



COROMANDEL INTERNATIONAL LIMITED

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COURT CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF COROMANDEL INTERNATIONAL LIMITED

Date : 16th June, 2014

Time : 10.00 AM.

Venue: Hotel Minerva Grand, S.D. Road, Secunderabad - 500 003, India

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IN THE HIGH COURT OF JUDICATURE OF ANDHRA PRADESH AT HYDERABAD

ORIGINAL JURISDICTION

IN THE MATTER OF COMPANIES ACT, 1956 (1 OF 1956)

AND

IN THE MATTER OF SECTIONS 391 TO 394 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT 1956

AND

**IN THE MATTER OF SCHEME OF AMALGAMATION BETWEEN
SABERO ORGANICS GUJARAT LIMITED AND COROMANDEL INTERNATIONAL LIMITED
AND THEIR RESPECTIVE SHAREHOLDERS**

AND

IN THE MATTER OF COROMANDEL INTERNATIONAL LIMITED

COMPANY APPLICATION NO. 616 OF 2014

Coromandel International Limited,
A company incorporated under the
Companies Act, 1956, having its registered
office at 1-2-10, Sardar Patel Road,
Secunderabad – 500 003, represented
by its authorised signatory Mr. P Varadarajan,
S/o. Sri Late K Purushothama Naidu,
aged about 53 years,
Resident of Hyderabad

...APPLICANT COMPANY/
TRANSFeree COMPANY

**NOTICE CONVENING THE MEETING OF EQUITY SHAREHOLDERS OF
COROMANDEL INTERNATIONAL LIMITED**

To,

The Equity Shareholders of Coromandel International Limited (“the Applicant Company” / “Company”)

TAKE NOTICE that by an Order made on the 28th day of April, 2014, in the above mentioned Company Application, the Hon’ble High Court of Andhra Pradesh at Hyderabad has directed that a meeting of the Equity Shareholders of Coromandel International Limited, the Applicant Company, be convened and held at Hotel Minerva Grand, S.D. Road, Secunderabad - 500 003, on Monday, 16th June 2014 at 10 a.m. for the purpose of considering and, if thought fit, approving with or without modification(s), the proposed Scheme of Amalgamation between Sabero Organics Gujarat Limited and Coromandel International Limited and their respective shareholders and creditors.

TAKE FURTHER NOTICE that in pursuance of the said Order and as directed therein, a meeting of the Equity Shareholders of Coromandel International Limited, the Applicant Company, will be convened and held at Hotel Minerva Grand, S.D. Road, Secunderabad-500003, on Monday, 16th June 2014 at 10 a.m. at which place, day, date and time, when 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 Coromandel House, 1-2-10 Sardar Patel Road, Secunderabad-500003, India, not later than 48 hours before the scheduled time of the commencement of the said meeting. Please carry proper proof of identification at the meeting venue for the purpose of verification.

The Hon’ble High Court of Andhra Pradesh at Hyderabad has appointed Mr. Mummaneni Srinivasa Rao, Advocate, to be the Chairman of the said meeting.

A copy of the Explanatory Statement under Section 393 of the Companies Act, 1956; the Scheme of Amalgamation; the observation letters issued by the National Stock Exchange of India Limited and BSE Limited; the Complaints' Report; Form of Proxy and Attendance Slip are enclosed.

Sd/-
Mummaneni Srinivasa Rao
Advocate, A.P. High Court
Chairman Appointed for the Meeting

Hyderabad
Dated this 16th day of May, 2014

Notes:

1. All alterations made in the Form of Proxy should be initialed.
2. Only registered equity shareholders of the Applicant Company may attend and vote (either in person or by proxy or by authorised representative under applicable provisions of the Companies Act, 1956) at the meeting. The authorized representative of a body corporate which is a registered equity shareholder of the Applicant Company may attend and vote at the meeting, provided a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate authorizing such representative to attend and vote at the meeting is deposited at the Registered Office of the Applicant Company not later than 48 hours before the scheduled time of the commencement of the meeting.
3. Foreign Institutional Investors (FIIs) who are registered equity shareholders of the Applicant Company would be required to deposit certified copies of custodial resolutions/power of attorney, as the case may be, authorizing the individuals named therein, to attend and vote at the meeting on its behalf. These documents must be deposited at the Registered Office of the Applicant Company not later than 48 hours before the scheduled time of the commencement of the meeting.
4. A registered equity shareholder of the Applicant Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Applicant Company
5. Registered equity shareholders who hold shares in dematerialised form are requested to bring their Client ID and DP ID details for easy identification of the attendance at the meeting.
6. Members are informed that in case of joint holders attending the meeting, only such joint holders whose name stands first in the Register of Members of the Applicant Company in respect of such joint holding will be entitled to vote.

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956 FOR THE COURT CONVENED MEETING OF EQUITY SHAREHOLDERS OF THE APPLICANT COMPANY

1. Pursuant to an Order dated 28th day of April, 2014 passed by the Hon'ble High Court of Andhra Pradesh at Hyderabad a meeting of the equity shareholders of Coromandel International Limited, the Applicant Company, is being convened to be held at Hotel Minerva Grand, S.D. Road, Secunderabad-500003, on Monday, 16th day of June, 2014 at 10 a.m. for the purpose of considering and if thought fit, approving with or without modification(s), the Scheme of Amalgamation of Sabero Organics Gujarat Limited ("Sabero" or "Transferor Company") with Coromandel International Limited ("Coromandel" or "Transferee Company" or "Applicant Company"). The other definitions contained in the Scheme of Amalgamation of the Transferor Company with the Transferee Company and their respective shareholders and creditors shall apply to this Explanatory Statement also.

