bajaj hindusthan ltd.

Registered Office: Bajaj Bhawan, 2nd Floor,
Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021

MEETING OF THE UNSECURED CREDITORS

Date	:	June 16, 2012
Time	:	11: 30 a. m.
Venue	:	Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber (IMC) Building, IMC Marg, Churchgate Mumbai - 400020

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IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 391 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 Bajaj Eco-Tec Products Limited with Bajaj Hindusthan Limited.

Bajaj Hindusthan Limited, a company within the meaning of Companies Act, 1956, and having its registered office at Bajaj Bhawan, 2nd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai- 400 021

}
}
}.....Applicant Company

NOTICE CONVENING THE MEETING OF THE UNSECURED CREDITORS OF BAJAJ HINDUSTHAN LIMITED

To,
The UNSECURED CREDITORS of Bajaj Hindusthan Limited (the **"Applicant Company"**).

TAKE NOTICE that by an Order made on the 11th day of May, 2012 in the above Company Summons for Direction, the High Court of Judicature at Bombay has directed that a meeting of the Unsecured Creditors of the Applicant Company be convened and held on **Saturday, the 16th day of June, 2012 at 11:30 a.m. (1130 hours)** at Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber (IMC) Building, IMC Marg, Churchgate, Mumbai – 400020, for the purpose of considering and, if thought fit, approving with or without modification(s), the Scheme of Amalgamation of Bajaj Eco-Tec Products Limited with Bajaj Hindusthan Limited.

TAKE FURTHER NOTICE that in pursuance of the said Order and as directed therein, a meeting of the UNSECURED CREDITORS of the Applicant Company will be convened and held on **Saturday, the 16th day of June, 2012 at 11:30 a.m. (1130 hours)** at Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber (IMC) Building, IMC Marg, Churchgate, Mumbai – 400020, at which time and place you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you, or your authorised representative, is deposited at the registered office of the Applicant Company at Bajaj Bhawan, 2nd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai- 400 021, not later than 48 hours before commencement of the said meeting.

The High Court of Judicature at Bombay has appointed, Mr. Shishir Bajaj, Chairman and Managing Director of the Applicant Company, failing him Mr. Kushagra Bajaj, Vice Chairman & Joint Managing Director of the Applicant Company, failing him Dr. Sanjeev Kumar, Director (Corporate & Legal Affairs) of the Applicant Company, failing him Mr. Manoj Maheshwari, Director (Finance and Accounts) and Group CFO of the Applicant Company, and failing him Mr. Pradeep Parakh, Group President (GRC) and Company Secretary of the Applicant Company to be the Chairman of the said meeting.

A copy each of the Scheme of Amalgamation, the Statement under Section 393 of the Companies Act, 1956 and a Form of Proxy is enclosed.

Sd/-
(Shishir Bajaj)
Chairman appointed for the meeting

Dated this 11th day of May, 2012
Registered Office:
Bajaj Bhawan, 2nd Floor, Jamnalal Bajaj Marg,
226, Nariman Point, Mumbai- 400 021

Notes:

1. All alterations made in the Form of Proxy should be initialled.
2. Only Unsecured Creditors of the Applicant Company may attend and vote (either in person or by proxy) at the meeting. The representative of a body corporate which is a Unsecured Creditor of the Applicant Company may attend and vote at the Unsecured Creditors meeting provided a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate is deposited at the registered office of the Applicant Company not later than 48 hours before the meeting authorising such representative to attend and vote at the Unsecured Creditors meeting.

Encl: as above

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION COMPANY SUMMONS FOR DIRECTION NO. 391 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 Bajaj Eco-Tec Products Limited with Bajaj Hindusthan Limited

Bajaj Hindusthan Limited, a company within the meaning of Companies Act, 1956, and having its registered office at Bajaj Bhawan, 2nd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai- 400 021 }.....Applicant Company

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956

1. Pursuant to the Order dated 11th day of May, 2012 passed by the High Court of Judicature at Bombay, in the Company Summons for Direction referred to above, meetings of the Equity Shareholders, Unsecured Creditors and Secured Creditors of the Applicant Company are being convened and held for the purpose of considering and, if thought fit, approving with or without modification(s), the arrangement embodied in the Scheme of Amalgamation of Bajaj Eco-Tec Products Limited (hereinafter referred to as **"BETPL"** or the **"Transferor Company"** as the context may admit) a company incorporated under the Companies Act, 1956 **("Act")** with Bajaj Hindusthan Limited (hereinafter referred to as **"BHL"** or the **"Applicant Company"** or the **"Transferee Company"** as the context may admit) a Company within the meaning of Companies Act, 1956, under Sections 391 to 394 of the Act (the **"Scheme"**).

2. A copy of the Scheme, setting out the terms and conditions of the amalgamation of the Transferor Company with the Applicant Company, which has been approved by the respective Board of Directors of the Transferor Company and the Applicant Company at their respective meetings held on 9th day of April, 2012, is attached to this Explanatory Statement.

3. The Applicant Company was incorporated as "The Hindusthan Sugar Mills Limited" on 24th November, 1931 in the State of Maharashtra under the provisions of the Indian Companies Act, 1913. The name of the Applicant Company was subsequently changed to its present name of "Bajaj Hindusthan Limited" and a Fresh Certificate of Incorporation consequent upon Change of Name was issued on 27th June, 1988. The Applicant Company has its registered office at Bajaj Bhawan, 2nd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai- 400 021.

4. The objects for which the Applicant Company has been established are set out in its Memorandum of Association. The main objects are set out hereunder:

   1. ***TO CARRY on business of manufacturers of and dealers in all kinds of sugar, gur and sugar and gur preparations.***

   2. ***TO PLANT, grow, buy, sell, refine, prepare for market, manipulate, import, export and deal in sugar and gur of all kinds.***

   3. ***TO CARRY on the business of planters and cultivators of sugar plants and any other plants producing anything of a similar character.***

5.1 The authorised, issued, subscribed and paid-up share capital of the Applicant Company as on 30th September, 2011 was as under:

	Rs.	**Rs.**
Authorised Share Capital:		
180,00,00,000 Equity Shares of Re. 1/- each	180,00,00,000	**180,00,00,000**
Issued Share Capital:		
68,50,71,333 Equity Shares of Re.1/- each	68,50,71,333	**68,50,71,333**
Subscribed and Paid up Share Capital:		
22,83,57,111 Equity Shares of Re.1/- each	22,83,57,111	**22,83,57,111**

5.2 As on 1st April, 2012 and as on date, the authorised, issued, subscribed and paid up share capital of the Applicant Company is as under:

	Rs.	**Rs.**
Authorised Share Capital:		
180,00,00,000 Equity Shares of Re 1/- each	180,00,00,000	**180,00,00,000**
Issued Share Capital:		
68,50,71,333 Equity Shares of Re. 1/- each	68,50,71,333	**68,50,71,333**
Subscribed and Paid up Share Capital:		
63,93,99,911 Equity Shares of Re.1/- each	63,93,99,911	**63,93,99,911**

5.3 The equity shares of the Applicant Company are listed on BSE Limited and National Stock Exchange of India Limited.

6. The Transferor Company was incorporated as "BHP Agro Products Private Limited" on 25th April, 2006 in the State of Maharashtra under the provisions of the Companies Act, 1956. The name of the Transferor Company was changed to "Bajaj Eco-Tec Products Private Limited" and a Fresh Certificate of Incorporation consequent upon Change of Name was issued by the Registrar of Companies, Maharashtra, Mumbai on 7th September, 2006. Further, on conversion of the Transferor Company to Public Limited Company, the name of the Transferor Company was changed to its present name of "Bajaj Eco-Tec

Products Limited" and a fresh Certificate of Incorporation consequent upon change of name on conversion to Public Limited Company was issued by the Registrar of Companies, Maharashtra, Mumbai on 3rd October, 2006. The Transferor Company has its registered office at Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai – 400 021.

