cess, professional tax and other statutory returns, if required, claim credit for tax deducted at source, claim for sum prescribed under section 43B of the IT Act on payment basis, claim for deduction of provisions written back by the Demerged Company and the Resulting Company previously disallowed in the hands of the Demerged Company and the Resulting Company (relating to the Demerged Undertaking) respectively under the IT Act, credit of foreign taxes paid/withheld, if any, pertaining to the Demerged Company and the Resulting Company (relating to the Demerged Undertaking) as may be required consequent to implementation of this Scheme and wherever necessary to give effect to this Scheme, even if the prescribed time limits for filing or revising such returns have lapsed without incurring any liability on the Demerged Company or Resulting Company. The Demerged Company and the Resulting Company shall also be entitled to, amongst others, obtain TDS certificates, including TDS certificates relating to transactions between or amongst the Demerged Company and the Resulting Company and shall have the right to claim refunds, advance Tax credits, input Tax credit, CENVAT credits, credits of all Taxes paid/withheld, if any, as may be required consequent to implementation of this Scheme.

4.6. Any actions taken by the Demerged Company to comply with Tax Laws (including payment of Taxes, maintenance of records, payments, returns, Tax filings, etc.) in respect of the Demerged Undertaking on and from the Appointed Date up to the Effective Date shall be considered as adequate compliance by the Demerged Company with such requirements under Tax Laws and such actions shall be deemed to constitute adequate compliance by the Resulting Company with the relevant obligations under such Tax Laws.

4.7. Any unutilized GST credits pertaining to the Demerged Undertaking and available in the electronic input GST credit ledger of Demerged Company maintained by GSTN or as per Demerged Company’s books of accounts, whichever is lower, shall, notwithstanding anything contained in this Clause, be transferred by the Demerged Company to the Resulting Company in accordance with Applicable Laws. The Demerged Company and Resulting Company shall take such actions as may be necessary under Applicable Law to effect such transfer. GST credits and GST Liability pertaining to the activities or operations of the Demerged Undertaking between the Appointed Date and the Effective Date shall, notwithstanding anything contained in this Clause be dealt with in accordance with Applicable Laws.

4.8. All liabilities under Tax Laws which relate exclusively or predominantly to the activities or operations of the Demerged Business prior to the Appointed Date shall remain the liabilities of the Demerged Company after the Effective Date, regardless of whether such liabilities arise on or after the Appointed Date. All liabilities under Tax Laws which relate exclusively or predominantly to the activities or operations of the Consumer Products Business on or after the Appointed Date shall become the liabilities of the Resulting Company upon effectiveness of the Scheme.

4.9. If the Demerged Company makes any payment to discharge any liabilities under Tax Laws that relate exclusively or predominantly to the activities or operations of the Consumer Products Business on or after the Appointed Date, the Resulting Company shall promptly pay or reimburse the Demerged Company for such payment. If the Resulting Company makes any payment to discharge any liabilities under Tax Laws that relate exclusively or predominantly to the activities or operations of the Consumer Products Business prior to the Appointed Date, the Demerged Company shall promptly pay or reimburse the Resulting Company for such payment.
5. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of the Scheme, the transfer and vesting of the Demerged Undertaking and
continuance of proceedings by or against the Resulting Company, as provided herein, shall not affect
any transactions or proceedings already concluded by the Demerged Company before the Effective
Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things
done and executed by and/or on behalf of the Demerged Company in relation to the Demerged
Undertaking as acts, deeds and things done and executed by and on behalf of the Resulting Company.

6. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

6.1. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme,
all contracts, deeds, bonds, understandings whether written or oral and other instruments, if
any, of whatsoever nature, in relation to the Demerged Undertaking, to which the Demerged
Company is a party or to the benefit of which the Demerged Company may be eligible
and which are subsisting or having effect on the Appointed Date, without any further act,
instrument or deed, shall be in full force and effect against or in favour of the Resulting
Company, as the case may be, and may be enforced by or against the Resulting Company as
fully and effectively as if, instead of the Demerged Company, the Resulting Company had
been a party or beneficiary or obligee thereto.

6.2. Without prejudice to other provisions of this Scheme and notwithstanding the fact that the
vesting of the Demerged Undertaking occurs by virtue of this Scheme itself, the Resulting
Company may, at any time after the coming into effect of this Scheme in accordance with the
provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds of
confirmation in favour of any party to any contract or arrangement, to which the Demerged
Company is a party in relation to the Demerged Undertaking, as may be necessary to be
executed in order to give formal effect to the above provisions. The Resulting Company shall
be deemed to be authorised to execute any such writings on behalf of the Demerged Company
and to carry out or perform all formalities or compliances required for the purposes referred
to above on the part of the Demerged Company.

7. LEGAL PROCEEDINGS

7.1. All legal proceedings pertaining to the Demerged Undertaking of whatsoever nature by or
against the Demerged Company pending and/or arising before the Effective Date, shall not
abate or be discontinued or be in any way prejudicially affected by reason of the Scheme
or by anything contained in this Scheme but shall be continued and enforced by or against
the Resulting Company, as the case may be, in the same manner and to the same extent as
would or might have been continued and enforced by or against the Demerged Company. It is
hereby expressly clarified that any legal proceedings by or against the Demerged Company in
relation to cheques and other negotiable instruments, payment orders received or presented for
encashment which are in the name of the Demerged Company and pertaining to the Demerged
Undertaking shall be instituted, or as the case may be, continued, by or against, the Resulting
Company after the coming into effect of the Scheme.

7.2. All legal or other proceedings pertaining to the Demerged Undertaking referred in Clause 7.1
of Part B above shall stand transferred to the name of the Resulting Company and the same
shall be continued, prosecuted, defended and enforced as the case may be by or against the
Resulting Company, to the exclusion of the Demerged Company.
8. ALTERATION TO MEMORANDUM OF ASSOCIATION OF THE RESULTING COMPANY

8.1. With effect from the Appointed Date, the main object clause of the memorandum of association of the Resulting Company shall be deemed to be altered and amended, without any further act or deed, to include the objects as required for carrying on the business activities of the Demerged Company pursuant to the applicable provisions of the Act. Accordingly, the memorandum of association of the Resulting Company shall be altered and amended.

8.2. The following clauses shall replace Clause III (7) and III (10) of the main object clause of the memorandum of association of the Resulting Company and the new Clause III(10A) shall be added to the main object clause of the memorandum of association of the Resulting Company. The revised Clause III (7) and III (10) of main object clause of the Resulting Company shall read as under:

“(7) To manufacture, produce, refine, prepare for market (whether on account of the Company or others), distill, treat, cure, submit to any process, trade, export, import, deal in, carry on the business of and for that purpose to purchase, sell, resell and repurchase and otherwise dispose of and turn to account sugar, sugarbeets, sugarcane gum, molasses, other saccharine substances, syrups, salts, vegetable oils and other products, flour, melada, chemicals, detergents, manures, oil seeds, grains, coconuts, cotton, coffee, tea, tobacco, India-rubber, balta and other gums and residual and all other produce or products and by-products and derivatives thereof and sugar candy, sweetmeats, peppermints, cubes, cardboards from Bagasse, spices and food and consumer products generally.

(10) To carry on the business as producers of, dealers in and preservers of food, foodgrains, vegetable, fruits, dairyfarms, salts and agricultural produce of all kinds and in particular, canned and preserved fruits and foodstuffs including pulses, spices and canned goods such as syrups, vinegar, assavas, sweets, condiments, baby food, fruit products, vegetables of all kind, milk, cream, butter, cheese, poultry and all allied and by-products thereof and for the purposes thereof to establish preservation centres at any place or places and to develop such and other allied businesses to give subsidies to farmers, fishermen and other persons doing such business or who can grow and/or procure necessary materials required by the Company.

(10A) To carry on the business of buyers, sellers, traders, importers, exporters, manufacturers, dealers whether by self or any third party, processors, commission agents, distributors, dealers and representatives in any legal form and also to process, produce, mix, pack, preserve, freeze, extract, refine and deal in all types of food including but not limited to confectionary, nutrition, milk and milk products, processed foods, performance nutrition, fibres, all kind of flour whether single or multi grain, health and wellness foods, protein foods, food products, agro foods, fast foods, packed foods, food grains, edible commodities, pulses or lentils whether processed or otherwise, water purifiers, water filters, systems, appliances, devices, products, methods or apparatus in relation to water dispensation, purification and treatment, value added food additive and food products, baking and cooking soda and products that contain the same including edible and nonedible applications, staples, cereals, pseudo cereals and processed derivatives thereof, spices, seasonings, ready to eat processed food products, nutritional solutions, natural, novel and processed foods, ingredients and formulations thereof, inorganic and organic materials and compounds based on novel processing and synthesis knowhow, ready to cook foods and spices, spice mixes and pastes or semi processed food products, sugar, sugar products, vegetable, ghee, edible oil, cooking oil, mineral oil, pre and pro biotic foods, sugar substitutes, natural foods, cocoa based, and other food products in and outside India.”
8.3. It is clarified that the approval of the members of the Resulting Company to this Scheme shall be deemed to be their consent/approval also to the consequential alteration of the memorandum of association of the Resulting Company and the Resulting Company in terms of Clause 8.2 of Part B above shall not be required to seek separate consent/approval of its shareholders for such alteration of the memorandum of association as required under Sections 13, 14, 61, 62 and 64 of the Act and other applicable provisions of the Act.