2. BACKGROUND OF TRANSFEROR & TRANSFEE COMPANIES:

Coromandel International Limited

- a. The Applicant Company is a public limited company having its registered and corporate office at Coromandel House, 1-2-10 Sardar Patel Road, Secunderabad-500003. The Applicant Company was incorporated on October 16, 1961 with the Company Number 892 of 61-62 as a private limited company and was converted into a public limited company on April 16, 1964. The Applicant Company changed its name from Coromandel Fertilizers Limited to Coromandel International Limited on September 23, 2009.
- b. The equity shares of the Applicant Company are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"), (collectively, the "Stock Exchanges"). The authorised, issued, subscribed and paid-up share capital of the Applicant Company as on March 31, 2013 was as under:

Particulars	Amount in Rs.
Authorized Share Capital	
35,00,00,000 Equity Shares of Re. 1 each	35,00,00,000
Total	35,00,00,000
Issued, Subscribed and Paid-up Share Capital	
28,30,57,818 Equity Shares of Re. 1 each fully paid-up	28,30,57,818
Total	28,30,57,818

After the end of the year March 31, 2013 Coromandel has allotted 1,24,004 shares to its employees under the Employees Stock Option Plan in three tranches on 12-8-2013, 7-10-2013 and 21-02-2014.

Liberty Urvarak Limited and Liberty Phosphate Limited have amalgamated with Coromandel vide Orders dated 7th April 2014 and 24th April 2014, as passed respectively by the Hon'ble High Court of Andhra Pradesh and Hon'ble High Court of Gujarat.

- c. The Applicant Company is engaged in the business of manufacture, marketing and trading of Fertilizers, Specialty Nutrients, and Crop Protection products. The Applicant Company has its own Retail network in rural areas for sale of agri-inputs.

The main objects of Coromandel International Limited as set out in its Memorandum of Association are briefly as under : -

- (1) To manufacture, refine and prepare all classes and kinds of fertilizers and all classes and kinds of chemicals and industrial and other preparations arising from or required in the manufacture of any kind of fertilisers.
- (2) To buy, sell, distribute and deal in India and elsewhere all classes and kinds of fertilisers and in all classes and kinds of chemicals and industrial and other preparations arising from or required in the manufacture of any kind of fertilisers.
- (2A) To manufacture, refine, prepare, process, sell, export and generally deal in all types and varieties of cement (including coloured, white, fire, portland and alumina cement) and cement products.

- (2B) To carry on the business of manufacturers, importers, exporters, agents, stockists, distributors, suppliers, refiners of, and dealers in, all kinds and forms of organic chemicals, heavy chemicals, graphite, carbon, petrochemicals, drugs, medicines, antibiotics, acids, alkalies, salts, cardials, fertilisers, insecticides, fungicides, weedicides, pesticides, detergents, pasting agents, solvents including industrial solvents, essences, pharmaceutical, medicinal, chemical and industrial preparations, mineral and other waters, natural and synthetic waxes, dyes, cosmetics, paints, pigments, oils, varnishes, resins and all products and by-products thereof, and to manufacture, process and deal in all or any other articles or things of a character similar or analogous to the foregoing or any of them or connected therewith.
- (2C) To carry on the business of providing, directly or indirectly, management, technical, consultancy and/or advisory services of every kind and description in or outside India, and without limiting the generality of the foregoing, to act as agents for air, shipping lines, and to do or render such other services as are incidental thereto.
- (2D) To carry on the business of manufacturers, processors, exporters and importers of and dealers in implements, accessories, plastics, polymers, reinforced plastics, resins, fibres of vegetable or synthetic origin, plasticizers, related chemicals and articles, materials used in micro irrigation systems, components and other applications in farm input related business.
- (2E) To buy, sell, manufacture, refine, manipulate, import, export and deal in both wholesale and retail, agriculture and non agriculture related durable/non durable items of daily use, and to provide services in the field of insurance, banking and related areas.
- (2F) Manufacture and/or trade in Gypsum based building materials including value added load bearing panel, boards, plaster products, putties and related building material products and provide services in construction, erection/installation of the panels/boards and engage in related construction activities."

Sabero Organics Gujarat Limited

The Transferor Company was incorporated on 29th November 1991 under the Companies Act 1956 as a private limited company in the name and style of Sabero Organics Private Limited in the office of the Registrar of Companies, Maharashtra. It became a public limited company vide the certificate dated 30th June 1992. The name of the company was further changed to Sabero Organics Gujarat Limited vide the certificate dated 20th September 1993. The registered office was shifted to Gujarat vide the order of Company Law Board, Western Region Bench, Bombay dated 28th October 1993 and a fresh certificate of Registration was issued by Registrar of Companies, Gujarat on 2nd December 1993.

The registered office of the Transferor Company is situate at Plot No. 2102, GIDC, Sarigam, Dist. Bulsar 396 155, in the State of Gujarat.

The equity shares of the Sabero are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"), (collectively, the "Stock Exchanges"). The authorised, issued, subscribed and paid-up share capital of the Transferor Company as on March 31, 2013 was as under:

Particulars	Amount in Rs.
Authorized Share Capital	
3,60,00,000 Equity Shares of Rs. 10/- each	36,00,00,000
Total	36,00,00,000
Issued and Subscribed Capital	
3,38,66,077 Equity Shares of Rs. 10/- each fully paid-up	33,86,60,770
Less: Calls in Arrears on 18,290 shares	1,09,740
Paid up Capital	33,85,51,030

Subsequent to 31st March 2013, allotment money on 3,310 equity shares have been received by the Transferor Company and the balance 14,980 equity shares were forfeited on 17th October 2013. Consequently, the Issued and Subscribed Capital of Sabero is 3,38,66,077 Equity shares of Rs. 10/- each amounting to

Rs. 33,86,60,770/-. The Paid up Capital is 3,38,51,097 Equity Shares of Rs.10 each/- amounting to Rs.33,85,10,970/-.

The Transferor Company is engaged in the business of manufacturing of Specialty Chemicals and Crop Protection Chemicals. It is an ISO 9001 and ISO 14001 certified company with a diverse product portfolio manufacturing and marketing a variety of Fungicides, Herbicides and Specialty Chemicals. The Company has its subsidiaries and associate companies in Europe, Brazil, Argentina, Australia and Philippines.