7. The objects for which the Transferor Company has been established are set out in its Memorandum of Association. The main objects are set out hereunder:

1. To carry on in India or abroad the business to manufacture, produce ,process, prepare, convert, derive, compound, grade, develop, design, press, stitch, mould, fabricate, flex, stretch, stamp, shape, smelt, emboss, print, laminate, manipulate, commercialize, market, distribute, promote, supply, import, export, buy, sell, turn to account and to act as agent, broker, concessionaire, consultant, advisor, job worker, collaborator, franchisers, transporter, stockist, distributor, export house or otherwise to deal in all varieties, shapes, sizes, capacities, descriptions, dimensions, density of fiber boards, particle boards, card boards, laminates, papers, etc. made of or originated from by-products or waste products of other trades and industries, paper, wood, plants or other ecological sources or agricultural products of any kind including but not limited to bagasse pulp, wood and bamboo pulp, waste paper pulp, semi-chemical pulp, synthetic pulp and other related pulps used for manufacturing of all kinds of boards and papers, organic or inorganic, biological, ecological or any other formulations, derivatives and compounds there from and other branded preparations and compounds, derivatives and all types of formulations thereof and consumers products manufactured or derivatives based thereon and to cultivate, crush, utilize, buy, sell, and deal in all related seeds, substances, raw materials, ingredients, intermediates, wastes, residues, by-products thereof and to establish, promote, operate & develop forests, nurseries and farms for growing and cultivating plants and trees for captive consumption or otherwise and to carry out research and development related thereto.

8.1 The authorised, issued, subscribed and paid-up share capital of the Transferor Company as on 31st March, 2011 was as under:

	Rs.	**Rs.**
Authorised Share Capital:		
2,10,00,000 Equity Shares of Rs.10/- each	21,00,00,000	
7,00,00,000 Preference Shares of Rs. 10/- each	70,00,00,000	**91,00,00,000**
Issued, Subscribed and Paid-up Share Capital:		
1,15,00,000 Equity Shares of Rs.10/- each, fully paid- up	11,50,00,000	
1,00,00,000 7 % Cumulative Redeemable Preference Shares of Rs.10/- each, fully paid-up	10,00,00,000	
6,00,00,000 7 % Optionally Convertible Cumulative Redeemable Preference Shares of Rs. 10/- each fully paid up	60,00,00,000	**81,50,00,000**

8.2 As on 1st April, 2012 and as on date, the authorised, issued, subscribed and paid-up share capital of the Transferor Company remains the same.

BACKGROUND TO THE AMALGAMATION

9. The Transferor Company is a wholly owned subsidiary of the Applicant Company i.e. the Applicant Company currently holds 100 % of the paid- up equity and preference share capital of the Transferor Company.

RATIONALE FOR THE AMALGAMATION

10. (a) The Transferor Company is engaged in the business of manufacturing of Medium Density Fibre (MDF) and Particle Boards (PB) from bagasse, which is a by-product obtained during the sugarcane crushing process. The amalgamation shall result into synergy and integration of the manufacturing processes of these products with that of the Transferee Company.

(b) By amalgamation of the Transferor Company with the Transferee Company, objective and competitive pricing policy can be introduced for PB and MDF products thereby securing better turnover and market shares for the products resulting into better value addition in aggregate.

(c) The amalgamation would minimize the impact of tax outgoings on the prices of these products and reduced costs of supervision and management, resulting into cost economies and efficiencies in the operations, thus a better profitability and competitiveness.

(d) The amalgamation of the Transferor Company, which is a wholly owned subsidiary of the Transferee Company, shall economise the cost of management of the affairs and operations presently carried out under the Transferor Company and also present consolidated and better view of the entire spectrum of business operations of the Transferee Company in its financial statements.

(e) The amalgamation will enable the amalgamated company to improve its financials both in the short term as well as long term and enable them to reduce vagaries of business cycle and to avail of new opportunities.

11. It is therefore proposed to amalgamate the Transferor Company with the Applicant Company by transfer and vesting of the undertaking and entire business of the Transferor Company as a going concern to and in the Transferee Company, being the Applicant Company, by way of a Scheme of Amalgamation

under Sections 391 to 394 of the Act.

SALIENT FEATURES OF THE SCHEME

12. The salient features of the Scheme are:-

(i) The Scheme envisages the amalgamation of the Transferor Company with the Transferee Company pursuant to Sections 391 to 394 and other applicable provisions of the Act on a going concern basis in the manner provided for in the Scheme.

(ii) The Scheme provides that the "Appointed Date" shall be 1st April, 2012 or such other date as may be approved by the High Court of Judicature at Bombay.

(iii) The "Effective Date" for the Scheme means the last of the dates on which the Orders of the High Court sanctioning the Scheme of Amalgamation are filed with the Registrar of Companies by the Transferor Company and by the Transferee Company.

(iv) The "Undertaking" (as defined in the Scheme) means the whole of the undertaking and entire business of the Transferor Company as a going concern comprising of:

(a) all assets and properties of the Transferor Company as on the Appointed Date i.e. all the undertakings, the entire business, all the properties movable or intangible, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, rights, entitlements, guarantees, authorizations, approvals, agreements, contracts, licenses, registrations, tenancies, benefits of all taxes, right to carry forward and set off unabsorbed losses and depreciation, privileges and rights under State tariff regulations and under various laws; avail of telephones, telexes, facsimile, email, interest, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programmes, manuals, data, and other records, 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 Transferor Company or which have accrued to the Transferor Company as on the Appointed Date, whether in India or abroad, of whatsoever nature and wherever situated (hereinafter referred to as the "Assets");

(b) all debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date (hereinafter referred to as the "Liabilities");

(c) all earnest monies and/or security or other deposits paid by the Transferor Company.

13. The Scheme also provides for:

(a) The manner of vesting and transfer of the assets of Transferor Company in the Transferee Company;

(b) The transfer of all consents, permissions, licenses, certificates, clearances, authorities, power of attorney given by, issued to or executed in favour of the Transferor Company.

(c) The transfer of all debts, liabilities, duties, and obligations of the Transferor Company.

(d) The transfer of contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature relating to the Transferor Company.

(e) The transfer of all suits, actions, claims and legal proceedings by or against the Transferor Company.

(f) The manner in which the business is to be carried on in trust by the Transferor Company for the benefit of the Transferee Company from the Appointed Date till the Effective Date;

(g) The transfer of employees engaged by the Transferor Company as on the Effective Date to the Transferee Company;

(h) Cancellation of Equity and Preference Share Capital of Transferor Company on coming into effect of the Scheme.