9. INCREASE IN AUTHORISED CAPITAL OF THE RESULTING COMPANY

9.1. Upon this Scheme becoming effective, the authorised share capital of the Resulting Company will automatically stand increased to INR 125,00,00,000 (Rupees One Hundred and Twenty-Five Crores) by simply filing the requisite forms with the Governmental Authority and no separate procedure or instrument or deed shall be required to be executed and/or process shall be required to be followed under the Act.

9.2. Consequently, the memorandum of association of the Resulting Company shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13 and 61 of the Act and other applicable provisions of the Act, as the case may be, and be replaced by the following clause:

"V. The Authorised Share Capital of the Company is Rs 125,00,00,000 (Rupees One Hundred and Twenty-Five Crores) divided into 125,00,00,000 (Rupees One Hundred and Twenty-Five Crores) Equity Shares of Re. 1 (Rupee One) each with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or condition as may be determined by or in accordance with the Articles of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of the Company and the legislative provisions for the time being in force."

9.3. Further, the articles of association of the Resulting Company shall also without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 14 and 61 of the Act and other applicable provisions of the Act, as the case may be, and the existing Clause 3A of the articles of association of the Resulting Company be replaced by the following clause:

"3A The Authorised Share Capital of the Company shall be such as may be authorized by Clause V of the Memorandum of Association of the Company from time to time."

9.4. It is clarified that the approval of the members of the Resulting Company to this Scheme shall be deemed to be their consent/approval also to the consequential alteration of the memorandum of association and articles of association of the Resulting Company and the Resulting Company shall not be required to seek separate consent/approval of its shareholders for such alteration of the memorandum of association and articles of association, as required under Sections 13, 14, 61, 62 and 64 of the Act and other applicable provisions of the Act.

10. STAFF, EMPLOYEES & WORKMEN

10.1. Upon the coming into effect of this Scheme, all the employees of the Demerged Company engaged in or in relation to the Demerged Undertaking immediately prior to the Effective Date, shall become the employees of the Resulting Company without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not
less favourable than the terms and conditions as were applicable to them immediately prior to the Effective Date.

10.2. The Resulting Company agrees that the service of all employees engaged in or in relation to the Demerged Undertaking immediately prior to the Effective Date shall be taken into account for the purpose of all retirement benefits to which they may be eligible in the Demerged Company immediately prior into coming into effect of this Scheme. The Resulting Company further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with the Demerged Company, shall also be taken into account and agrees and undertakes to pay the same as and when payable.

10.3. Upon the coming into effect of this Scheme, the Resulting Company shall make all the necessary contributions for such transferred employees engaged in or in relation to the Demerged Undertaking and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. The Resulting Company will also file relevant intimations to the statutory authorities concerned who shall take the same on record and substitute the name of the Resulting Company for the Demerged Company.

10.4. Subject to the Applicable Law, the existing provident fund, gratuity fund and pension and/or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by the Demerged Company for employees engaged in or in relation to the Demerged Undertaking, shall be continued on the same terms and conditions and will be transferred to the necessary funds, schemes or trusts of the Resulting Company without any separate act, deed or approval and till the time such necessary funds, schemes or trusts are created by the Resulting Company, all contribution shall continue to be made to the existing funds, schemes or trusts of the Demerged Company.

11. CHANGE OF NAME OF THE RESULTING COMPANY

11.1. Upon this Scheme becoming effective, the name of the Resulting Company shall stand changed to ‘Tata Consumer Products Limited’ or such other name which is available and approved by the Registrar of Companies, by simply filing the requisite forms with the relevant Governmental Authority and no separate act, procedure, instrument, or deed and registration fees shall be required to be followed under the Act.

11.2. Consequently, subject to Clause 11.1 of Part B above, Clause I of the memorandum of association of the Resulting Company shall without any act, act, procedure, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 232 and other applicable provisions of the Act, and be replaced by the following clause:

“The name of the Company is Tata Consumer Products Limited.”

11.3. It is clarified that in the event any other name than ‘Tata Consumer Products Limited’ is made available by the Registrar of Companies and is acceptable to the Board of the Resulting Company, the name of the Resulting Company shall be changed to such other name and Clause 11.2 of Part B of this Scheme shall be read and applied accordingly. It is hereby further clarified that, for the purposes of acts and events as mentioned in Clause 11.1 and 11.2 of Part B above, the consent of the shareholders of the Resulting Company to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendment and that no further resolution under Sections 13 and 14 or any other applicable provisions of the Act, would be required to be separately passed, nor any additional fees (including fees and charges
to the relevant Registrar of Companies) or stamp duty, shall be payable by the Resulting Company.

12. TREATMENT OF THE SCHEME FOR THE PURPOSES OF IT ACT

The Scheme has been drawn up to comply with the conditions relating to “Demerger” as specified under Section 2(19AA) of the IT Act. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at a later date including resulting from an amendment of Applicable Law or for any other reason whatsoever, the provisions of the said section shall prevail and the Scheme shall stand modified to the extent necessary to comply with the Section 2(19AA) of the IT Act. Such modification will however not affect other parts of the Scheme.
PART C

GENERAL TERMS & CONDITIONS

1. REMAINING BUSINESS

1.1. The Remaining Business and all the assets, liabilities and obligations relating or pertaining thereto shall continue to belong solely to and continue to be vested solely in and be managed by the Demerged Company.

1.2. All legal, tax and other proceedings by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, whether or not in respect of any matter arising before the Effective Date, which does not specifically pertain or relate to the Demerged Undertaking (including those relating to any right, power, liability, obligation or duty, of the Demerged Company in respect of the Remaining Business) shall be continued and enforced solely by or against the Demerged Company only, without any liability arising on the Resulting Company or its shareholders.

1.3. The Demerged Company shall carry on all business and activities pertaining or relating to the Remaining Business in its own name and on its own account and its own behalf in all respects.

2. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

2.1. With effect from the Appointed Date and up to and including the Effective Date:

2.1.1. the Demerged Company (with respect to the Demerged Undertaking) shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the assets for and on account of, and in trust for the Resulting Company;

2.1.2. all profits or income arising or accruing to the Demerged Company with respect to the Demerged Undertaking and all taxes paid thereon (including but not limited to tax deducted at source, taxes withheld/paid in a foreign country, etc.) or losses arising or incurred by the Demerged Company with respect to the Demerged Undertaking shall, for all purposes, be treated as and deemed to be the profits or income, taxes or losses, as the case may be, of the Resulting Company;

2.1.3. all loans raised and all liabilities and obligations incurred by the Demerged Company with respect to the Demerged Undertaking after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Resulting Company and to the extent they are outstanding on the Effective Date, shall also, without any further act or deed be and be deemed to become the debts, liabilities, duties and obligations of the Resulting Company;

2.2. Except as provided under this Scheme, from the date of the Scheme being approved by the Board of Directors of the Demerged Company and the Resulting Company and up to the Effective Date, the Demerged Company shall carry on the business of the Demerged Undertaking with diligence and prudence in the ordinary course, consistent with past practice in good faith and in accordance with Applicable Law.

2.3. The Resulting Company shall be entitled, pending the sanction of the Scheme, to apply to the Governmental Authorities concerned as are necessary under any Applicable Law for such
consents, approvals and sanctions which the Resulting Company may require to carry on the business undertaken by the Demerged Company with respect to the Demerged Undertaking and to give effect to the Scheme.

3. FACILITATION PROVISIONS

3.1. The Demerged Company and the Resulting Company shall enter into shared services agreements and long term supply agreement, as may be necessary, on such terms and conditions that may be agreed between the Demerged Company and the Resulting Company and on payment of consideration on an arm’s length basis and which is in the ordinary course of business.

3.2. It is clarified that, in respect of the arrangements contemplated in Clause 3.1 of Part C above, approval of the Scheme by the shareholders of the Demerged Company and the Resulting Company under Sections 230 to 232 of the Act shall be deemed to have their approval under applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if and to the extent required and that no separate approval of the Board or audit committee or shareholders shall be required to be sought by either of the Demerged Company and/or the Resulting Company.

4. PROPERTY IN TRUST

Notwithstanding anything contained in this Scheme, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom are transferred, vested, recorded, effected and/or perfected, in the records of the Governmental Authority (ies), regulatory bodies or otherwise, in favour of the Resulting Company, the Resulting Company is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Governmental Authority (ies) and till such time as may be mutually agreed by the Demerged Company and the Resulting Company, the Demerged Company will continue to hold the property and/or the asset, license, permission, approval as the case may be in trust on behalf of the Resulting Company.

5. APPLICATIONS TO NCLT

The Demerged Company and the Resulting Company shall simultaneously make necessary applications / petitions to the NCLT, where the registered offices of the Demerged Company and the Resulting Company are situated, for sanctioning this Scheme and all matters ancillary or incidental thereto under Sections 230 to 232 and other applicable provisions of the Act.

6. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

6.1. The Demerged Company and the Resulting Company, through their respective Board of Directors or such other person or persons as the respective Board of Directors may authorize (including any committee or sub-committee thereof):

(a) may, collectively, make and/or consent to any modifications / amendments to the Scheme or to any conditions or limitations that the NCLT or any other Governmental Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them.

(b) shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions, whether by reason of any directive or
orders of any other authorities or otherwise, arising out of or under or by virtue of the
Scheme and/or any matter concerned or connected therewith.

6.2. In case, post approval of the Scheme by the NCLT, there is any confusion in interpreting any
clause of this Scheme, or otherwise, the Board of Directors of the Demerged Company and
the Resulting Company shall have complete power to take the most sensible interpretation so
as to render the Scheme operational.