The objects for which the Transferor Company is established are :

Main objects of the company to be pursued by the company on its incorporation:

To manufacture, market, deal, import, export, indent and develop all organic chemicals and all inorganic chemicals.

3. BACKGROUND OF THE SCHEME

The Scheme provides for:

- a) the amalgamation of the Transferor Company with the Applicant Company and issuance of equity shares by the Applicant Company to the shareholders of the Transferor Company in consideration for the amalgamation as set out in the Scheme;
- b) the extinguishment and annulment of equity shares of the Transferor Company which is held by the Applicant Company.
- c) transfer of all the assets and liabilities of the Transferor Company, to the Applicant Company;
- d) dissolution of the Transferor Company without winding up, and various other matters consequential to or otherwise connected with the above in the manner provided for in the Scheme, pursuant to Sections 391 to 394, other relevant provisions of the Companies Act 1956 ("the Act").

4. RATIONALE FOR THE SCHEME

- a. The proposed Amalgamation would provide greater operational flexibility in leveraging sales and distribution networks of the Transferor and Transferee companies besides realizing synergy benefits in the areas of manufacturing, procurement and new product development.
- b. The business and activities of the Transferor and Transferee companies can be carried on more economically, conveniently and advantageously under the proposed Scheme and the same will have beneficial results for the shareholders, stakeholders and all concerned.
- c. The Scheme will be beneficial and is in the best interests of the shareholders, creditors and other stakeholders of the Transferor Company and the Transferee Company. The Scheme shall not be in any manner being prejudicial to the interests of concerned creditors and other stakeholders.

5. CORPORATE APPROVALS FOR THE SCHEME

- a) The proposal for the Amalgamation was placed before the Audit Committee of the Applicant Company at its meeting held on January 24, 2014. The Audit Committee of the Applicant Company took into account the recommendations on the Share Exchange Ratio (as defined in the Scheme) by M/s SSPA & Co. acting as Independent Chartered Accountants, and the Fairness Opinion provided by Axis Capital Limited, acting as the independent fairness opinion provider. The Fairness Opinion provided by Axis Capital Limited notes, that in consideration of the amalgamation of the Transferor Company into the Transferee Company pursuant to the Scheme, 5 (five) equity shares of face value of Re. 1 each of Applicant Company will be issued for every 8 (Eight) fully paid equity shares of face value of Rs.10/-(Rupees Ten Only) each fully paid up held by shareholders of Transferor Company (i.e., pursuant to the Scheme the shareholders of the Transferor Company will be issued shares in accordance with the Share Exchange Ratio). It further states that, as of such date, and based upon and subject to various assumptions, limitations and considerations set forth in such written opinion, the Share Exchange Ratio is fair to the equity shareholders. The shares held by the Applicant Company in the Transferor Company shall get extinguished. On the basis of the

aforesaid evaluations and its own independent judgment, the Audit Committee has recommended the Scheme, including the Share Exchange Ratio to the Board of Directors of the Applicant Company.

- b) The Board of Directors of the Applicant Company has taken into account the independent recommendations of the Audit Committee, the recommendations of the Share Exchange Ratio provided by M/s SSPA & Co. and the Fairness Opinion provided by Axis Capital Limited in relation to the Share Exchange Ratio.
- c) Based on the aforesaid advice/ opinions and on the basis of their independent judgment and evaluation, the Board of Directors of the Applicant Company has come to the conclusion that the Share Exchange Ratio is fair and reasonable and has approved the same at its meeting held on January 24, 2014.
- d) The Board of Directors of the Transferor Company has after considering the recommendations on the Share Exchange Ratio by M/s SSPA & Co., acting as independent chartered accountants and on the basis of its independent judgment and evaluation come to the conclusion that the Share Exchange Ratio is fair and reasonable and has approved the same at their meeting held on January 24, 2014.

6. SALIENT FEATURES OF THE SCHEME

- **“Appointed Date”** means 1st April 2014 or such other date as may be fixed by the High Courts.
- **“Effective Date”** means the last of the dates on which the sanctions and approvals and the Orders of the High Courts sanctioning this Scheme under the provisions of Sections 391 & 394 of the Act and other related provisions are passed and the certified copies thereof are filed with the Registrars of Companies, Gujarat and Andhra Pradesh.
- **“Undertaking of the Transferor Company”** means
 - (a) all the assets and properties of the Transferor Company as on the Appointed/Transfer Date;
 - (b) all the debts, liabilities, duties and obligations of the Transferor Company as on the Appointed/Transfer Date; and includes all the reserves, movable and immovable properties and assets of the Transferor Company, including its leasehold rights, tenancy rights, industrial and other licences, permits, authorisations, quota rights, trade marks, patents and other industrial and intellectual property rights, import quotas, telephones, telex, facsimile and other communication facilities and equipment, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals.
- **“Record Date”** means the date to be fixed by the Board of Directors of the Transferee Company on which the Transferee Company shall, without any further application, act, deed, instrument, matter or thing, issue and allot the equity shares of the Transferee Company in the ratio contemplated under the Scheme to the shareholders of the Transferor Company whose names are entered in the Register of Members, on that date.
- **Transfer of Undertaking of the Transferor Company:**

With effect from the Appointed/Transfer Date, the Transferor Company shall stand amalgamated with the Transferee Company, as provided in the Scheme, and, pursuant to the provisions of Sections 391 and 394 and other applicable provisions of the Act, the Undertaking of the Transferor Company shall, accordingly, without any further act, or deed, be transferred to and vested in, and be deemed to have been transferred to and vested in, the Transferee Company so as to become the property and liabilities of the Transferee Company but subject to all charges affecting the same provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility availed of by the Transferee Company and the Transferee Company shall not be obliged to create any further additional security therefor after the Effective Date or otherwise. All the movable assets of the Transferor Company shall be physically handed over by manual delivery to the Transferee Company to the end and intent that the ownership and property therein passes to the Transferee Company on such handing over. The amounts lying with the banks to the credit of the Transferor Company as of the Appointed/Transfer Date shall also

be transferred to the Transferee Company. Such delivery and transfer shall be made on a date to be mutually agreed upon between the respective Board of Directors of the Transferor Company and the Transferee Company prior to the filing of the certified copies of the Orders of the High Courts with the Registrars of Companies, Gujarat and Andhra Pradesh, by the Transferor Company and the Transferee Company.