(i) Alteration of Objects Clause of Transferee Company to incorporate clause to enable it to carry on the business carried out by Transferor Company.

(j) The increase in the authorised share capital of the Transferee Company, and the consequent amendment to the relevant clause of the Memorandum of Association of the Transferee Company, without any further act or deed or payment of stamp duty or registration/filing fees;

(k) The accounting treatment in the books of the Transferee Company; and

(l) The ability of the respective Board of Directors of Transferor Company and the Transferee Company, or a duly authorised committee or director thereof, to agree to or make any addition or modification to the Scheme which they, or the High Courts or any authorities under law, deem fit, and the ability of the Board of Directors of Transferor Company or the Transferee Company respectively, directly or through a duly authorised Committee or their delegates, to provide their approval, wherever such approval is required under the Scheme.

(m) The Scheme is conditional upon and subject to:

(i) The Scheme being agreed to by the requisite majority of the members and creditors of each of the Applicant Company and of the Transferor Company and by such other persons as may be required under the act and as may be directed by High Court; and

(ii) The certified copies of the Orders of the High Court sanctioning this Scheme being filed with the Registrar of Companies, Maharashtra, Mumbai.

You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid are only the salient features thereof.

14. The decision on the resolution(s) placed before the meeting shall be ascertained only by taking a poll as required by the Companies (Court) Rules, 1959.

15. The latest audited accounts of the Applicant Company and Transferor Company indicate that they both are in a solvent position and the amalgamated company, i.e. the Applicant Company, would emerge stronger and thus would be able to meet its liabilities as they arise in the ordinary course of business.

16. The rights and interests of the members and the creditors of the Applicant Company will not be prejudicially affected by the Scheme.

17. The Scheme does not affect the rights of any creditors of the Applicant Company and all creditors would be subject to the same terms and conditions on the transfer of their liabilities from Transferor Company to the Applicant Company.

18. The Applicant Company has received no objection letters from BSE Limited on 16th day of April 2012 and National Stock Exchange of India Limited on 11th day of April 2012 for filing the Scheme with the High Court of Judicature at Bombay.

19. No investigation proceedings have been instituted or are pending in relation to the Applicant Company under Sections 235 to 251 of the Act.

20. On the Scheme being approved by the shareholders and creditors of the Applicant Company as per the requirements of Section 391 of the Act, the Applicant Company and the Transferor Company will seek the sanction of the High Court of Judicature at Bombay to the Scheme. On the coming into effect of the Scheme, the Transferor Company shall stand dissolved without winding- up.

21. The Directors of the Applicant Company and the Transferor Company may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding in the respective companies, or to the extent the said Directors are common directors in the companies, or to the extent the said Directors are the partners, directors, members of the companies, firms, association of persons, bodies corporate and/or beneficiary of trust that hold shares in any of the companies.

    Mr. Kushagra Bajaj, Vice Chairman and Joint Managing Director of the Applicant Company is also a Director of Transferor Company. Dr. Sanjeev Kumar, Director (Corporate & Legal Affairs) of the Applicant Company is also a Director of the Transferor Company.

22. The details of the present Directors of the Applicant Company and their shareholding in the Applicant Company and in the Transferor Company either singly or jointly as on 31st March, 2012 are as follows:

Name of Director	Position	Equity Shares Held in	
		BHL	BETPL
Mr. Shishir Bajaj	Chairman & Managing Director	1,23,31,618**	1*
Mr. Kushagra Bajaj	Vice Chairman and Joint Managing Director	1,28,97,036	1*
Mr. Dhirajlal Shantilal Mehta	Non-Executive Director	1,80,000***	-
Mr. Madhav Laxman Apte	Non-Executive Director	1,800	-
Mr. Ravindrakumar Ruia	Non-Executive Director	6,750	-
Mr. Dinesh Kumar Shukla	Non-Executive Director	-	-
Mr. Alok Krishna Agarwal	Non-Executive Director	-	-
Dr. Sanjeev Kumar	Director (Corporate & Legal Affairs)	200	1*

* Joint Holder with Bajaj Hindusthan Limited

** Including Shishir Bajaj - HUF jointly with Minakshi Bajaj 38,74,654 shares and Shishir Bajaj jointly with Minakshi Bajaj and Kushagra Bajaj 60,623 shares.

*** Including 30,000 shares held jointly with Nandini D. Mehta

23. The details of the present Directors of the Transferor Company and their shareholding in the Transferor Company and in the Applicant Company either singly or jointly as on 31st March, 2012 are as follows:

Name of Director	Position	Equity Shares held in	
		BHL	BETPL
Mr. Kushagra Bajaj	Director	1,28,97,036	1*
Mr. Viral Siddharth Jasubhai	Director	-	-
Mr. Purshottam Dadheech	Director	-	-
Dr. Sanjeev Kumar	Director	200	1*
Mr. Himanshu Jaykant Shah	Managing Director	-	1*
Mr. Vasu R Ariya	Director	-	-

* Joint Holder with Bajaj Hindusthan Limited

24. (a) The pre and post amalgamation capital structure of the

Applicant Company is and will be as follows:

	Pre Amalgamation	Post Amalgamation
Authorised Share Capital		
Equity Shares of Re. 1/- each	Rs. 180,00,00,000	Rs. 271,00,00,000
Issued Share Capital		
Equity Shares of Re. 1/- each	Rs. 68,50,71,333	Rs. 68,50,71,333
Subscribed and Paid up Share Capital		
Equity Shares of Re. 1/- each	Rs. 63,93,99,911	Rs. 63,93,99,911

(b) The pre and post amalgamation capital structure of the Transferor Company is and will be as follows:

	Pre Amalgamation	Post Amalgamation
Authorised Share Capital		
Equity Shares of Rs. 10/- each	Rs. 21,00,00,000	NIL
Preference Shares of Rs. 10/- each	Rs. 70,00,00,000	NIL
	Rs. 91,00,00,000	NIL
Issued, Subscribed and Paid up Capital		
Equity Shares of Rs. 10/- each	Rs. 11,50,00,000	NIL
Preference Shares		
7% Cumulative Redeemable Preference shares of Rs. 10/- each	Rs. 10,00,00,000	NIL
7% Optionally Convertible Cumulative Redeemable Preference shares of Rs. 10/- each	Rs. 60,00,00,000	NIL
	Rs. 81,50,00,000	NIL

25. (a) The pre and post amalgamation shareholding pattern of the Applicant Company is and will be as follows:

Category	PRE		POST	
	No. of Shares held of Re. 1 each	% of Paid Up Capital	No. of Shares held of Re. 1 each	% of Paid Up Capital
Promoter and Promoter Group	29,49,30,766	46.13	29,49,30,766	46.13
Mutual Funds	5,18,470	0.08	5,18,470	0.08
Financial Institutions / Banks	4,72,41,335	7.39	4,72,41,335	7.39
Central Government / State Government	4,500	0.00	4,500	0.00
Insurance Companies	4,34,70,216	6.80	4,34,70,216	6.80
Foreign Institutional Investors	8,11,39,804	12.69	8,11,39,804	12.69
Bodies Corporate	5,24,74,868	8.21	5,24,74,868	8.21
Individuals	8,23,15,622	12.87	8,23,15,622	12.87
Trusts	3,38,17,550	5.29	3,38,17,550	5.29
Non Resident Indians	18,86,069	0.29	18,86,069	0.29
Foreign Corporate Bodies	111	0.00	111	0.00
Shares held against GDRs	16,00,600	0.25	16,00,600	0.25
Total	**63,93,99,911**	**100.00**	**63,93,99,911**	**100.00**