7. WITHDRAWAL OF THE SCHEME

The Demerged Company and the Resulting Company shall be at liberty to withdraw this Scheme
at any time as may be mutually agreed by the Boards of Directors of the Demerged Company and
the Resulting Company prior to the Effective Date. In such a case, the Demerged Company and the
Resulting Company shall respectively bear their own cost or as may be mutually agreed. It is hereby
clarified that except as otherwise agreed by the Demerged Company and Resulting Company in
writing, the Demerged Company and the Resulting Company shall not be entitled to withdraw the
Scheme unilaterally without the prior written consent of the other company.

8. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS

The Scheme is and shall be conditional upon and subject to the followings:

8.1. The requisite consents, no-objections and approvals of the Stock Exchanges and SEBI to the
Scheme in terms of the SEBI Circular, on terms acceptable to the Demerged Company and the
Resulting Company;

8.2. The Scheme being approved by respective requisite majorities in numbers and value of such
classes of members and creditors of the Demerged Company and the Resulting Company as
may be directed by the NCLT under Sections 230 and 232 of the Act;

8.3. The Scheme being approved by the majority of public shareholders of the Demerged Company
and the Resulting Company (by way of e-voting) as required under the SEBI Circular. The
term ‘public’ shall carry the same meaning as defined under Rule 2 of Securities Contracts
(Regulation) Rules, 1957;

8.4. The Scheme being sanctioned by the NCLTs under Sections 230 to 232 of the Act, on terms
acceptable to the Demerged Company and the Resulting Company; and

8.5. The certified copies of the NCLT Order(s) being filed with the Registrar of Companies by the
Demerged Company and the Resulting Company.

9. EFFECT OF NON-RECEIPT OF APPROVALS/SANCTIONS

The Scheme shall not come into effect unless the aforementioned conditions mentioned in Clause
8 of Part C above are satisfied and in such an event, unless each of the conditions are satisfied, no
rights and liabilities whatsoever shall accrue to or be incurred inter-se the Demerged Company
and the Resulting Company or their respective shareholders or creditors or employees or any other
Person.

10. SEVERABILITY

If any provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall
not, subject to the mutual agreement of the Demerged Company and the Resulting Company in
writing, affect the validity or implementation of the other provisions of this Scheme. If any provision
of this Scheme hereof is invalid, ruled illegal by any court or tribunal of competent jurisdiction or
unenforceable under present or future Applicable Laws, then it is the intention of the Parties that
such provision shall be severable from the remainder of the Scheme, and the Scheme shall not be
affected thereby, unless the deletion of such provision shall cause this Scheme to become materially
adverse to any Party, in which case the Parties shall attempt to bring about a modification in the
Scheme, as will best preserve for such Parties the benefits and obligations of the Scheme, including
but not limited to such provision.

11. COSTS

All costs, charges and expenses including stamp duty on any deed, document, instrument or NCLT
Orders including this Scheme or in relation to the Scheme and of carrying out and implementing the
terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance
of this Scheme shall be borne and paid by the respective Party.
IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

COMPANY PETITION NO. 4009 OF 2019 CONNECTED WITH
COMPANY APPLICATION NO. 3029 OF 2019

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER
APPLICABLE PROVISIONS OF THE COMPANIES ACT 2013

AND

IN THE MATTER OF SCHEME OF ARRANGEMENT OF TATA
CHEMICALS LIMITED AND TATA GLOBAL BEVERAGES
LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND
CREDITORS

Tata Chemicals Limited ...Petitioner Company/ Demerged Company

______________________________
SCHEME OF ARRANGEMENT

Dated this the 10th day of January 2020
In the National Company Law Tribunal
Special Bench, Mumbai

CP (CAA) No.4414/MB/C-IV/2019
connected with
CA (CAA) No.3124/MB/C-IV/2019

In the matter of
The Companies Act, 2013

And

In the matter of
In the matter of section 234 read with
sections 230 to 232 and other applicable
provisions of the Companies Act, 2013

And

In the matter of
Scheme of Amalgamation
of
Bio Energy Venture-1 (Mauritius) Pvt. Ltd
(Transferor Company)
with
Tata Chemicals Limited
(Transferee Company)
and their respective shareholders

Bio Energy Venture -1 (Mauritius) Pvt. Ltd
[Company No.C084702] .... Non-Petitioner/
Transferor Company

Tata Chemicals Limited
[CIN: L24239MH1939PLC002893] ... Petitioner/
Transferee Company

Order pronounced on 23rd April 2020
IN THE NATIONAL COMPANY LAW TRIBUNAL
SPECIAL BENCH, MUMBAI

CP (CAA) No.4414/MB/C-IV/2019
connected with CA (CAA) No.3124/MB/C-IV/2019

Coram:
Mr Rajasekhar V.K. : Hon’ble Member (Judicial)
Mr V. Nallasenapathy : Hon’ble Member (Technical)

Appearances (through video conferencing):
For the Petitioners : Mir Hemant Sethi i/b Hemant Sethi & Co, Advocates
For the Regional Director (WR) : Ms Rupa Sutar, Deputy Director

ORDER

Per: Rajasekhar V.K., Member (Judicial)

1. This Court is convened by video conference today (23.04.2020).

2. Heard learned Counsel for the Petitioner/Transferee Company and the representative of the Regional Director (Western Region), Ministry of Corporate Affairs, Mumbai. No objector has come before this Tribunal to oppose the Scheme and nor has any party controverted any averments made in the Petition.

3. The Petitioner/Transferee Company has approved the said Scheme by passing Board Resolution at their meeting held for the same on 22 March 2019 and thereafter they have approached the Tribunal by the captioned Petition for sanction of the Scheme.

4. The sanction of the Tribunal is sought under section 234, read with 230 to 232 of the Companies Act, 2013 to the Scheme of Amalgamation of a wholly-owned subsidiary, viz., Bio Energy Venture - 1 (Mauritius) Pvt. Ltd [Company No.C084702] (Transferor Company), a private company limited by shares and incorporated on 31.10.2008 under the Companies Act, 2001, of the Republic of Mauritius, and having its registered office at IFS Court, Bank Street, Twenty Eight Cybercity, Ebène 72201, Mauritius, with its holding company, viz., Tata Chemicals Limited [Corporate Identity No.L24239MH1939PLC002893] (Transferee Company) and their respective shareholders. Thus, the Scheme involves in-bound cross-border merger by absorption.
5. The Scheme envisages cross-border merger and is required to comply with the provisions of section 234 of the Companies Act, 2013 and rule 4 of the Foreign Exchange Management (Cross Border Merger) Regulations, 2018 issued by the Reserve Bank of India (RBI) issued vide Notification No.FEMA.309/2018-RB dated 20 March 2018.

6. The proviso (i) to regulation 4(1) of the said Regulations stipulates that where the foreign company is a joint venture (JV)/wholly owned subsidiary (WoS) of the Indian company, it shall comply with the conditions prescribed for transfer of shares of such JV/WoS by the Indian party as laid down in Foreign Exchange Management (Transfer or issue of any foreign security) Regulations, 2004. Further, regulation 9 ibid lays down as follows:

(1) Any transaction on account of a cross border merger undertaken in accordance with these Regulation shall be deemed to have prior approval of the Reserve Bank as required under Rule 25A of the Companies (Compromises, Arrangement and Amalgamations) Rules, 2016.

(2) A certificate from the Managing Director/Whole Time Director and Company Secretary, if available of the company(les) concerned ensuring compliance to these Regulations shall be furnished along with the application made to the NCLT under the Companies (Compromises, Arrangement and Amalgamation) Rules, 2016.

7. Learned Counsel submits that the Petitioner/Transferee Company has complied with the aforesaid guidelines and placed on record a Compliance Certificate dated 19 August 2019 from Its Managing Director and Company Secretary. As per rule 9 of the RBI Notification the aforesaid compliance amounts to deemed approval from RBI.

8. The Appointed Date of the Scheme is 01 April 2019.

9. The Petitioner/Transferee Company is a listed public company and its shares are listed on BSE Limited and National Stock Exchange of India Limited. Since the proposed Scheme involves merger between a wholly-owned subsidiary and the holding company, it is required under the SEBI Circular DIL3/CIR/2018/2 dated 3 January 2018 to file the proposed Scheme with the Securities and Exchange Board of India (SEBI) through the concerned Stock Exchanges only as a disclosure and it was not necessary to obtain prior approval to the scheme. Learned Counsel submits that the Petitioner/Transferee Company has made necessary intimations to the recognised stock exchanges in this regard.

G.S.R. 244(E) notified by the RBI (Foreign Exchange Department) in the Gazette of India, Extraordinary dated 20 March 2018
10. The Petitioner/Transferee Company is engaged in the business of Basic Chemistry Products consisting of Soda Ash and Other Bulk Chemicals and Specialty Products consisting of Nutritional Solutions, Agri Solutions and Advanced Materials. The Non-Petitioner/Transferor Company is the wholly owned subsidiary of the Petitioner/Transferee Company and is engaged in the principal activity of investment holding.

11. Learned Counsel for the Petitioner/Transferee Company states that the objective of the Scheme is to rationalise multiple foreign subsidiaries in the group to ensure optimised legal entity structure by consolidating the holding structure of the overseas direct wholly owned subsidiaries of the Petitioner/Transferee Company. It is envisaged that this will strengthen the portfolio investment, synergistic benefits, reduce multiple legal and regulatory compliances and consolidate financial management and operational resources of the overseas jurisdiction. The proposed Merger by Absorption would be beneficial from the perspective of revenue generation and cost optimisation for the Transferee Company. Hence, the Scheme is commercially and economically viable and feasible and is in fact fair and reasonable.