- **Dissolution of the Transferor Company:**

The Transferor Company shall be dissolved without winding up pursuant to and in accordance with the provisions of Section 394 of the Act.

- **Issue and Allotment of Shares by the Transferee Company:**

The Transferee Company shall without any further application, act or deed, issue and allot at par, the equity shares of Re. 1/- each credited as fully paid up in the capital of the Transferee Company to every equity shareholder of the Transferor Company whose name appears in the Register of Members on the Record Date in the proportion of 5 (Five) fully paid equity shares of Re. 1/- each of the Transferee Company for every 8 (Eight) equity shares of Rs. 10/- each held in the Transferor Company.

- **Employees:**

All the permanent employees of the Transferor Company in service on the date immediately preceding the Effective Date shall, on and from the Effective Date, become the permanent employees of the Transferee Company on the same terms and conditions on which they are engaged by the Transferor Company without treating it as a break, discontinuance or interruption in service by reason of the transfer of the Undertaking of the Transferor Company.

- **Legal Proceedings:**

If any suits, appeals, actions or proceedings of whatsoever nature (hereinafter called “the Proceedings”) by or against the Transferor Company are pending on or after the Appointed/Transfer Date, the same shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in this Scheme, but the Proceedings may be continued, prosecuted and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as the same would or might have been continued, prosecuted and enforced by or against the Transferor Company, as if this Scheme had not been made.

- **Contracts and Deeds**

- i. Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, indemnities, licenses, engagements and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company is eligible, and which have not lapsed and are subsisting on the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company, as the case may be, and shall be binding on and be enforceable by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had at all material times been a party thereto.
- ii. The Transferee Company shall, if and to the extent required by law, enter into and/or issue and/or execute deeds, writings or confirmations, to give formal effect to the provisions of this Clause and to the extent that the Transferor Company are required to, 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 in the name of the Transferor Company.

The features set out above being only the salient features of the Scheme of Amalgamation. The Equity Shareholders are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

7. The Scheme is not prejudicial to the interests of the members or secured and unsecured creditors of the Applicant Company.
8. Pursuant to the Scheme, the equity shares of the Applicant Company that are proposed to be issued to the shareholders of the Transferor Company in the prescribed Share Exchange Ratio are to be listed on the same stock exchanges on which the equity shares of the Applicant Company are listed, i.e. the BSE and the NSE.
9. The Applicant Company had vide its letters, both dated March 5, 2014, applied to the Stock Exchanges for their no objection to the Applicant to file Scheme with the Hon'ble High Court for sanction. Vide observation letters dated April 21, 2014 and April 22, 2014 issued by the BSE and NSE, respectively, the Stock Exchanges gave their approval for the Scheme. A copy of the observation letters issued by each of the Stock Exchanges is enclosed and should be read in their entirety for information regarding the conditions imposed by the Stock Exchanges.
10. As required by the circular number CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular number CIR/CFD/DIL/8/2013 dated May 21, 2013, both issued by the Securities and Exchange Board of India ("SEBI Circular"), the Applicant Company has filed the Complaints Report (indicating NIL complaints) with the Stock Exchanges on April 1, 2014. A copy of the Complaints Report is enclosed. After filing of the Complaints Report, the Applicant Company has received nil complaints.
11. Further in compliance to the aforesaid circulars, the public shareholders are also entitled to Postal Ballot including e voting for the approval sought to the proposed Scheme of Amalgamation. In terms of the SEBI Circulars mentioned in Clause 10 above, the Scheme of Amalgamation under postal ballot including e-voting shall be deemed to have been approved provided that the Scheme is approved by a simple majority of the shareholders participating through postal ballot including e-voting. The necessary details for the same along with Postal Ballot form are annexed herewith.
12. There are no winding up proceedings pending against the Applicant Company as of date.
13. None of the Directors have any interest in the Scheme of Amalgamation between the Applicant Company and Transferor Company except as equity shareholders in general of the Applicant Company, the extent of which is as stated below:

Equity Shares held in Coromandel

Name of the Director	Designation	No. of Shares held
Mr A Vellayan	Chairman	1,18,510
Mr V Ravichandran	Vice Chairman	40,193
Dr B V R Mohan Reddy	Director	48,000
Mr M M Venkatachalam	Director	1,00,156

The interest of the above directors as shareholders will not be treated in any way differently than that of the other shareholders.

14. The pre and post restructuring share capital structure of the Applicant Company is as provided at Annexure I.
15. An equity shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him. Such proxy need not be a member 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.
16. Corporate members 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.
17. The following documents will be open for inspection by the equity shareholders of the Applicant Company up to 1 (One) day prior to the date of the meeting at the Registered Office of the Applicant Company between 10.00 a.m. and 6.00 p.m on any working day except Saturdays and Sundays:
 - a) Papers and proceedings in Company Application No.616 of 2014 including certified copy of the Order of the Hon'ble High Court of Andhra Pradesh at Hyderabad in the said Company Application directing the convening and holding of the meeting of the equity shareholders of the Applicant Company.