(b) The pre and post amalgamation shareholding pattern of Transferor Company is and will be as follows:

(I) ISSUED AND PAID UP EQUITY SHARE CAPITAL

Sr. No.	Name of Shareholder	PRE		POST	
		No. of Shares held of Rs. 10 each	% of Paid Up Capital	No. of Shares held of Rs. 10 each	% of Paid Up Capital
1.	Bajaj Hindusthan Limited	1,14,99,994	100.00	0	0.00
2.	Bajaj Hindusthan Limited Joint holder: Mr. Shishir Bajaj	1	0.00	0	0.00
3.	Bajaj Hindusthan Limited Joint holder: Mrs. Minakshi Bajaj	1	0.00	0	0.00
4.	Bajaj Hindusthan Limited Joint holder: Mr. Kushagra Bajaj	1	0.00	0	0.00

5.	Bajaj Hindusthan Limited Joint holder: Mr. Apoorva Bajaj	1	0.00	0	0.00
6.	Bajaj Hindusthan Limited Joint holder: Mr. Himanshu Shah	1	0.00	0	0.00
7.	Bajaj Hindusthan Limited Joint holder: Dr. Sanjeev Kumar	1	0.00	0	0.00
	TOTAL	1,15,00,000	100.00	0	0.00

(II) ISSUED AND PAID UP PREFERENCE SHARE CAPITAL

(A) 7 % Cumulative Redeembale Preference Shares

Sr. No.	Name of Shareholder	PRE		POST	
		No. of Shares held of Rs. 10 each	% of Paid Up Capital	No. of Shares held of Rs. 10 each	% of Paid Up Capital
1.	Bajaj Hindusthan Limited	1,00,00,000	100.00	0	0.00

(B) 7 % Optionally Convertible Cumulative Redeembale Preference Shares

Sr. No.	Name of Shareholder	PRE		POST	
		No. of Shares held of Rs. 10 each	% of Paid Up Capital	No. of Shares held of Rs. 10 each	% of Paid Up Capital
1.	Bajaj Hindusthan Limited	6,00,00,000	100.00	0	0.00

26. An equity shareholder/creditor entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him, and such proxy need not be a member /creditor of the Applicant Company. The instrument appointing the proxy should however be deposited at the registered office of the Applicant Company not later than 48 (forty eight) hours prior to the commencement of the meeting.

27. Corporate members/creditors intending to send their authorised representatives to attend the meeting are requested to lodge a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate not later than 48 (forty eight) hours before commencement of the meeting, authorising such person to attend and vote on its behalf at the meeting.

28. The following documents will be open for inspection to the equity shareholders, secured creditors and unsecured creditors of the Applicant Company up to one day prior to the date of the Meeting at its registered office between 11:00 a.m. and 1:00 p.m. on all working days, except Saturdays:

(a) Certified copy of the Order passed on 11th day of May, 2012 of the Hon'ble High Court of Judicature at Bombay in the Company Summons for Direction No. 391 of 2012 directing convening of the meetings;

(b) Copy of the Company Summons for Direction No 391 of 2012 and the affidavit in support thereof;

(c) Memorandum and Articles of Association of the Applicant Company and the Transferor Company

(d) Annual Reports of the Applicant Company for the year ended 30th September 2011 and the Transferor Company for the year ended 31st March 2011.

(e) Unaudited financial results of the Applicant Company for the three months ended 31st December, 2011 and the Transferor Company for the six months ended 30th September 2011 and the Disclosures in accordance with Clause 41 of the Listing Agreement for the quarter ended 31st March, 2012 made by the Applicant Company;

(f) Copies of the no objection letters dated 16th day of April 2012 received from BSE Limited and 11th day of April 2012, received from National Stock Exchange of India Limited;

(g) Scheme of Amalgamation.

This statement may be treated as the statement under Section 173(2) and also Section 393 of the Act. A copy of the Scheme and this statement may also be obtained by equity shareholders, secured creditors (including secured debentureholders, if any) and unsecured creditors (including unsecured debentureholders, if any) of the Applicant Company from the registered office of the Applicant Company during ordinary business hours on all working days, except Saturdays.

Sd/-
(Shishir Bajaj)
Chairman appointed for the meeting

Dated this 11th day of May, 2012
Registered Office:
Bajaj Bhawan, 2nd Floor, Jamnalal Bajaj Marg
226, Nariman Point, Mumbai - 400 021

SCHEME OF AMALGAMATION UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956

OF

Bajaj Eco-Tec Products Limited

("Transferor Company")

WITH

Bajaj Hindusthan Limited

("Transferee Company")

PREAMBLE

A. Description of Companies:

A brief description of the Companies is given below:

(a) Bajaj Eco-Tec Products Limited (**"Transferor Company"**) is a Company incorporated under Companies Act, 1956 having its registered office at Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai – 400 021, Maharashtra. The Transferor Company is presently engaged in the business of manufacturing Particle Boards (PB) and Medium Density Fiber Boards (MDF) and allied products. The Transferor Company has three manufacturing units in Uttar Pradesh at Kinauni, Palia Kalan and Kunderkhi and is a wholly owned subsidiary of the Transferee Company.

(b) Bajaj Hindusthan Limited (**"Transferee Company"**) is a Company within the meaning of the Companies Act, 1956 having its registered office at Bajaj Bhawan, 2nd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai – 400021, Maharashtra. The Transferee Company is presently engaged in the business of manufacturing sugar, alcohol and allied products. The Transferee Company has three main divisions viz. Sugar Division, Distillery Division and Power Division and its manufacturing facilities are located in various districts of Uttar Pradesh. The equity shares of the Transferee Company are listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE").

B. Rationale for and benefits of the Scheme of Amalgamation:

(a) The Transferor Company is engaged in the business of manufacturing of Medium Density Fiber (MDF) and Particle Boards (PB) from bagasse, which is a by-product obtained during the sugarcane crushing process. The amalgamation shall result into synergy and integration of the manufacturing processes of these products with that of the Transferee Company.

(b) By amalgamation of the Transferor Company with the Transferee Company, objective and competitive pricing policy can be introduced for PB and MDF products thereby securing better turnover and market shares for the products resulting into better value addition in aggregate.

(c) The amalgamation would minimize the impact of tax outgoings on the prices of these products and reduced costs of supervision and management, resulting into cost economies and efficiencies in the operations, thus a better profitability and competitiveness.

(d) The amalgamation of the Transferor Company, which is a wholly owned subsidiary of the Transferee Company, shall economise the cost of management of the affairs and operations presently carried out under the Transferor Company and also present consolidated and better view of the entire spectrum of business operations of the Transferee Company in its financial statements.

(e) The amalgamation will enable the amalgamated company to improve its financials both in the short term as well as long term and enable them to reduce vagaries of business cycle and to avail of new opportunities.

In view of the aforesaid, it has been thought fit and advantageous to amalgamate the Transferor Company with the Transferee Company pursuant to a Scheme of Amalgamation under the provisions of Sections 391 to 394 of the Companies Act, 1956.