12. Learned Counsel further states that the Petitioner/Transferee Company has complied with all the directions contained in the order dated 24.10.2019 passed in the connected Company Application bearing CA (CAA) No.3124/MB-IV/2019 and that the present Petition has been filed in consonance with the said order.

13. This Tribunal had directed the Petitioner/Transferee Company to issue notice of the Scheme to the statutory authorities, viz., - (a) the Central Government through the office of the Regional Director (Western Region), Ministry of Corporate Affairs, Mumbai; (b) the Registrar of Companies, Mumbai; (c) RBI, (d) the Income Tax Department, Mumbai [PAN: AAACT4059M] [(i.e., Deputy Commissioner of Income Tax, Circle 2(3)(1)]; (e) SEBI, Mumbai (g) BSE Limited and (h) National Stock Exchange of India Limited. The notices were duly served upon all the statutory authorities.

14. The Learned Counsel further states that the Petitioner/Transferee Company has complied with all the requirements as per directions of this Tribunal and have filed necessary Affidavits with the Tribunal confirming such compliance. Moreover, the Petitioner/Transferee Company, undertakes to comply with statutory requirements, if any, as required under the Companies Act, 2013 and the Rules made there under as applicable.

15. The Regional Director has filed his report dated 20 February 2020, wherein it is stated that save and except as stated in paragraph IV(a) to IV(h), it appears that the Scheme is not prejudicial to the interest of shareholders and public.

16. The observations of the Regional Director as stated in paragraph IV of his Report are as under:

(a) In compliance of AS-14 (IND AS-103), the Petitioner Companies shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS-8) etc.
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(b) As per the definition of the Scheme,

“Appointed Date” for the purpose of this Scheme and for Income Tax Act, 1961, the “Appointed Date” means 01 April 2019.

“Effective Date” means the date on which the Scheme shall be deemed to be effective from Appointed Date;

In this regard, it is submitted that section 232(6) of the Companies Act, 2013 states that the scheme under this section shall clearly indicate an appointed date from which it shall be effective and the scheme shall be deemed to be effective from such date and not at a date subsequent to the appointed date. However, this aspect may be decided by the Hon’ble Tribunal taking into account its inherent powers.

Further, the Petitioners may be asked to comply with the requirements and clarified vide circular. F No.7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs.

(c) Petitioner Companies have foreign resident shareholders, therefore, the petitioner companies may be directed to comply with the guideline issued by FEMA.

(d) Petitioner/Transferee Company have to undertake to comply with section 232(3)(i) of the Companies Act, 2013 where the transferor company is dissolved, the fee if any paid by the transferor company on its authorised capital shall be set-off against any fees payable by the transferee company on its authorised capital subsequent to the amalgamation and therefore, petitioners to affirm that they comply the provisions of the section.

(e) Section 234 of the Companies Act, 2013 sub section (2) stated that “Subject to the provisions of any other law for the time being in force, a foreign company, may with the prior approval of the Reserve Bank of India, merger into a company registered under this Act or vice versa and the terms and conditions of the scheme of merger may provide, among other things, for the payment of consideration to the shareholders of the merging company in cash, or in Depository receipts, or partly in cash and partly in Depository receipts, as the case maybe, as per the scheme to be drawn up for the purpose.” In this regard it is submitted that the Transferor Company to comply with the provisions of section 234 of the Companies Act, 2013.

(f) Registrar of Companies has observed in his report dated 14.02.2020 as follows:

1. In the Company Scheme Application No. 3124/CAA/MB/2019 vide para no. 8, it is stated that there is no secured creditor in the Transferee Company whereas in the MCA Master Data several charges are shown as ‘OPEN’

2. As per rule of the Foreign Exchange Management (Cross Border Merger) Regulations 2018 (Cross Border Regulations), prior approval of RBI required in terms of rule 25A of the Companies (Compromises, Arrangement and Amalgamation) 2016.
Several complaints received against the Transferee Company which are mainly relating to non-receipt of dividend, shares, delay in transmission of shares etc. As the Transferee Company remains there, these complaints may not have any adverse implication upon the scheme.

Transferor Company has not filed e-form MGT 14.

As per MCA Master Data of the paid-up Share Capital of the Transferee company is ₹2,54,75,62,780/- and as per the Scheme the paid up Share Capital is shown as ₹2,54,82,00,000/- and does not agree with the Scheme. However, it is observed that as per the Master Data the paid up share capital of ₹2,54,75,62,780/- and as per the Scheme subscribed and fully paid up capital is ₹2,54,75,62,780/-, which fully agrees with the Scheme.

BIO ENERGY VENTURE-1 (MAURITIUS) PRIVATE LIMITED Transferor Company is foreign company incorporated under provisions of Companies Act, 2001 of the Republic of Mauritius. Further, the Registrar Office of the above-mentioned company is situated at Mauritius and does not fall within the jurisdiction of this Hon'ble Tribunal. Accordingly, similar approvals be obtained the Transferor Company in accordance with the laws of Mauritius.

As the Petitioner/Transferee Company is listed with NSE and BSE, hence the petitioner may be directed to file an affidavit to the extent it has complied with the directions issued vide letter No. DCS/AMAL/AJ/R37/1060/2017-18 dated 08.03.2018 and NSE/LIST/14769 dated 12.03.2018, by BSE and NSE respectively.

In response to the report filed by the Regional Director, the Petitioner/Transferee Company has filed affidavit in rejoinder dated 26th February 2020, clarifying as under:

(a) So far as the observation made in paragraph IV (a) of the RD’s Report is concerned, the Petitioner/Transferee Company undertakes that it will pass such accounting entries which are necessary in connection with the Scheme to comply with such Accounting Standards notified under section 133 of the Companies Act, 2013 as may be applicable (including Ind AS 103 and Ind AS-8).

(b) So far as observations in paragraph IV (b) of the RD’s Report is concerned, the Petitioner/Transferee Company confirms that the Appointed Date is 1st April 2019 and the Scheme will be effective from the said Appointed Date. Further, the Petitioner/Transferee Company has also undertaken to comply with the requirements as per circular No.7/12/2019- CL.I dated 21.08.2019 issued by the Ministry of Corporate Affairs.

(c) So far as observation in paragraph IV (c) of the RD’s Report is concerned, the Petitioner/Transferee Company submitted that it will comply with the guidelines of the FEMA guidelines pertaining to the foreign resident shareholders.
(d) So far as observation in paragraph IV (d) of the RD’s Report is concerned, the Petitioner/Transferee Company submitted that the Scheme does not entail any consolidation in authorised capital pursuant to the said merger. Further, the Transferor Company, viz., Bio Energy Venture-1 (Mauritius) Pvt Ltd., which is being dissolved pursuant to the proposed scheme, is a foreign company incorporated under the laws of Republic of Mauritius. Hence, there is no fees being set-off in the proposed Scheme.

(e) So far as observation in paragraph IV (e) of the RD’s Report is concerned, the Petitioner/Transferee Company submitted that the proposed merger is between a foreign wholly-owned subsidiary with its holding company (registered in India). Pursuant to the scheme, there are no shares being issued as part of consideration to the said merger and hence the scheme is in compliance with the provisions of section 234 of the Companies Act, 2013.

(f) So far as observation in paragraph IV (f) of the RD’s Report is concerned, the Petitioner/Transferee Company submitted the following responses to the queries raised by the Registrar of Companies:

(1) As far as the observations made in paragraph IV (f)(1) of the Report of the Registrar of Companies is concerned, the Petitioner/Transferee Company submitted that there are no secured creditors subsisting (as mentioned in the company application). The Petitioner/Transferee Company clarified that the details of charges appearing on the MCA Portal from S.No.9 to S.No.30 pertain to charges that were created in the years prior to 2006. These charges were duly satisfied and discharged with the respective creditors (banks, financial institutions) before 2006. The Charges from Sr. No. 1 to Sr. No. 8 aggregate to ₹765 crores and represent charges created on account of a working capital facility. However, the Company has not utilised any of the working capital sanctions and hence the secured creditors continue to be Nil.

(2) As regards the charges shown on MCA portal, it is hereby submitted that the Company has closed 23 open charges aggregating to ₹247.54 crores in the past three years which were appearing open on the MCA portal. Necessary challans for the forms filed for satisfaction of charges were provided. Further, as regards the charges which are open on the MCA Portal, the Company is taking necessary steps to obtain a ‘No Due Certificate’ from the respective bankers to have them deleted from the MCA Portal. It may be noted that since the Scheme of Merger involves absorption of a wholly-owned subsidiary, the existence of a Charge, if any, does not affect the Merger.

(3) As far as the observations made in paragraph IV (f) (2) of the Report of the Registrar of Companies is concerned, the Petitioner/Transferee Company submitted that the Scheme envisages cross border merger under the provisions of section 234 of the Companies Act, 2013 read with rule 25A of the Companies (Compromises, Arrangements and Amalgamations), 2016 and the Reserve Bank of India guidelines issued vide Notification No. FEMA, 309/2018-RB dated 20 March 2018 known as Foreign Exchange Management (Cross Border Merger) Regulations, 2018. Since the proposed merge is between a wholly-owned subsidiary with its holding company,
the requirement for prior approval from RBI is not applicable. In this regard, the Petitioner/Transferee Company has complied with the said regulations and placed on record the Compliance Certificate dated 19 August 2019 from the Managing Director and Company Secretary of the Petitioner/Transferee Company.