- b) Proposed Scheme.
- c) Memorandum and Articles of Association of the Applicant Company and Transferor Company.
- d) Annual Report of the Applicant Company and Transferor Company for the year ended March 31,2013.
- e) Unaudited results of the Applicant Company for the period ended December 31, 2013.
- f) Unaudited results of the Transferor Company for the period ended December 31, 2013.
- g) Copy of the Valuation Report dated January 24, 2014 issued by M/s SSPA & Co.,Chartered Accountants.
- h) Copy of the Fairness Opinion dated January 24, 2014 issued by Axis Capital Limited.
- i) Copy of the Complaints Report dated April 1, 2014.
- j) Copy of the Observation letters dated April 21,2014 and April 22,2014 issued by the BSE and NSE, respectively

This statement may be treated as the statement under Section 393 of the Act. A copy of the Scheme, the valuation report by M/s SSPA & Co., Fairness Opinion by Axis Capital Limited, the observation letters issued by the NSE and BSE, the Complaints Report and this statement may also be obtained free of cost from the registered office of the Applicant Company during ordinary business hours on any working day (except Saturdays and Sundays) upto 1 (One) day prior to the date of the meeting.

Sd/-

Mummaneni Srinivasa Rao

Advocate, A.P. High Court

Chairman Appointed for the Meeting

Hyderabad

Dated this 16th day of May, 2014

ANNEXURE I

Pre Amalgamation Shareholding Pattern of Coromandel International Limited

Category Code	Category of Shareholder	Number of Shareholders	Total Number of Shares	Number of Shares held in Dematerialised Form	Total Shareholding as a percentage of total number of shares		Shares pledged (or otherwise encumbered)	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)	Number of Shares (VIII)	As a percentage (IX) = (VIII)/(IV)*100
(A)	Shareholding of Promoter and Promoter Group							
1	Indian							
(a)	Individuals/ Hindu Undivided Family	37	3401964	3401964	1.20	1.20	10000	0.29
(b)	Central Government/ State Government(s)	—	—	—	—	—	—	—
(c)	Bodies Corporate	4	177161160	177161160	62.56	62.56	—	—
(d)	Financial Institutions/ Banks	—	—	—	—	—	—	—
(e)	Any Others(Specify)	5	72140	72140	0.03	0.03	—	—
	Sub Total(A)(1)	46	180635264	180635264	63.79	63.79	10000	0.01
2	Foreign							
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	—	—	—	—	—	—	—
b	Bodies Corporate	—	—	—	—	—	—	—
c	Institutions	—	—	—	—	—	—	—
d	Qualified Foreign Investor	—	—	—	—	—	—	—
e	Any Others (Specify)	—	—	—	—	—	—	—
	Sub Total (A)(2)	—	—	—	—	—	—	—
	Total Share holding of Promoter and Promoter Group (A)= (A)(1) +(A)(2)	46	180635264	180635264	63.79	63.79	10000	0.01
(B)	Public shareholding							
1	Institutions							
(a)	Mutual Funds / UTI	49	12007638	12006612	4.24	4.24	—	—
(b)	Financial Institutions / Banks	25	115624	101798	0.04	0.04	—	—

Category Code	Category of Shareholder	Number of Shareholders	Total Number of Shares	Number of Shares held in Dematerialised Form	Total Shareholding as a percentage of total number of shares		Shares pledged (or otherwise encumbered)	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)	Number of Shares (VIII)	As a percentage (IX) = (VIII)/(IV)*100
(c)	Central Government/ State Government(s)	—	—	—	—	—	—	—
(d)	Venture Capital Funds	—	—	—	—	—	—	—
(e)	Insurance Companies	4	4938046	4938046	1.74	1.74	—	—
(f)	Foreign Institutional Investors	58	21235570	21235570	7.50	7.50	—	—
(g)	Foreign Venture Capital Investors	—	—	—	—	—	—	—
(h)	Qualified Foreign Investor	1	1840	—	—	—	—	—
(i)	Any Other (specify)	—	—	—	—	—	—	—
	Sub-Total (B)(1)	137	38298718	38282026	13.52	13.52	—	—
B 2	Non-institutions							
(a)	Bodies Corporate	542	18025486	17983912	6.37	6.37	—	—
(b)	Individuals							
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	42707	23463946	16227300	8.29	8.29	—	—
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	25	9718786	7749086	3.43	3.43	—	—
(c)	Qualified Foreign Investor	—	—	—	—	—	—	—
(d)	Any Other (specify)	—	—	—	—	—	—	—
(d-i)	Non-Resident Indians	1339	3241975	2396549	1.14	1.14	—	—
(d-ii)	Overseas Corporate Bodies	2	9600000	9600000	3.39	3.39	—	—
(d-iii)	Trust	11	37755	36855	0.01	0.01	—	—

Category Code	Category of Shareholder	Number of Shareholders	Total Number of Shares	Number of Shares held in Dematerialised Form	Total Shareholding as a percentage of total number of shares		Shares pledged (or otherwise encumbered)	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)	Number of Shares (VIII)	As a percentage (IX) = (VIII)/ (IV)*100
(d-iv)	Clearing Members	64	75932	75932	0.03	0.03	—	—
(d-v)	Foreign Nationals	15	71960	4500	0.03	0.03		
	Sub-Total (B)(2)	44705	64235840	54074134	22.68	22.68	—	—
	Total Public Shareholding (B)= (B)(1)+(B)(2)	44842	102534558	92356160	36.21	36.21	—	—
(B)	TOTAL (A)+(B)	44888	283169822	272991424	100.00	100.00	—	—
(C)	Shares held by Custodians and against which Depository Receipts have been issued							
1	Promoter and Promoter Group	—	—	—		—	—	—
2	Public					—	—	—
	Sub-Total (C)	—	—	—		—	—	—
	GRAND TOTAL (A)+(B)+(C)	44888	283169822	272991424		100.00	10000	0.00

Post Amalgamation Shareholding Pattern (expected) of Coromandel International Limited