C. Parts of the Scheme:

The Scheme of Amalgamation provides for the transfer and vesting of the entire Undertaking (as defined hereinafter) including all assets, properties and liabilities of the Transferor Company in the Transferee Company and for various other matters consequential or incidental or otherwise integrally connected with the Scheme.

This Scheme of Amalgamation is divided into the following parts:

(i) **Part I** deals with definitions of terms used in this Scheme of Amalgamation and the share capital of the Transferor Company and the Transferee Company;

(ii) **Part II** deals with the transfer of the Undertaking (as defined hereinafter) of the Transferor Company to the Transferee Company;

(iii) **Part III** deals with cancellation of Paid Up Share Capital of the Transferor Company and Alteration/ Amendments to the Memorandum of Association of the Transferee Company;

(iv) **Part IV** deals with the accounting treatment for the amalgamation in the books of the Transferee Company; and

(v) **Part V** deals with general terms and conditions applicable to this Scheme of Amalgamation.

PART I

DEFINITIONS AND SHARE CAPITAL

1. In this Scheme, the following terms shall have the meanings set out below:-

1.1 **"Act"** means the Companies Act, 1956 and includes any statutory re-enactment or modification thereof from time to time;

1.2 **"Appointed Date"** means April 1, 2012 or such other date as may be approved by the High Court;

1.3 **"Effective Date"** means the last of the dates on which the Orders of the High Court sanctioning the Scheme of Amalgamation are filed with the Registrar of Companies by the Transferor Company and by the Transferee Company. Any references in this Scheme to the date of **"coming into effect of this Scheme"** or **"effectiveness of this Scheme"** or **"Scheme taking effect"** shall mean the Effective Date;

1.4 **"Governmental Authority"** means any applicable Central, State or local Government, legislative body, regulatory or administrative authority, agency or commission or any board, bureau or instrumentality thereof;

1.5 **"High Court"** means the High Court of Judicature at Bombay having jurisdiction in relation to the Transferor Company and the Transferee Company;

1.6 **"Scheme"** or **"Scheme of Amalgamation"** means this Scheme of Amalgamation as submitted in the present form to the High Court together with such modification(s), if any, made from time to time as approved or as directed by the High Court;

1.7 **"Transferee Company"** or **"BHL"** means Bajaj Hindusthan Limited, a company within the meaning of the Act having its registered office at Bajaj Bhawan, 2nd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai – 400 021, Maharashtra;

1.8 **"Transferor Company"** or **"BETPL"** means Bajaj Eco- Tec Products Limited, a company incorporated under the Act having its registered office at, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai – 400 021, Maharashtra;

1.9 **"Undertaking"** in relation to the Transferor Company, shall mean the whole of the undertaking and the entire business of the company as a going concern comprising of:

(a) all assets and properties of the Transferor Company as on the Appointed Date i.e. all the undertakings, the entire business, all the properties movable or intangible, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, rights, entitlements, guarantees, authorizations, approvals, agreements, contracts, licenses, registrations, tenancies, benefits of all taxes, right to carry forward and set off unabsorbed losses and depreciation, privileges and rights under State tariff regulations and under various laws; avail of telephones, telexes, facsimile, email, interest, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programmes, manuals, data, and other records, 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 Transferor Company or which have accrued to the Transferor Company as on the Appointed Date, whether in India or abroad, of whatsoever nature and wherever situated (hereinafter referred to as the "Assets");

(b) all debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date (hereinafter referred to as the "Liabilities");

(c) all earnest monies and/or security or other deposits paid by the Transferor Company.

1.10 All terms 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/ or other applicable laws, rules and regulations or any statutory modification or re-enactment thereof, from time to time.

2. (a) As per the last audited annual accounts of the Transferor Company as on March 31, 2011, the authorised, issued, subscribed and paid-up share capital of the Transferor Company was as under:

	Rs.	Rs.
Authorised Share Capital:		
2,10,00,000 Equity Shares of Rs.10/- each	21,00,00,000	
7,00,00,000 Preference Shares of Rs. 10/- each	70,00,00,000	**91,00,00,000**
Issued, Subscribed and Paid-up Share Capital:		
1,15,00,000 Equity Shares of Rs.10/- each, fully paid- up	11,50,00,000	
1,00,00,000 7 % Cumulative Redeemable Preference Shares of Rs.10/- each, fully paid-up	10,00,00,000	
6,00,00,000 7 % Optionally Convertible Cumulative Redeemable Preference Shares of Rs. 10/- each fully paid up	60,00,00,000	**81,50,00,000**

(b) As on April 1, 2012 and as on date, the authorized, issued, subscribed and paid-up share capital of the Transferor Company remains the same.

3. (a) As per the last audited annual accounts of the Transferee Company as on September 30, 2011, the authorized, issued, subscribed and paid-up share capital of the Transferee Company was as under:

	Rs.	Rs.
Authorised Share Capital:		
180,00,00,000 Equity Shares of Re. 1/- each	180,00,00,000	**180,00,00,000**
Issued Share Capital:		
68,50,71,333 Equity Shares of Re. 1/- each fully paid up	68,50,71,333	**68,50,71,333**
Subscribed and Paid-up Share Capital		
22,83,57,111 Equity Shares of Re. 1/- each fully paid up	22,83,57,111	**22,83,57,111**

(b) As on April 1, 2012 and as on date the authorized, issued, subscribed and paid-up share capital of the Transferee Company was as under:

	Rs.	Rs.
Authorised Share Capital:		
180,00,00,000 Equity Shares of Re. 1/- each	180,00,00,000	**180,00,00,000**
Issued Share Capital:		
68,50,71,333 Equity Shares of Re. 1/- each fully paid up	68,50,71,333	**68,50,71,333**
Subscribed and Paid-up Share Capital		

63,93,99,911 Equity Shares of Re. 1/- each fully paid up	63,93,99,911	**63,93,99,911**

4. The Scheme shall come into operation from the Appointed Date, but the same shall become effective only from the Effective Date.

PART II

TRANSFER OF UNDERTAKING

5.1 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Company shall stand merged with and be vested in the Transferee Company, as a going concern, without any further act or instrument and pursuant to the provisions of Sections 391 to 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.

5.2 With effect from the Appointed Date, the entire business and the whole of the Undertaking of the Transferor Company shall, without any further act or deed, be and stand transferred to and vested in or deemed to have been transferred to or vested in the Transferee Company as a going concern, pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Act, PROVIDED that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Company , which shall vest in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be obliged to create any further or additional security after the amalgamation has become effective or otherwise. The transfer/vesting as aforesaid shall be subject to the existing charges/hypothecation over or in respect of the Assets or any part thereof of the Transferor Company. Further, the Transferee Company shall not be required to create any additional security over assets acquired by it under the Scheme for any loans, deposits or other financial assistance availed /to be availed by the Transferor Company. PROVIDED ALSO that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferee Company and the Transferee Company and the Transferee Company shall not be obliged to create any further of additional security after the amalgamation has become effective or otherwise. Further, the Transferee Company shall not be required to create any additional security over assets acquired by it under the Scheme for any loans, deposits or other financial assistance availed / to be availed by the Transferee Company With effect from the Appointed Date, all trade and service names and marks, patents, designs, copyrights, software and computer programmes, databases, domain name(s) and rights and other intellectual property rights of any kind including all applications filed by the Transferor Company for registration of any such rights and the benefits thereof and any assignment thereof or related thereto and all records of any kind shall, without any further act or deed, be and stand transferred to and vested in or deemed to have been transferred to or vested in the Transferee Company.