(4) As far as the observations made in paragraph IV (f) (3) of the Report of the Registrar of Companies is concerned, the Petitioner/Transferee Company submitted that on receipt of letter dated December 4, 2019 bearing No. ROC/IPC/PBG/2019/2953 from the Registrar of Companies, regarding the pending complaints, the Petitioner/Transferee Company, has vide its letter dated December 16, 2019 provided an update on the status of each such complaint along with enclosures evidencing that the complaints have been resolved.

(5) As far as the observations made in paragraph IV (f) (4) of the Report of the Registrar of Companies is concerned, the Transferor Company is not registered under the provisions of the Companies Act in India and hence the requirement of filing Form MGT 14 is not applicable to the Transferor Company. The Petitioner/Transferee Company has filed e-form MGT 14 with the Registrar of Companies on 20 April 2019 under SRN H53102331.

(6) As far as the observations made in paragraph IV (f) (5) of the Report of the Registrar of Companies is concerned, the Petitioner/Transferee Company submitted that under Part II of the Scheme, the amount of Issued Capital is shown as ₹254.84 crores, the Subscribed and Paid-up Capital of the Petitioner/Transferee Company is shown as ₹254.76 crores which corresponds to the following full figures:

<table>
<thead>
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<th>Particulars</th>
<th>Amount (in rupees)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issued Capital</td>
<td></td>
</tr>
<tr>
<td>25,48,42,598 Ordinary Shares of ₹10/- each</td>
<td>254,84,25,980</td>
</tr>
<tr>
<td>Subscribed and Paid-up Capital</td>
<td></td>
</tr>
<tr>
<td>25,47,56,278 Ordinary Shares of ₹10/- each</td>
<td>254,75,62,780</td>
</tr>
</tbody>
</table>

The total of ₹254.82 crore (inclusive of the forfeited shares) is only for presentation purpose and does not describe the Subscribed and Paid-up Capital of the Petitioner/Transferee Company.

(g) As far as the observations made in paragraph IV (g) of the RD’s Report is concerned, the Petitioner/Transferee Company submitted that the Transferor Company - Bio Energy Venture-1 (Mauritius) Pvt. Ltd., shall undertake to comply with the laws of Mauritius towards its dissolution pursuant to the proposed merger.
(h) As far as the observations made in paragraph IV (h) of the RD’s Report is concerned, the Petitioner/Transferee Company submitted that as the Scheme involves merger of a wholly owned subsidiary, the provisions of SEBI Circular No.CFD/DIL3/CIR/2017/21 dated March 10, 2017 is not applicable. The Petitioner/Transferee Company has filed copies of the draft Scheme with BSE Limited vide email dated July 22, 2019 and the National Stock Exchange of India Limited vide email dated July 23, 2019.

(i) The Regional Director has filed his Supplementary Report dated 3rd March 2020 and has commented that the replies of the Petitioner/Transferee Company appear to be satisfactory.

18. The clarifications/ undertakings given by the Petitioner/Transferee Company as stated in paragraph 17 are hereby accepted. The affidavit in rejoinder filed by the Petitioner and the Supplementary report filed by the Regional Director in response to the said affidavit, are also accepted by the Tribunal.

19. From the material on record, the Scheme appears to be fair and reasonable and is not in violation with any provisions of law and is not contrary to public policy.

20. The Reserve Bank of India has not made any representation. However, vide letter dated 23 December 2019 addressed to this Tribunal, it has indicated that the statutory authority is not inclined to vet the proposed Scheme of merger by absorption on individual basis. RBI has stated that the Petitioner/Transferee Company is required to abide by the applicable rules and regulations.

21. Perusing the communication and considering the compliance certificates presented by the Petitioner/Transferee Company and considering the fact that RBI has not raised any specific objection with regard to the issue of prior approval to the proposed Scheme, we are of the view that there is implied Deemed Approval to the Scheme by RBI in terms of regulation 9 of the Cross-Border Regulations ibid. Nevertheless, the petitioner/Transferee Company is hereby directed to comply with all applicable rules and regulations under FEMA and other RBI guidelines.

22. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.

23. Since all the requisite statutory compliances have been fulfilled, the Company Petition in CP (CAA) No.4414/MB-IV/2019 filed by the Petitioner/Transferee Company is made absolute in terms of prayer clause iv(a) to (b) of the Petition.

24. The Scheme is sanctioned with the Appointed Date fixed as April 1, 2019.

25. The Petitioner/Transferee Company shall file necessary applications with the authorities concerned in the Republic of Mauritius to ensure that the Non-Petitioner/Transferor Company, which is amenable to the laws of Mauritius, is dissolved without going through the process of winding up, consequent upon sanction of the Scheme by this Tribunal.
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SPECIAL BENCH, MUMBAI

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connected with CA (CAA) No.3124/MB/C-IV/2019

26. The Petitioner/Transferee Company is directed to lodge a certified copy of this Order and the Scheme with the concerned Superintendent of Stamps, within sixty working days from the date of receipt of certified copy of order, for adjudication of stamp duty payable, if any, on the above.

27. The Petitioner/Transferee Company is directed to lodge a certified copy of this Order along with a copy of the Scheme with the concerned Registrar of Companies, electronically in Form INC-28 within 30 days from the date of issue of the order by the Registry, duly certified by the Deputy/Assistant Registrar of this Tribunal.

28. All concerned regulatory authorities to act on a copy of this Order duly certified by the Deputy/Assistant Registrar of this Tribunal, along with a copy of the Scheme.

29. Any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary.

30. Pronounced today (23.04.2020) in Open Court. File be consigned to records.

Sd/-
V. Nallasenapathy
Member (Technical)
23.04.2020

Sd/-
Rajasekhar VK
Member (Technical)
1. **PREAMBLE**

1. This Scheme of Merger by Absorption is presented under section 234 read with section 230-232 and other relevant provisions of the Companies Act, 2013 as Scheme of Merger by Absorption (“the Scheme”) between Bio Energy Venture-1 (Mauritius) Pvt. Ltd. (hereinafter referred to as “the Transferor Company” or “the Amalgamating Company” or “Bio Energy Venture-1”) and Tata Chemicals Limited (hereinafter referred to as “the Transferee Company” or “the Amalgamated Company” or “TCL”) and the dissolution of Transferor Company without winding up.

2. Bio Energy Venture-1 (“the Transferor Company”) is an unlisted private company limited by shares, incorporated under the provisions of Companies Act 2001 of the Republic of Mauritius, on 31 October 2008 having its Registered Office at IFS Court, Bank Street, Twenty Eight, Cyber city, Ebene 72201, Mauritius. The principal activity of the Transferor Company is that of investment holding.

3. TCL (“the Transferee Company”) is a public listed company and its shares are listed on the BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) and has its registered office at Bombay House, 24 Homi Mody Street, Fort, Mumbai 400001, India. It is engaged in diversified businesses dealing in inorganic chemicals, consumer and nutritional solutions business.

4. The Transferor Company is a wholly owned subsidiary of Transferee Company registered under Mauritius laws.

5. This Scheme is in the interest of the Transferor and Transferee Companies, their shareholders and/or creditors.

2. **RATIONALE FOR THE SCHEME**

The key objectives of the Merger are as follows:

1. Proactively rationalizing multiple foreign subsidiaries in the group to ensure optimised legal entity structure more aligned with the business by reducing the number of legal entities and reorganising the legal entities in the group structure so as to strengthen the business, faster decision making, significant cost savings and / or simplification benefits.

2. Significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the Transferor Company and the Transferee Company. The proposed Scheme shall also
enable the Transferor Company to address competitive regulatory environment, risks and policies, better management, ability to strategies the remaining business for long term growth, consolidation and creation of shareholder’s value.

3. The Merger will help in elimination of administrative functions and multiple record-keeping, thus reducing expenditure considerably.

4. The Scheme is presented under section 234 read with section 230-232 and other applicable provisions of the Companies Act, 2013 in India and applicable laws in Mauritius, for merger of Transferor Company with the Transferee Company.

5. Accordingly, this Scheme provides for Merger by Absorption of the Transferor Company with Transferee Company.

For sake of convenience, the Scheme is divided into following parts. The various parts of the Scheme shall be deemed to have taken effect in following sequence:

1. PART I - deals with Definitions.

2. PART II - deals with Capital Structure of the Transferor Company and Transferee Company.

3. PART III - deals with Merger by Absorption of the Transferor Company with the Transferee Company.

4. PART IV - deals with the Accounting Treatment for the merger in the books of Transferee Company.

5. PART V - deals with the general terms and conditions that would be applicable to the entire Scheme.

6. PART VI - deals with other terms and conditions.

In addition to the above, the Scheme also provides for various other matters consequential or otherwise integral to it.

PART I - DEFINITIONS

In this Scheme unless inconsistent with the subject or context, the following expressions shall have the following meanings:

1. “Act” or “the Act” means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force.

1.2 “Applicable Law(s)” means any statute, notification, bye laws, rules, regulations, guidelines, rules or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions law enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force.

1.3 “Appointed Date” for the purpose of this Scheme and for Income Tax Act, 1961, the “Appointed Date” means 01 April 2019.