Category Code	Category of Shareholder	Number of Shareholders	Total Number of Shares	Number of Shares held in Dematerialised Form	Total Shareholding as a percentage of total number of shares		Shares pledged (or otherwise encumbered)	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)	Number of Shares (VIII)	As a percentage (IX) = (VIII)/ (IV)*100
(A)	Shareholding of Promoter and Promoter Group							
1	Indian							
(a)	Individuals/ Hindu Undivided Family	37	3401964	3401964	1.18	1.18	10000	—
(b)	Central Government/ State Government(s)	—	—	—	—	—	—	—
(c)	Bodies Corporate	5	177168613	177168613	61.41	61.41	—	—
(d)	Financial Institutions/ Banks	—	—	—	—	—	—	—
(e)	Any Others (Specify)	5	72140	72140	0.03	0.03	—	—
	Sub Total (A)(1)	47	180642717	180642717	62.62	62.62	10000	—

Category Code	Category of Shareholder	Number of Shareholders	Total Number of Shares	Number of Shares held in Dematerialised Form	Total Shareholding as a percentage of total number of shares		Shares pledged (or otherwise encumbered)	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)	Number of Shares (VIII)	As a percentage (IX) = (VIII)/(IV)*100
2	Foreign							
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	—	—	—	—	—	—	—
b	Bodies Corporate	—	—	—	—	—	—	—
c	Institutions	—	—	—	—	—	—	—
d	Qualified Foreign Investor	—	—	—	—	—	—	—
	Sub Total (A)(2)	—	—	—	—	—	—	—
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	47	180642717	180642717	62.62	62.62	10000	—
(B)	Public shareholding							
1	Institutions							
(a)	Mutual Funds / UTI	52	12285723	12283384	4.26	4.26	—	—
(b)	Financial Institutions / Banks	27	115811	101798	0.04	0.04	—	—
(c)	Central Government/ State Government(s)	—	—	—	—	—	—	—
(d)	Venture Capital Funds	—	—	—	—	—	—	—
(e)	Insurance Companies	4	4938046	4938046	1.71	1.71	—	—
(f)	Foreign Institutional Investors	62	22027787	22027787	7.64	7.64	—	—
(g)	Foreign Venture Capital Investors	—	—	—	—	—	—	—
(h)	Qualified Foreign Investor	1	1840	—	—	—	—	—
	Sub-Total (B)(1)	146	39369207	39351015	13.65	13.65	—	—
B 2	Non-institutions							
(a)	Bodies Corporate	803	18872268	18819042	6.54	6.54	—	—
(b)	Individuals							
I	Individuals-i. Individual shareholders holding nominal share capital up to Rs 1 lakh	55012	25622553	18025957	8.88	8.88	—	—

Category Code	Category of Shareholder	Number of Shareholders	Total Number of Shares	Number of Shares held in Dematerialised Form	Total Shareholding as a percentage of total number of shares		Shares pledged (or otherwise encumbered)	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of Shares	As a percentage (IX) = (VIII)/(IV)*100
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	70	10408568	8418556	3.61	3.61	—	—
(c)	Qualified Foreign Investor	—	—	—	—	—	—	—
(d)	Any Other (specify)	—	—	—	—	—	—	—
(d-i)	Non-Resident Indians	1971	3714710	2818690	1.29	1.29	—	—
(d-ii)	Overseas Corporate Bodies	4	9601312	9600000	3.33	3.33	—	—
(d-iii)	Trust	13	42755	41855	0.01	0.01	—	—
(d-iv)	Clearing Members	154	113482	113482	0.04	0.04	—	—
(d-v)	Foreign Nationals	16	91460	4500	0.03	0.03	—	—
	Sub-Total (B)(2)	58043	68467108	57842082	23.73	23.73	—	—
	Total Public Shareholding (B)= (B)(1)+(B)(2)	58189	107836315	97193097	37.38	37.38	—	—
(B)	TOTAL (A)+(B)	58236	288479032	277835814	100.00	100.00	—	—
(C)	Shares held by Custodians and against which Depository Receipts have been issued							
1	Promoter and Promoter Group	—	—	—	—	—	—	—
2	Public	—	—	—	—	—	—	—
	Sub-Total (C)	—	—	—	—	—	—	—
						—	—	
	GRAND TOTAL (A)+(B)+(C)	58236	288479032	277835814	100.00	100.00	10000	—

Calculation made considering the share capital to be added pursuant to the allotment of shares to be made to the equity shareholders of Sabero Organics Gujarat Limited on the basis of swap ratio of 5:8.

SCHEME OF AMALGAMATION
(UNDER SECTIONS 391 AND 394 OF THE COMPANIES ACT, 1956)
OF
SABERO ORGANICS GUJARAT LIMITED
WITH
COROMANDEL INTERNATIONAL LIMITED
GENERAL

This Scheme of Amalgamation is presented for the amalgamation of Sabero Organics Gujarat Limited (hereinafter referred to as “the Transferor Company” or “Sabero” or “SOGL”) with Coromandel International Limited (hereinafter referred to as “the Transferee Company” or “Coromandel”). The Transferor Company is a subsidiary of the Transferee Company. This Scheme is made pursuant to the provisions of Sections 391 – 394 and other applicable provisions of the Companies Act, 1956.

The merger will provide greater operational flexibility in leveraging sales and distribution networks of the transferor and transferee companies besides realizing synergy benefits in the areas of manufacturing, procurement and new product development. The business and activities of the Transferor and Transferee companies can be carried on more economically, conveniently and advantageously under the proposed Scheme and the same will have beneficial results for the shareholders, stakeholders and all concerned.

The Scheme will be beneficial and is in the best interests of the shareholders, creditors and other stakeholders of the Transferor Company and the Transferee Company. The Scheme shall not be in any manner being prejudicial to the interests of concerned creditors and other stakeholders.