5.3 With effect from the Appointed Date, and subject to any corrections and adjustments as may be required, in the opinion of the Board of Directors of the Transferee Company, the Reserves and Surplus if any, of the Transferor Company will be merged with those of the Transferee Company in the same form and nomenclature as they appeared in the financial statements of the Transferor Company.

5.4 Any legal or other proceedings by or against the Transferor Company pending on the Effective Date and relating to the Undertaking (including property rights, powers, liabilities, obligations and duties) of the Transferor Company, shall be continued and enforced by or against the Transferee Company, in the same manner and to the same extent as it would or might have been continued and enforced by or against the Transferor Company.

5.5 It is expressly provided that in respect of such of the assets of the Transferor Company as are moveable in nature or are otherwise capable of being transferred by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company, by physical delivery and shall become the property of the Transferee Company pursuant to the provisions of Sections 391 to 394 of the Act.

5.6 With effect from the Appointed Date, all liabilities, debts, duties and obligations of the Transferor Company, other than those mentioned in clause 5.8, shall without any further act or deed, also stand transferred to the Transferee Company, pursuant to the applicable provisions of the Act, so as to become as from the Appointed Date, the liabilities, debts, duties and obligations of the Transferee Company.

5.7 All inter party transactions between the Transferor Company and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Company and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.

5.8 With effect from appointed date, right of Transferee Company to claim accumulated dividend on Cumulative Preference Shares held by it in the Transferor Company shall stand automatically extinguished.

6. On coming into effect of this scheme and subject to other provisions of this Scheme, all contracts, deeds, bonds, agreements, leases, insurance policies and other instruments of whatsoever nature relating to the Undertaking to which the Transferor Company is a party and subsisting or having effect on or before 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 effectually, as if, instead of the Transferor Company, the Transferee Company had at all material times been a party thereto.

7. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that the vesting of the Undertaking occurs by virtue of this Scheme itself, 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, take such actions or enter into or issue or execute deeds, writings, confirmations, assignments, novations, declarations, or other documents with or 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 provisions of this Scheme.

The Transferee Company shall, be deemed to be authorised to execute any such writings on behalf of the Transferor Company, and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company to be carried out or performed.

8. If any suit, writ petition, appeal, revision or other proceedings of whatever nature before any court or tribunal or any other forum (hereinafter called the "Proceedings") by or against the Transferor Company, be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of respective Undertaking of the Transferor Company, or of anything contained in the Scheme, but the Proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made.

9. With effect from the Appointed Date and up to and including the Effective Date:

   (a) The Transferor Company shall carry on and shall be deemed to have carried on its business and activities relating to its Undertaking as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of its Undertaking on account of, and for the benefit of, and in trust for, the Transferee Company.

   (b) All the profits or incomes accruing or arising to the Transferor Company, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or as the case may be, expenditure or losses (including taxes) of the Transferee Company.

   (c) All taxes (including income tax, sales tax, excise duty, customs duty, service tax, value added tax, etc.) paid or payable by the Transferor Company, in respect of the operations and/or the profits of the business before the Appointed Date, shall be on account of the Transferor Company, and, insofar as it relates to the tax payment (including, without limitation, sales tax, excise duty, custom duty, income tax, service tax, value added tax, etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company, in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.

   (d) Any of the rights, powers, authorities and privileges exercised by or available to the Transferor Company, shall be deemed to have been exercised by the Transferor Company, for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company, shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.

10. With effect from the date of filing of this Scheme with the High Court and upto and including the Effective Date:

   (a) The Transferor Company shall preserve and carry on its business and activities with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its subsidiaries or group companies or any third party or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking or any part thereof save and except in its ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court or if the same is permitted by this Scheme or if prior written consent of the Transferee Company has been obtained.

   (b) The Transferor Company and the Transferee Company shall not make any change in its capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares) decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, except under any of the following circumstances:

   (i) by consent of the respective Board of Directors of the Transferor Company and the Transferee Company; or

   (ii) as may be permitted under this Scheme.

11. (a) On the coming into effect of this Scheme all the employees of the Transferor Company, who are in employment as on the Effective Date shall become the employees of the Transferee Company with effect from the Effective Date, without any break or interruption in service and on the same terms and conditions as to employment and remuneration on which they are engaged or employed by the Transferor Company. The Transferee Company undertakes to continue to abide by the agreement / settlement, if any, entered into by the Transferor Company with any of its respective employees.

   (b) The amounts transferred by the Transferor Company towards gratuity, provident fund, pension and/or superannuation fund for the benefit of the employees of Transferor Company (collectively referred to as the "Funds") and the investments made out of such Funds shall, at an appropriate stage, be transferred to the Transferee Company to be held for the benefit of the concerned employees. The Funds shall, subject to the necessary approvals and permission and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees of the Transferor Company or be transferred to and merged with other similar funds of the Transferee Company.

   (c) In relation to employees of the Transferor Company for whom the Transferor Company are making contributions to the Government Regional Provident Fund, such of the employees who are eligible to become the members of the approved Provident Fund of the Transferee Company ("BHL Provident Fund Trust"), shall become members of the BHL Provident Fund Trust with effect from the Effective Date and the obligation for contribution to such

BHL Provident Fund Trust shall be discharged accordingly by the Transferee Company in accordance with the terms thereof. The accumulated amount to the credit of all such employees of the Transferor Company lying with the Government Regional Provident Fund as on the Effective Date shall be transferred to the credit in their respective accounts with the BHL Provident Fund Trust. In relation to employees of the Transferor Company who are not eligible to become members of the BHL Provident Fund Trust, the Transferee Company shall continue to make contributions to the Government Regional Provident Fund and the name of the Transferee Company shall stand substituted for the name of the Transferor Company, in the records of the Government Regional Provident Fund.

(d) In relation to employees of the Transferor Company for whom the Transferor Company are making contributions to any third party gratuity or superannuation fund, the name of the Transferee Company shall stand substituted for the name of the Transferor Company, for all purposes relating thereto, including relating to the obligation to make contributions to the said funds in accordance with the terms of such funds.

(e) With effect from the first of the dates of filing of this Scheme with the High Court and up to and including the Effective Date the Transferor Company shall not vary or modify the terms and conditions of employment of any of its employees, except with the consent of the Transferee Company. The terms of employment of employees of the Transferor Company shall not be adversely affected by virtue of the amalgamation except with the agreement of the concerned employees.

(f) Subject to the terms of this Scheme, the transfer and vesting of the Undertaking of the Transferor Company under Clauses 5 to 9, of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company, as the case may be, before the Appointed Date or 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 made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

PART III

CANCELLATION OF PAID UP SHARE CAPITAL OF TRANSFEROR COMPANY AND ALTERATION/ AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF THE TRANSFEREE COMPANY

12. The entire issued, subscribed and paid-up Equity & Preference Share Capital of the Transferor Company is held by the Transferee Company and its nominees. Upon the Scheme becoming effective, no Equity Shares of the Transferee Company shall be allotted in lieu or exchange of its holding in the Transferor Company and the Equity & Preference Share Capital of the Transferor Company shall stand cancelled. Upon the coming into effect of this Scheme, the share certificates, if any, and Equity and Preference Shares representing the Equity and Preference Shares held by the Transferee Company in the Transferor Company shall stand cancelled, without any further act, instrument or deed for cancellation thereof by the Transferee Company.