1.4 “Appropriate Authority” means any governmental, statutory, regulatory, departmental or public body or authority of the relevant jurisdiction, including Securities and Exchange and Board of India (SEBI), Stock Exchanges, Registrar of Companies, Regional Director, National Company Law Tribunal (NCLT), Reserve Bank of India (RBI) or such other competent authorities as may be applicable in relation to India and relevant competent authorities in relation to Mauritius.
1.5 “Board of Directors of the Transferee Company” shall mean the Board of Directors of Tata Chemicals Limited, any committee(s) constituted / to be constituted by the Board of Directors of the Transferee Company or any other person authorized / to be authorized by the Board of Directors of the Transferee Company or any committee thereof to exercise its powers including the powers in terms of this Scheme;

1.6 “Board of Directors of the Transferor Company” shall mean the Board of Directors of Bio Energy Venture-1 (Mauritius) Pvt. Ltd., any committee(s) constituted / to be constituted by the Board of Directors of the Transferor Company or any other person authorized / to be authorized by the Board of Directors of the Transferor Company or any committee thereof to exercise its powers including the powers in terms of this Scheme;

1.7 “Effective Date” means the date on which the Scheme shall be deemed to be effective from the Appointed Date.

1.8 “IT Act” means the Income Tax Act, 1961 and rules made there under and shall include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force

1.9 “Listing Regulations” means the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 and shall include any statutory modification, amendment, and re-enactment thereof for the time being in force or any act, regulations, rules, guidelines, etc., that may replace such regulations.

1.10 “Mauritius Law” means the Companies Act 2001 of the republic of Mauritius or any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force or any other applicable rules and regulations of the republic of Mauritius.

1.11 “NCLT” means National Company law Tribunal of Judicature at Mumbai empowered to sanction the Scheme as per the provisions of the Act.

1.12 “Relevant Jurisdiction” means the territories of the Republic of India and Mauritius.

1.13 “Rules” means the Companies (Compromises, Arrangements and Amalgamations) Rules 2016 issued under the Act, as amended from time to time.

1.14 “SEBI” means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act 1992.


1.16 “Scheme” or “the Scheme” or “this Scheme” means the Scheme of Merger by Absorption or Scheme of Amalgamation in its present form submitted to NCLT or any Appropriate Authority in the Relevant Jurisdiction for its sanction with or without any modification(s) / amendment(s) as may be directed by the NCLT or any Appropriate Authority in the Relevant Jurisdiction.

1.17 “Stock Exchanges” shall mean the BSE Limited and National Stock Exchange of India Limited collectively.

1.18 “Transferee Company” or “TCL” shall mean Tata Chemicals Limited, a public listed company listed on stock exchanges in India incorporated on 23 January 1939 under the Companies Act 1913 and having its registered office at Bombay House, 24 Homi Mody Street, Fort, Mumbai 400001, India.

1.20 “Undertaking” shall mean an include the whole of the undertaking of the Transferor Company, as a going concern, including their businesses, all secured and unsecured debts, liabilities, duties and obligations and all the assets, properties, rights, titles and benefits, current assets, non-current assets, current liabilities, non-current liabilities, investments including investments in overseas entities and related parties, reserves, provisions, funds, licenses, registrations, copyrights, patents, trade names, trademarks and other rights and licenses in respect thereof, applications for copyrights, patents, trade names, trademarks, pre-qualifications, track record, experience, goodwill and all other rights, leases, licenses, tenancy rights, premises, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, software, office equipment, telephones, telexes, facsimile connections, internet connections, communication facilities, equipment and installations and utilities, electricity, water and other service connection, benefit of agreements, contracts and arrangements, powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, tax losses, brought forward tax losses, tax credits (including but not limited to credits in respect of income tax, sales tax, value added tax, turnover tax, service tax, GST, MAT etc.), software license, Domain / Websites etc. in connection / relating to the Transferor Company and other claims and powers, of whatsoever nature and wherever situated by the Transferor Company, as on the Appointed Date.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as prescribed to them under the Act and other applicable laws, rules, regulations and byelaws as the case may be, including any statutory modification or re-enactment thereof from time to time.

PART II — CAPITAL STRUCTURE OF THE TRANSFEROR AND TRANSFEEER COMPANIES

The Authorised and the Issued, Subscribed and Paid up Share Capital of the Transferor Company and Transferee Company as per their respective latest available Un-Audited Balance Sheet as on 31 December 2018 are as under:

The share capital of Tata Chemicals Limited, the Transferee Company as of 31 December 2018 is as under:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 December 2018</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Nos.</td>
</tr>
<tr>
<td>Share Capital</td>
<td></td>
</tr>
<tr>
<td>Authorized:</td>
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<tr>
<td>Equity Shares of Rs. 10/- each</td>
<td>27,00,00,000</td>
</tr>
<tr>
<td>Issued:</td>
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</tr>
<tr>
<td>Equity Shares of Rs. 10/- each</td>
<td>25,48,42,598</td>
</tr>
<tr>
<td>Subscribed and fully paid-up:</td>
<td></td>
</tr>
<tr>
<td>Equity Shares of Rs. 10/- each</td>
<td>25,47,56,278</td>
</tr>
<tr>
<td>Forfeited shares:</td>
<td></td>
</tr>
<tr>
<td>Amount originally paid-up on Forfeited shares</td>
<td>86,320</td>
</tr>
<tr>
<td>Total</td>
<td>25,48,42,598</td>
</tr>
</tbody>
</table>
The share capital of Bio Energy Venture-1 (Mauritius) Pvt. Ltd., the Transferor Company as of 31 December 2018 is as under:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31 December 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Nos.</td>
</tr>
<tr>
<td>Share Capital</td>
<td></td>
</tr>
<tr>
<td>Ordinary Shares of USD 1 each</td>
<td>57,53,81,426</td>
</tr>
<tr>
<td>Non Cumulative Redeemable Preference shares of USD 100 each</td>
<td>15,00,014</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>57,688,1401</strong></td>
</tr>
</tbody>
</table>

Subsequent to the aforementioned period, there are no changes in the Capital Structure of the Transferee as well as Transferor Company. The Transferee Company holds 100% of the share capital of the Transferor Company.

**PART III - MERGER BY ABSORPTION OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY**

1. **TRANSFER AND VESTING**

The Undertaking shall be transferred to and vested in or deemed to be transferred to and vested in the Transferee Company in the following manner:

1.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, the whole of the Undertaking of the Transferor Company as defined in Clause 1.20 of Part I of the Scheme comprising its businesses, all assets and liabilities of whatsoever nature and wheresoever situated, shall, under the provisions of Section 234 read with Sections 230-232 and all other applicable provisions, if any, of the Act and pursuant to the order(s) of NCLT sanctioning this Scheme and upon compliance with the process specified in Clause 9 of Part III of the Scheme and without any further act or deed (save as provided in sub-clauses 1.2, 1.3 and 1.4 below), be transferred to and vested in and / or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as from the Appointed Date, the undertaking of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Company therein.

1.2 All the movable assets including cash in hand, if any, of the Transferor Company, capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company. Such delivery shall be made on a date mutually agreed upon between the Board of Directors of the Transferor Company and the Transferee Company.

1.3 In respect of movables other than those specified in sub clause 1.2 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances the following modus operandi for intimating to third parties shall to the extent possible be followed:

The Transferor Company shall also give notice in such form as it may deem fit and proper to each person, debtor, advance that pursuant to the NCLT having sanctioned the Scheme or any Appropriate Authority of the Relevant Jurisdiction, the said debt, loan, advance or deposit be paid or made good or held on account of the Transferee Company and that the right of the Transferor Company to recover or realize the same stands extinguished.
1.4 With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether disclosed or not in the balance sheet of the Transferor Company shall also, under the provisions of Section 234 read with Sections 230-232 and all other applicable provisions, if any, of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.

However, the Transferee Company may, at any time, after the coming into effect of this Scheme in accordance hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the creditors of the Transferor Company or in favour of any other party to contract or arrangement to which the Transferor Company is a party or any writing, as may be necessary, in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company as well as to implement and carry out all such formalities and compliances referred to above.

1.5 To the extent allowed under applicable laws, all statutory licences, permissions, approvals or consents, certificates, clearances, authorities (including for the operations of bank accounts), power of attorneys to carry on the operations of the Transferor Company shall stand transferred to and vested in the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and merger of the Transferor Company pursuant to this Scheme. The benefits of all statutory and regulatory permissions or other licences and approvals or consents shall vests in and become available to the Transferee Company pursuant to this Scheme. In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed, granted by any Government body, local or regulatory authority or by any other person and availed of by the Transferor Company are concerned, the same shall vest with, and be available to, the Transferee Company on the same terms and conditions.

1.6 Loans or other obligations, if any, due between the Transferor Company and the Transferee Company shall stand discharged and there shall be no liability in that behalf. In so far as any shares, securities, debentures or notes issued by the Transferor Company, and held by the Transferee Company, the same shall stand cancelled as on Effective Date, and shall have no effect and the Transferor Company, shall have no further obligation outstanding in that behalf.

1.7 All taxes of any nature, duties, cess or any other like payments or deductions made by the Transferor Company to any Appropriate Authorities as per the Mauritius Laws, relating to the period after the Appointed Date and up to the Effective Date shall be deemed to have been on account of and on behalf of the Transferee Company and the relevant Appropriate Authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon coming into effect of this Scheme and upon relevant proof and documents being provided to the said Appropriate Authorities.

1.8 Where any of the liabilities and obligations / assets attributed to the Transferor Company on the “Appointed Date” has been discharged / sold by the Transferor Company after the “Appointed Date” and prior to the “Effective Date” subject to Clause 6.3 of this scheme, such discharge / sale shall be deemed to have been for an on behalf of the Transferee Company.
2. **LEGAL PROCEEDINGS**

2.1 Upon coming into effect of the Scheme, all suits, actions and proceedings of whatsoever nature by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and/or be enforced by or against the Transferee Company as effectually and in the same manner and extent as if the same had been instituted and/or pending and/or arising by or against the Transferee Company.