PART I - PRELIMINARY

1. DEFINITIONS:

In this Scheme, unless inconsistent with the meaning or context thereof, the following expressions shall have the following meanings:

- i. **“Act”** means the Companies Act, 1956, and shall include the relevant and corresponding sections under the Companies Act, 2013, as and when the same are made applicable before the effective date of the Scheme.
- ii. **“Appointed /Transfer Date”** means 1st April 2014 or such other date as may be fixed by the High Courts.
- iii. **“Effective Date”** means the last of the dates on which the sanctions and approvals and the Orders of the High Courts sanctioning this Scheme under the provisions of Sections 391 & 394 of the Act and other related provisions are passed and the certified copies thereof are filed with the Registrars of Companies, Gujarat and Andhra Pradesh.
- iv. **“Transferor Company”** means Sabero Organics Gujarat Limited, (SOGL), a company incorporated under the Act and having its Registered Office at Plot No.2102, GIDC, Sarigam 396 155, District Bulsar, Gujarat.
- v. **“High Courts”** means the High Court of Gujarat at Ahmedabad and the High Court of Andhra Pradesh at Hyderabad and shall include the National Company Law Tribunal, if and when applicable.
- vi. **“Proceedings”** has the meaning ascribed to in Clause 5 of Part II.
- vii. **“Record Date”** means the date to be fixed by the Board of Directors of the Transferee Company on which the Transferee Company shall, without any further application, act, deed, instrument, matter or thing, issue and allot the equity shares of the Transferee Company in the ratio contemplated under the scheme to the shareholders of the Transferor Company whose names are entered in the Register of Members, on that date.

- viii. **"Scheme"** means this Scheme of Amalgamation of the Transferor Company with the Transferee Company as contained herein submitted to the High Courts for sanction, with such modification(s), if any, as may be imposed or directed by the High Courts or either of them.
- ix. **"Transferee Company"** means Coromandel International Limited, (Coromandel) a Company incorporated under the Act, and having its Registered Office at 'Coromandel House', 1-2-10, Sardar Patel Road, Secunderabad – 500 003.
- x. **"Undertaking of the Transferor Company"** means
 - (a) all the assets and properties of the Transferor Company as on the Appointed/Transfer Date;
 - (b) all the debts, liabilities, duties and obligations of the Transferor Company as on the Appointed/Transfer Date;
 and includes all the reserves, movable and immovable properties and assets of the Transferor Company, including its leasehold rights, tenancy rights, industrial and other licences, permits, authorisations, quota rights, trade marks, patents and other industrial and intellectual property rights, import quotas, telephones, telex, facsimile and other communication facilities and equipment, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals.

2. SHARE CAPITAL:

- i. The authorised, issued, subscribed and paid up share capital of SOGL, the Transferor Company as per its latest Audited Balance Sheet as on 31st March, 2013 is as under:

AUTHORISED SHARE CAPITAL:

(Rs.) 3,60,00,000 Equity Shares of Rs. 10/- each amounting to Rs. 36,00,00,000/-

ISSUED, SUBSCRIBED AND PAID UP CAPITAL

3,38,66,077 Equity shares of Rs. 10/- each amounting to Rs.33,86,60,770/-, out of which an amount of Rs.1,09,740 remained unpaid towards allotment money on 18,290 shares at the rate of Rs.6 per share.

Subsequent to 31st March 2013, allotment money on 3,310 shares have been received and the balance 14,980 shares were forfeited on 17th October 2013. Consequently, the Issued and Subscribed Capital of SOGL is 3,38,66,077 Equity shares of Rs. 10/- each amounting to Rs. 33,86,60,770/-. The paid up capital is 3,38,51,097 Equity Shares of Rs.10 each/- amounting to Rs.33,85,10,970/-. Out of which the Transferee Company holds 2,53,56,361 Shares of Rs.10/- each amounting to Rs.25,35,63,610 /-.

- ii. The authorised, issued, subscribed and paid up share capital of Coromandel, the Transferee Company as per its latest Audited Balance Sheet as on 31st March, 2013 is as under:

AUTHORISED CAPITAL

(Rs.) 35,00,00,000 Equity shares of Rs. 1/- each amounting to Rs. 35,00,00,000/-

ISSUED, SUBSCRIBED AND PAID UP CAPITAL

28,30,57,818 Equity shares of Rs. 1/- each amounting to 28,30,57,818/-

After the end of the year 31-3-2013, Coromandel has allotted 1,24,004 shares to its employees under the Employees Stock Option Plan in three tranches on 12-8-2013, 7-10-2013 and 21-02-2014.

PART II – THE SCHEME

3. OPERATIVE DATE OF THIS SCHEME:

This Scheme, though operative from the Appointed/Transfer Date, shall only become effective from the Effective Date.

4. TRANSFER OF UNDERTAKING OF THE TRANSFEROR COMPANY:

- i With effect from the Appointed/Transfer Date, the Transferor Company shall stand amalgamated with the Transferee Company, as provided in this Scheme, and, pursuant to the provisions of Sections 391 and 394 and other applicable provisions of the Act, the Undertaking of the Transferor Company shall, accordingly,

without any further act, or deed, be transferred to and vested in, and be deemed to have been transferred to and vested in, the Transferee Company so as to become the property and liabilities of the Transferee Company but subject to all charges affecting the same Provided Always That this Scheme shall not operate to enlarge the security for any loan, deposit or facility availed of by the Transferee Company and the Transferee Company shall not be obliged to create any further additional security therefor after the Effective Date or otherwise.