13. (a) On coming into effect of this Scheme, and as an integral part of the Scheme, the Authorised Share Capital of the Transferor Company shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company. The Authorised Share Capital of the Transferee Company shall stand increased from Rs.180,00,00,000/- (Rupees One Hundred and Eighty Crore only) divided into 180,00,00,000 (One Hundred and Eighty Crore) Equity Shares of the face value of Re.1/- (Rupee One only) each to Rs. 271,00,00,000/- (Rupees Two Hundred and Seventy One Crore only) divided into 271,00,00,000 (Two Hundred and Seventy One Crore) Equity Shares of the face value of Re.1/- (Rupee One only) each without any further act, instrument or deed. The filing or registration fee and stamp duty already paid by the Transferor Company on its Authorised Share Capital shall be deemed to have been paid by the Transferee Company and accordingly, the Transferee Company shall not be required to pay any additional or further filing or registration fee or stamp duty on the Authorised Share Capital so increased.

(b) Pursuant to the provisions of sub-clause (a) above, on the coming into effect of the Scheme, Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand substituted as under : "The Authorised Share Capital of the Company is Rs. 271,00,00,000/- (Rupees Two Hundred and Seventy One Crore only) divided into 271,00,00,000 (Two Hundred and Seventy One Crore) Equity Shares of Re.1/- (Rupee One) each, with power to increase and reduce the Share Capital of the Company and to divide the shares in the capital for the time being, into several classes and to attach thereto such preferential, deferred, qualified, guaranteed or special 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 in the Articles of Association of the Company."

(c) It is clarified that no separate resolution under Section 16 and Section 94 of the Act shall be required to be passed by the Transferee Company separately in a general meeting for increase of the Authorised Share Capital of the Transferee Company and upon sanction of this Scheme by the Hon'ble High Court, members shall be deemed to have approved the increase in the Authorised Share Capital in terms of Section 16 and Section 94 of the Act.

(d) With respect to the Transferee Company, upon this Scheme becoming effective, the Memorandum of Association of the Transferee Company shall stand altered and amended by inserting the following clause as sub – clause 3B under Clause III after the existing sub-clause 3A without any further act or deed or following the procedure laid down under the Act:

3B To carry on in India or abroad the business to manufacture, produce, process, prepare, convert, derive, compound, grade, develop, design, press, stitch, mould, fabricate, flex, stretch, stamp, shape, smelt, emboss, print, laminate, manipulate, commercialize, market, distribute, promote, supply, import, export, buy, sell, turn to account and to act as agent, broker, concessionaire, consultant, advisor, job worker, collaborator, franchisers, transporter, stockiest, distributor, export house or otherwise to deal in all varieties, shapes, sizes, capacities, descriptions, dimensions, density of fiber boards, particle boards, card boards, laminates, papers etc. made of or originated from by-products or waste products of other trades and industries, paper, wood, plants or other ecological sources or agricultural products of any kind including but not limited to bagasse pulp, wood and bamboo pulp, waste paper pulp, semi-chemical pulp, synthetic pulp and other related pulps used for manufacturing of all kinds of boards and papers, organic or inorganic, biological, ecological or any other formulations, derivatives and compounds there from and other branded preparations and compounds, derivatives and all types of formulations thereof and consumers products manufactured or derivatives based thereon and to cultivate, crush, utilize, buy, sell and deal in all related seeds, substances, raw materials, ingredients, intermediates, wastes, residues, by-products thereof and to establish, promote, operate & develop forests, nurseries and farms for growing and cultivating plants and trees for captive consumption or otherwise and to carry out research and development related thereto.

PART IV

ACCOUNTING TREATMENT FOR THE AMALGAMATION IN THE BOOKS OF THE TRANSFEREE COMPANY

14. The Transferee Company shall follow the 'Pooling of Interest' method of accounting prescribed under Accounting Standard 14 notified by the National Advisory Committee on Accounting Standards, Ministry of Corporate Affairs vide Notification No. G.S.R. 739(E) dated 07.12.2006, as amended from time to time, which inter alia provides for the following:

14.1 All the assets recorded in the books of account of the Transferor Company subject to clause 14.4 and 14.5 shall be recorded by the Transferee Company at their respective book values.

14.2 All the liabilities recorded in the books of the Transferor Company subject to clause 14.4 and 14.5 shall be recorded by the Transferee Company at their respective book values.

14.3 The identity of the reserves of the Transferor Company, if any, to the extent possible shall be preserved and they shall appear in the Financial Statements of the Transferee Company in the same form and manner, in which they appeared in the Financial Statements of the Transferor Company, prior to this Scheme becoming effective. Accordingly, if prior to this Scheme becoming effective there is any reserve in the Financial Statements of the Transferor Company available for distribution as dividend, the same would also be available in the Financial Statements of the Transferee Company for distribution as dividend on and after the Effective Date.

14.4 In case of any differences in accounting policies between the Transferee Company and the Transferor Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the Financial Statements reflect the financial position on the basis of consistent accounting policies. The impact of the same till the amalgamation will be quantified and adjusted in the Profit & Loss Account

14.5 The amount of any inter-company balances, amounts or investments in the share capital of Transferor Company appearing in the books of the Transferee or Transferor Company, shall stand cancelled without any further act or deed, upon the Scheme coming into effect, and the amounts so cancelled shall not be recorded in the books of account of the Transferee Company.

14.6 The surplus arising between (A) the aggregate values of assets of the Transferor Company transferred and recorded by the Transferee Company in terms of clause 14.1 or cancelled in terms of clause 14.5 after making necessary adjustments as per clause 14.4, and (B) the aggregate of (a) the liabilities of the Transferor Company transferred and recorded by the Transferee Company in terms of clause 14.2 or cancelled in terms of clause 14.5 and (b) reserves of the Transferor Company recorded by the Transferee Company as per clause 14.3, after making necessary adjustments as per clause 14.4 and the cost, charges and stamp duty in respect of this amalgamation shall be credited to the Capital Reserve Account of the Transferee Company. In case of a deficit, as computed above, such deficit shall be debited to the General Reserves of the Transferee Company.

15. (a) Any tax liabilities under the Income Tax Act, 1961, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Act, 1956, applicable State value added tax laws or other applicable laws/regulations dealing with taxes/duties/levies (hereinafter in this Clause referred to as "Tax Laws") allocable or related to the business of the Transferor Company, to the extent not provided for or covered by tax provisions in the accounts of the Transferor Company made as on the date immediately preceding the Appointed Date, shall be transferred to the Transferee Company. Any surplus in the provision for taxation/ duties/ levies account including advance tax and tax deducted at source (TDS) as on the date immediately preceding the Appointed Date will also be transferred to the Transferee Company.