2.2 After the Appointed Date and till the Effective Date, if proceedings are taken against the Transferor Company, in respect of matters referred to above, it shall defend the same in accordance with the advice of, and at the cost of, the Transferee Company.

2.3 The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company to the extent permissible under the Mauritius Laws referred in Clause 2.1 above transferred into its name and to have the same continued, prosecuted, and enforced by or against the Transferee Company to the exclusion of the Transferor Company.

3. **CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS**

3.1 Upon this Scheme becoming effective, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company is a party subsisting or having effect on the Effective Date, shall be, in full force and effect, against or in favour of the Transferee Company, and may be enforced as fully and as effectively as if instead of the Transferor Company, the Transferee Company had been a party thereto. The Transferee Company shall enter into and / or issue and / or execute deeds, writings or confirmation or enter into any tripartite arrangement, confirmations or novations to which the Transferor Company as the case may be will, if necessary, also be party in order to give formal effect to the provisions of this clause, if so required or become necessary.

3.2 As a consequence of the merger of the Transferor Company with the Transferee Company in accordance with this Scheme, the recording of change in name from the Transferor Company, as the case may be, to the Transferee Company, whether for the purposes of any license, permit, approval or any other reason, or whether for the purpose of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority without the requirement of payment of any transfer or registration fee or any other charge or imposition whatsoever.

3.3 For the removal of doubts, it is expressly made clear that the dissolution of the Transferor Company without the process of winding up as contemplated hereinafter, shall not, except to the extent set out in the Scheme, affect the previous operation of any contract, agreement, deed or any instrument or beneficial interest to which the Transferor Company is a party thereto and shall not affect any right, privilege, obligations or liability, acquired, or deemed to be acquired prior to Appointed Date and all such references in such agreements, contracts and instruments to the Transferor Company shall be construed as reference only to the Transferee Company with effect from the Appointed Date.

4. **EMPLOYEES**

4.1 Upon the coming into effect of this Scheme, all staff, workmen and employees (temporary and permanent), if any, of the Transferor Company who are in service on the Effective Date, shall become the staff, workmen and employees of the Transferee Company on such date without any break or interruption in their service and on the terms and conditions not less favourable than the terms and conditions on which they are engaged by the Transferor
Company, (including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans, superannuation plans and other retirement benefits) as on the Effective Date.

4.2 It is expressly stated that the Transferee Company agrees that the services of all such employees with the Transferor Company up to the Effective Date shall be taken into account for the purposes of all retirement benefits to which they may be eligible in the Transferor Company on the Effective Date.

4.3 It is expressly provided that as far as the provident fund, gratuity fund, superannuation fund or any other special fund or schemes created, participated in or existing for the benefit of the staff, workmen and employees of the Transferor Company is concerned, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever related to the administration or operation of such schemes or funds or in relation to the obligation to make contributions to the said funds in accordance with provisions of such schemes and funds as per the terms provided in the respective trust deeds or other documents. It is the aim and intent that all the rights, duties, powers and obligations of the respective Transferor Company in relation to such funds/ schemes shall become those of the Transferee Company. It is clarified that the services of the staff, workmen and employees of the Transferor Company will be treated as having been continuous for the purpose of the aforesaid funds, schemes, benefits, plans or provisions and shall be taken into account.

4.4 The Transferee Company shall continue to abide by any agreements(s)/ settlement(s) entered into by the Transferor Company with any of the employees of the Transferor Company. The Transferee Company agrees that for the purpose of payment of any retrenchment, compensation, gratuity and other terminal benefits, the past services of such employees with the Transferor Company shall also be taken into account, and further agrees and undertakes to pay the same as and when payable.

4.5 The Board of Directors of Transferor and Transferee Company shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the permission of this Clause.

5. **SAVING OF CONCLUDED TRANSACTIONS**

The transfer of undertaking under Clause 1 above, the continuance of proceedings by or against the Transferee Company under Clause 2 above, and the effectiveness of contracts and deeds under Clause 3 above shall not affect any transaction or proceedings or contracts or deeds already included by the Transferor Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

6. **CONDUCT OF BUSINESS OF THE TRANSFEROR COMPANY TILL EFFECTIVE DATE**

With effect from the Appointed Date and up to and including the Effective Date:

6.1 The Transferor Company shall carry on, and be deemed to have been carrying on, all business activities and shall be deemed to have been held for and on account of, and in trust for, the Transferee Company.
6.2 All profits or income or income tax accruing or arising to the Transferor Company, or losses arising or expenditure incurred by them, on and from Appointed Date up to the Effective Date, shall for all purposes be treated as, and be deemed to be treated as the profits or income or losses or expenditure or income tax of the Transferee Company.

6.3 The Transferor Company shall carry on their business activity with proper prudence and diligence and shall not, without prior written consent of the Transferee Company, alienate, charge or otherwise deal with or dispose off any part of the undertaking (except in ordinary course of business or pursuant to any pre-existing obligations undertaken by the Transferor Company prior to the Appointed Date).

6.4 Where any liabilities and obligations attributed to the Undertaking are discharged by the Transferor Company on or after the Appointed Date, but before the Effective Date, such discharge shall be deemed to have been for and on behalf of the Transferee Company.

7. CONSIDERATION

The Transferor Company is a wholly owned subsidiary of the Transferee Company and the entire share capital of the Transferor Company as mentioned in Part II of the Scheme are held by Transferee Company. Hence, upon this Scheme becoming effective, all Ordinary Shares and Non Cumulative Redeemable Preference Shares held by the Transferee Company and its nominees as on the Effective Date in the Transferor Company shall be cancelled and extinguished without any further act or deed and no new shares shall be allotted by the Transferee Company to any person whatsoever in consideration for this Scheme of Merger by Absorption. The said cancellation of existing share capital of the Transferor Company shall be effected as an integral part of this Scheme.

8. DATE OF TAKING EFFECT

The Scheme shall be deemed to be operative from the Appointed Date.

9. PROCEDURE RELATING TO THE TRANSFEROR COMPANY UNDER THE LAWS OF MAURITIUS

9.1 The transferor company was incorporated under the Mauritius Companies Act in Mauritius pursuant to the Financial Services Act 2007.

9.2 In terms of Mauritius Laws, Authorized Company can merge with one or more companies incorporated under the laws of the jurisdiction other than Mauritius and where the merger is permitted by the laws of such jurisdiction. Accordingly, the Transferor Company will ensure necessary compliance as may be required under the laws of Mauritius for the merger of the Transferor Company with the Transferee Company.

9.3 In terms of paragraph 4(2) (a) of the part II of the Fourteenth Schedule of the Mauritius Companies Act, the Transferor Company is required to comply with the laws of Mauritius and the Transferee Company will have to comply with the laws of India regarding the merger of Transferor Company with the Transferee Company.

9.4 In terms of paragraph 4(2) (b) of the part II of the fourteenth schedule of the Mauritius Companies Act, the Transferee Company being incorporated under the laws of a jurisdiction other than that of Mauritius, must submit the following to the Registrar of Companies in Mauritius (“ROC Mauritius”) in relation to the merger of the Transferor Company with the Transferee Company:
a) An agreement that a service of process may be effected on it in Mauritius in respect of proceedings for the enforcement of any claim, debt, liability or obligation, if any of a constituent company, (being the Transferor Company) incorporated under the Mauritius Companies Act or in respect of proceedings for the enforcement of the rights of a dissenting member of the constituent company incorporated under the Mauritius Companies Act against the surviving company (being the Transferee Company) or the Consolidated Company.

b) An irrevocable appointment of the registrar of the Transferor Company as its agent to accept the service of process in proceedings referred to in sub clause (a) above.

c) An agreement that the Transferee Company shall promptly pay to the dissenting members, if any, of the constituent company (being the Transferor Company) incorporated under the Mauritius Companies Act, the amount if any, to which they are entitled under the Mauritius Companies Act, with respect to the rights of the dissenting members. However, there is no dissenting member since the scheme has been approved by the sole shareholder of the Transferor Company and therefore this provision does not apply; and

d) A certificate of merger or consolidation issued by the appropriate authority of the foreign jurisdiction (i.e an order passed by the NCLT approving the Scheme) where it is incorporated.

9.5 Based on the above and given that there is no dissenting member of any constituent company (being the Transferor Company) incorporated under the Mauritius Companies Act, the Transferee Company will confirm in writing to ROC Mauritius that (a) there is no such dissenting member and (b) Transferee Company shall irrevocably appoint the administrator (process agent) of the Transferor Company, SANNE Mauritius, on behalf of the Transferee Company to accept service of process in respect of proceedings for enforcement of any claim, debt, liability or obligation of the Transferor Company, if any.

9.6 In term of Section 247 and 248 of the Mauritius Companies Act:

(a) the Board of Directors of the Transferor Company shall approve the merger, which resolution shall further provide for the following matters:

(i) the shares of Transferor Company shall be cancelled without payment or other consideration;

(ii) the constitution of the amalgamated company shall be the same as the constitution of the Transferee Company; and

(iii) the Board is satisfied on reasonable grounds that the amalgamated company shall, immediately after the amalgamation becomes effective, satisfy the solvency test.

(b) The Board of Directors of the Transferor Company shall, not less than 28 days before the amalgamation is proposed to take effect give written notice of the proposed amalgamation to every secured creditor of the Transferor Company; and

(c) such instruments, certificates or other documents as required under the Mauritius Companies Act shall be filed with the ROC Mauritius.
9.7 In terms of paragraph 4(3) of the part II of the Fourteenth Schedule of the Mauritius Companies Act, where the surviving company (being the Transferee Company) is incorporated under the laws of a jurisdiction other than that of Mauritius, the effect of the merger shall be the same as in the case of part XVI of the Mauritius Companies Act except as far as the laws of the other jurisdiction, i.e. the laws of India, otherwise provide.

9.8 In terms of paragraph 4(4) of the part II of the Fourteenth Schedule of the Mauritius Companies Act, since the surviving company (being the Transferee Company) is incorporated under the laws of a jurisdiction other than that of Mauritius, the merger will be effective as provided for by the laws of that jurisdiction i.e. the laws of India.

9.9 The Transferor Company shall be required to file certain documents including those set out in paragraph 4(2) (b) of the part II of the fourteenth schedule of the Mauritius Companies Act with ROC Mauritius along with this Scheme and the Corporate Resolution of the Transferee Company or relevant extract thereof and the Transferor Company will be struck off the register by the ROC Mauritius effective from the date of merger under the laws of India without the need for winding up.

9.10 On the Scheme being effective the Transferor Company will be struck off the register maintained by the ROC Mauritius and shall stand dissolved without any further act, deed or without being wound up.

PART IV - ACCOUNTING TREATMENT FOR THE MERGER IN THE BOOKS OF TRANSFEREE COMPANY

1. GENERAL ACCOUNTING TREATMENT

1.1. The Transferee Company shall account for Merger in accordance with the ‘Pooling of Interest Method’ prescribed under Indian Accounting Standard 103 - ‘Business Combinations’ notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and any amendments thereto and other applicable accounting standards prescribed under the Act.

1.2 With effect from the Appointed Date, all the assets and liabilities, including reserves as on the Appointed Date, recorded in the books of the Transferor Company, shall stand transferred to and vested in the Transferee Company pursuant to the Scheme becoming effective and shall be accounted for in the books of Transferee Company at the book values as appearing in the books of the Transferor Companies. With effect from the Appointed Date, the profit and loss account or other reserves, if any, as appearing in the books of Transferor Companies shall become the profit and loss account or other reserves, if any, of the Transferee Company and shall be recorded by the Transferee Company at their respective book values.

1.3. The difference between the share capital of the Transferor Company and investment in the Transferor Company recorded in the books of the Transferee Company shall be adjusted in the capital reserve of the Transferee Company.

1.4. In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference till the respective Appointed Date will be quantified and adjusted in the Reserves mentioned earlier to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
1.5. Upon the Scheme coming into effect, to the extent that there are any inter-company investments (including equity and preference shares), loans, bonds, debentures, advances, deposits, receivables, payables, balances or other obligations as between the Transferor Company and Transferee Company, the obligations in respect thereof shall come to an end and shall stand cancelled pursuant to the Scheme and corresponding effect shall be given in the books of accounts and records of Transferee Company for the cancellation of any such assets or liabilities, as the case may be. The difference, if any, arising by such effects in the books of accounts, shall be adjusted in the general reserves of the Transferee Company. For the removal of doubts, it is hereby clarified that there would be no accrual of interest or other charges in respect of any such inter-company investments, loans, debt securities or balances with effect from the Appointed Date.

2. TREATMENT OF TAXES

2.1. The Amalgamation as contemplated in this Scheme would be completed in a manner so as to comply with the conditions relating to ‘amalgamation’ as specified under section 2(1B) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at the later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income Tax Act, 1961 shall prevail and the Scheme shall be modified by obtaining necessary directions from the Appropriate Authority to the extent necessary to comply with Section 2(1B) of the Income Tax Act, 1961 or re-enactment thereof.

2.2. Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the IT Act (including minimum alternate tax and tax benefits), service tax laws, GST and other tax laws, and to claim refunds and / or credits for taxes paid (including minimum alternate tax), and to claim benefits under the IT Act, etc. and for matters incidental thereto, if required to give effect to the provisions of this Scheme.

PART V - GENERAL TERMS AND CONDITIONS APPLICABLE TO THE ENTIRE SCHEME

1. DISSOLUTION OF THE TRANSFEROR COMPANY

On the Scheme becoming effective, the Transferor Company shall be struck off the register maintained by the ROC Mauritius and shall stand dissolved without being wound up, without any further act, deed or instrument as per the Mauritius Laws.

2. APPLICATION TO THE NCLT

The Transferee Company shall with all reasonable dispatch, make all necessary applications and/or petitions under Section 234 read with Sections 230-232 and other applicable provisions of the Act (as maybe necessary) to the NCLT, after obtaining necessary approval from the Reserve Bank of India pursuant to Rule 25A(1) of the Rules, seeking orders for dispensing with or convening, holding and conducting of the meetings of the members and creditors, as necessary, and for sanctioning this Scheme with such modifications as may be approved by NCLT, and for such other order or orders, as the NCLT or any other Appropriate Authority of the Relevant Jurisdiction, may deem fit for carrying this Scheme into effect and for dissolution of Transferor Company without winding up as per the Mauritius Laws.
3. **MODIFICATIONS OR AMENDMENTS TO THE SCHEME**

3.1. The Transferor Company and the Transferee Company may assent from time to time on behalf of all persons concerned to any modifications or amendments or additions to this Scheme or to any conditions or limitations which either the Board of Directors or a Committee or Committees of the concerned Board or any Director authorized in that behalf by the concerned Board of Directors (hereinafter referred to as the “Delegates”) of the Transferor Company and the Transferee Company deem fit, subject to approval of the NCLT or any other Appropriate Authority of the Relevant Jurisdiction may deem fit to approve or impose and which the Transferor Company and the Transferee Company may in their discretion deem fit and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect or to review the position relating to satisfaction of the conditions to this Scheme and if necessary, to waive any of those (to the extent permissible under laws of Relevant Jurisdiction) for bringing this Scheme into effect. In the event that any of the conditions imposed by the NCLT or any other Appropriate Authority which the Transferor Company and the Transferee Company may find unacceptable for any reason, then the Transferor Company and the Transferee Company are at liberty to withdraw the Scheme. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by the Delegates of the respective Companies.

3.2. For the purpose of giving effect to this Scheme or to any other modifications or amendment thereof or additions thereto, the Delegates of the Transferor and Transferee Company may give and are authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or the directions as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

4. **SCHEME CONDITIONAL ON APPROVAL/SANCTIONS**

This Scheme is conditional upon and subject to:

4.1. The requisite sanction or approval of the Appropriate Authorities from India and Mauritius being obtained and / or granted in relation to any of the matters in respect of which such sanction or approval is required.

4.2. The approval by the requisite majority of the shareholders and / or creditors (as may be required and / or to the extent not dispensed with by the Appropriate Authorities of the Relevant Jurisdiction) of the Transferor Company and Transferee Company, as required under the applicable laws of the Relevant Jurisdiction.

4.3. It is being clarified that this Scheme is for Merger of Wholly owned subsidiary (Transferor Company) with its Holding Company (Transferee Company) and hence, regulation 37 of Listing Regulations and provisions of the SEBI Circular is not applicable to the Transferee Company as per regulation 37(6) of the Listing Regulations and para 7 of the SEBI Circular and accordingly approval of the public shareholders of the Transferee Company through postal ballot and e-voting is not required except submission of this Scheme to the Stock Exchanges and other necessary disclosures.

4.4. Compliance by the Transferor Company of all the necessary and applicable Mauritius Laws.

4.5. The certified copy/copies of the order/s referred to on this Scheme being filed with the Registrar of Companies, Mumbai, Maharashtra or any other Appropriate Authorities of the Relevant Jurisdiction in Mauritius, if required.
4.6. Approval of the Reserve Bank of India.

PART VI - OTHER TERMS AND CONDITIONS

1. EFFECT OF NON-RECEIPT OF APPROVAL/SANCTIONS

1.1. In the event of the said sanction and approvals not being obtained or waived and / or the Scheme not being sanctioned by the Appropriate Authorities from India and Mauritius, the Scheme shall become null and void, and each party shall bear its respective costs, charges and expenses in connection with the Scheme of Merger by Absorption.

1.2. To the extent allowed under applicable laws, the Transferor and Transferee Company shall have the discretion to withdraw their application(s)/ petition(s) from NCLT or any other Appropriate Authorities of the Relevant Jurisdiction, if any onerous terms or other terms not acceptable to them which may be introduced in the Scheme whether at the meetings of shareholders/ creditors or at the time of sanction of the Scheme or as otherwise deem fit by the Board of the Transferor and Transferee Company. They shall also be at liberty to render the Scheme ineffective by not filing the certified copy of order of the Scheme sanctioned, with the Appropriate Authorities of the Relevant Jurisdiction. However, necessary intimation may be filed by the Transferor and Transferee Company with the NCLT or any other Appropriate Authorities of the Relevant Jurisdiction of their decision not to file the Scheme and not to make it effective.

1.3. If any part or provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme. The Transferor Company (by its Board of Directors) and the Transferee Company (by its Board of Directors), (either by themselves or through a Committee or authorized officers appointed by them in this behalf), may, in their full and absolute discretion, modify, vary or withdraw this Scheme prior to the Effective Date in any manner at any time.

1.4. In the event of non-fulfillment of any or all of the obligations under this Scheme by any party towards any other party inter-se or to third parties and non-performance of which will place the other party under any obligation, then such defaulting party will indemnify all costs and interest to such other affected party.

2. COSTS, CHARGES AND EXPENSES

All costs, charges, levies and expenses including any taxes and duties of the Transferor Company and Transferee Company respectively in relation to or in connection with this Scheme and incidental to the completion of the merger of the Transferor Company in pursuance of this Scheme shall be borne and paid by the Transferee Company.