(b) Any refund under the Tax Laws due to the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

(c) The Transferee Company shall be entitled to tax benefits under Section 72A and Section 115JB or any other applicable provisions of the Income Tax Act, 1961 towards brought forward losses, unabsorbed depreciation and Minimum Alternate Tax of the Transferor Company, against taxable profits of the Transferee Company with effect from the Appointed Date. The Transferee Company shall continue to enjoy all the tax benefits/ concessions provided to or enjoyed by the Transferor Company under applicable laws and regulations and under notifications and circulars issued thereunder.

(d) The Transferee Company shall be entitled to revise its tax

returns and related TDS returns/certificates and to claim refunds, advance tax credits, etc. and its right to make such revisions and to make such claims is expressly reserved.

PART V

GENERAL TERMS AND CONDITIONS

16. Upon the coming into effect of this Scheme, the Transferor Company shall stand dissolved without winding-up.

17. Upon the coming into effect of this Scheme the resolutions, if any, of the Transferor Company which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and the borrowing limits approved by the shareholders of the Transferor Company under Section 293(1)(d) of the Act and upper monetary or other limits imposed by resolutions passed under any other applicable provisions of the Act, shall be added to the limits, if any, imposed under like resolutions passed by the Transferee Company or, as the case may be, be deemed to be the borrowing or other limits of the Transferee Company and accordingly, such aggregate limits or, as the case may be, limits shall constitute the limits in the Transferee Company.

18. (a) The Transferor Company and the Transferee Company by their respective Boards of Directors or any Committees thereof or any Director authorised in that behalf (hereinafter referred to as the "Delegate") may assent to, or make, from time to time, any modifications or amendments or additions to this Scheme which the High Court or any authorities under law may deem fit to approve of or which the High Court or any authorities under law may impose and which the Transferor Company and the Transferee Company may in their discretion accept or such modifications or amendments or additions as the Transferor Company and the Transferee Company or as the case may be, their respective Delegates may consider necessary for the proper working of, or for the purpose of resolving any doubts or difficulties that may arise in carrying out this Scheme and which may be approved by the High Court and the Transferor Company and the Transferee Company by their respective Boards of Directors or Delegates are authorised to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of any conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect. In the event that any conditions imposed by the High Court or any authorities are found unacceptable by the Transferor Company or the Transferee Company for any reason, then the Transferor Company and the Transferee Company shall be at liberty to withdraw the Scheme. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by the Delegate of the respective Companies.

    (b) For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Delegates (acting jointly) of the Transferor Company and Transferee Company may give and are authorised to determine and give all such directions as are necessary for settling or removing any question of doubt or difficulty that may arise under this Scheme or in regard to the meaning or interpretation of any provision of this Scheme or implementation thereof or in any matter whatsoever connected therewith or to review the position relating to the satisfaction of any conditions of this Scheme and if necessary, to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, 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. In the event that any part or provision contained in this Scheme is incapable of being given effect to for any reason whatsoever, then such part or provision shall not affect the remaining parts or provisions of this Scheme and such part or provision which is incapable of being given effect to shall be deemed to be deleted from the Scheme.

20. The Transferor Company and the Transferee Company shall with all reasonable dispatch, make and file all applications and/or petitions under Sections 391 to 394 and other applicable provisions of the Act before the High Court for sanction of this Scheme and for the dissolution without winding up of the Transferor Company under the provisions of law, and shall apply for such approvals as may be required under law.

21. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for consents and approvals which the Transferee Company may require to own the Undertaking and to carry on the business of the Transferor Company.

22. The Transferor Company and the Transferee Company shall also apply for and obtain such consent and approval as may be required under applicable law or contract to the extent necessary to give effect to the Scheme.

23. This Scheme is conditional upon and subject to:

    (i) The Scheme being agreed to by the requisite majority of the members and creditors of the Transferor Company and of the Transferee Company and by such other persons as may be required under the Act and as may be directed by the High Court;

    (ii) The certified copies of the Orders of the High Court sanctioning this Scheme being filed by the Transferor Company and the Transferee Company with the Registrar of Companies.

24. In the event of this Scheme failing to take effect finally by March 31, 2013 or by such later date as may be agreed by the Board of Directors of the Transferor Company and the Transferee Company, this Scheme shall become null and void and be of no effect and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs, charges and expenses or as may be mutually agreed.

25. All costs, charges and expenses (including stamp duty, taxes and duties) of or payable by the Transferor Company and the Transferee Company in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme shall be borne and paid by the Transferee Company.

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IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 391 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 Bajaj Eco-Tec Products Limited with Bajaj Hindusthan Limited.

Bajaj Hindusthan Limited, a Company within the meaning of Companies Act, 1956, and having its registered office at Bajaj Bhawan, 2nd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai- 400 021 } .....Applicant Company

FORM OF PROXY

I/We, the undersigned Unsecured Creditor(s) of the Applicant Company hereby appoint Mr./Ms._____ __ of _____ and failing him / her Mr./Ms._____ of _____ as my / our proxy, to act for me / us at the meeting of the Unsecured Creditor(s) of the Applicant Company to be held on **Saturday, the 16th day of June, 2012 at 11:30 a.m. (1130 hours)** at **Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber (IMC) Building, IMC Marg, Churchgate , Mumbai – 400020** for the purpose of considering and, if thought fit, approving, with or without modification(s), the Scheme of Amalgamation of Bajaj Eco-Tec Products Limited (the **'Transferor Company'**) with Bajaj Hindusthan Limited (the **'Applicant Company'** or **'Transferee Company'**) and at such meeting and at any adjournment or adjournments thereof, to vote, for me / us / and in my / our name _____ (here, if for, insert **'for'**; if against, insert **'against'**, and in the latter case, strike out the words below after 'Scheme of Amalgamation') the said Scheme of Amalgamation, either with or without modification(s)*, as my / our proxy may approve.

** Strike out what is not necessary.*

Dated this _____ of _____ 2012

Name : _____ _____

Address : _____

_____

_____

Affix Re. 1

Revenue Stamp

Signature across the stamp

Signature of Unsecured Creditor(s): _____

or

Signature of Proxy : _____

Notes:

1. Please affix Revenue Stamp before putting Signature.
2. All alterations made in the Form of Proxy should be initialled.
3. Proxy must be deposited at the registered office of the Applicant Company, not later than FORTY EIGHT hours before the commencement of the meeting.
4. In case of multiple proxies, the proxy later in time shall be accepted.

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ATTENDANCE SLIP

bajaj hindusthan ltd.

Registered Office: Bajaj Bhawan, 2nd floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021, Maharashtra, India

PLEASE FILL THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

FOR UNSECURED CREDITORS

Vendor Code	

Value	

NAME AND ADDRESS OF THE **UNSECURED CREDITOR** / PROXY HOLDER

_____

_____

_____

_____

I hereby record my presence at the meeting of the Unsecured Creditor(s) of the Company convened pursuant to the Order dated 11th day of May, 2012 of the Hon'ble High Court of Judicature at Bombay on **Saturday, the 16th day of June, 2012 at 11:30 a.m. (1130 hours)** at Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber (IMC) Building, IMC Marg, Churchgate, Mumbai – 400020.

SIGNATURE OF UNSECURED CREDITOR **OR** PROXY : _____

Note:

Unsecured Creditors who come to attend the meeting are requested to bring with them copy of the Scheme of Amalgamation

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cfl_mum@crystalforms.com