- ii. All the movable assets of the Transferor Company shall be physically handed over by manual delivery to the Transferee Company to the end and intent that the ownership and property therein passes to the Transferee Company on such handing over. The amounts lying with the banks to the credit of the Transferor Company as of the Appointed/Transfer Date shall also be transferred to the Transferee Company. Such delivery and transfer shall be made on a date to be mutually agreed upon between the respective Board of Directors of the Transferor Company and the Transferee Company prior to the filing of the certified copies of the Orders of the High Courts with the Registrars of Companies, Gujarat and Andhra Pradesh, by the Transferor Company and the Transferee Company.
- iii. Loans, deposits, obligations, balances or other outstandings, if any, due from the Transferor Company to the Transferee Company or vice versa, shall be deemed to have been discharged in full on and from the Appointed/Transfer Date and corresponding effect shall be given in the books of account and records of the Transferee Company. For the removal of doubt it is clarified that to the extent that there are inter-company loans, deposits or balances as between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of any assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of any such loans, deposits, obligations balances or other outstandings, with effect from the Appointed/Transfer Date.
- iv. All benefits including under Income Tax, Excise (including Modvat/Cenvat), Sales Tax (including deferment of any Tax), exemptions, concessions, remissions and subsidies to which the Transferor Company is entitled to in terms of the various statutes and/or schemes of the Union and State Governments, obligations or benefits arising out of bank guarantees given with respect to any appeals with the relevant authorities, and all permits, authorizations, licenses, consents, registrations, approvals, permissions, insurance policies, bids, tenders, letters of intent, connections for water, electricity and drainage, sanctions, product registrations, entitlements, allotments, privileges, easements and advantages, facilities, rights, powers and interests (whether vested or contingent) without any further act, or deed, shall stand transferred to and vest in the Transferee Company.
- v. The transfer and vesting of the Undertaking of the Transferor Company as aforesaid shall be subject to the existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets or any part thereof, Provided However That such charges, mortgages and/or encumbrances shall be confined only to the relative assets of the Transferor Company or part thereof on or over which they are subsisting on transfer to and vesting of such assets in the Transferee Company and no such charges, mortgages, and/or encumbrances shall extend over or apply to any other asset(s) of the Transferee Company. Any reference in any security documents or arrangements (to which the Transferor Company is a party) to any assets of the Transferor Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of the Transferee Company.

Provided further that such charges, mortgages and/or encumbrances created by the Transferee Company shall be confined only to the existing assets of the Transferee Company and the same shall not extend automatically to the assets of the Transferor Company so brought in the books of the Transferee Company.

- vi. With effect from the Appointed/Transfer Date all the debts, liabilities, duties and obligations of the Transferor Company shall, pursuant to the Orders of the High Courts under Section 394 and other applicable provisions of the Act and without any further act or deed, be also transferred or deemed to be transferred to and vest in and be assumed by the Transferee Company, so as to become as from the Appointed/Transfer Date the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company.

5. LEGAL PROCEEDINGS:

If any suits, appeals, actions or proceedings of whatsoever nature (hereinafter called “**the Proceedings**”) by or against the Transferor Company are pending on or after the Appointed/Transfer Date, the same shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in this Scheme, but the Proceedings may be continued, prosecuted and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as the same would or might have been continued, prosecuted and enforced by or against the Transferor Company, as if this Scheme had not been made.

6. CONTRACTS AND DEEDS:

- i. Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, indemnities, licenses, engagements and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company is eligible, and which have not lapsed and are subsisting on the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company, as the case may be, and shall be binding on and be enforceable by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had at all material times been a party thereto.
- ii. The Transferee Company shall, if and to the extent required by law, enter into and/or issue and/or execute deeds, writings or confirmations, to give formal effect to the provisions of this Clause and to the extent that the Transferor Company are required to, 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 in the name of the Transferor Company.

7. SAVING OF CONCLUDED TRANSACTIONS:

The transfer of the Undertaking of the Transferor Company to the Transferee Company pursuant to and in accordance with Clause 4 above, the continuance of the Proceedings under Clause 5 above and the effectiveness of contracts and deeds under Clause 6 above, shall not, in any manner, affect any transaction or the Proceedings already concluded by the Transferor Company on or before the Effective Date.

8. EMPLOYEES:

- i. All the permanent employees of the Transferor Company in service on the date immediately preceding the Effective Date shall, on and from the Effective Date, become the permanent employees of the Transferee Company on the same terms and conditions on which they are engaged by the Transferor Company without treating it as a break, discontinuance or interruption in service by reason of the transfer of the Undertaking of the Transferor Company.
- ii. The Transferor Company shall not vary the terms and conditions of service of its permanent employees after the Appointed/Transfer Date except in the ordinary course of their business.
- iii. On and from the Effective Date the Provident Funds, Gratuity Funds, Superannuation Funds or any other fund or funds created or existing for the benefit of the permanent employees, as applicable, of the Transferor Company shall be continued by the Transferee Company and the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, including in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such fund shall become those of the Transferee Company.
- iv. On and from the Effective Date, the services of the permanent employees of the Transferor Company will be treated as having been continuous, without any break, discontinuance or interruption, for the purpose of membership and the application of the Rules or Bye Laws of the said funds.

9. DISSOLUTION OF THE TRANSFEROR COMPANY:

The Transferor Company shall be dissolved without winding up pursuant to and in accordance with the provisions of Section 394 of the Act.

10. BUSINESS IN TRUST FOR THE TRANSFeree COMPANY:

With effect from the Appointed/Transfer Date and upto and including the Effective Date:

- i. 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 be deemed to have held and stood possessed of all its assets and properties for and on account of and in trust for the Transferee Company.
- ii. The Transferor Company shall carry on its business and activities with due diligence and business prudence and shall neither sell, transfer, alienate, charge, mortgage, encumber or otherwise deal with the Undertaking of the Transferor Company or any part thereof nor incur, accept or acknowledge any debt, obligation or any liability or incur any major expenditure, except as is necessary in the ordinary course of their business, without the prior written consent of the Transferee Company or pursuant to any pre-existing obligation undertaken by the Transferor Company prior to the Appointed/Transfer Date.
- iii. All profits or income accruing or arising to the Transferor Company or any costs, charges, expenditure or losses arising or incurred by the Transferor Company shall for all purposes be treated and be deemed to have been accrued or accrue as the profits, income, costs, charges or expenditure or losses, as the case may be, of the Transferee Company.
- iv. The Transferor Company shall not, without the prior written consent of the Transferee Company, undertake any new business or a substantial expansion of its existing business.

11. DIVIDENDS, PROFITS, BONUS/RIGHTS SHARES

- i. The Transferor Company shall not without the prior written consent of the Transferee Company declare any dividend for the financial year ending on or after the Appointed/Transfer Date and subsequent financial years.
- ii. Until the Effective Date, the Transferor Company shall not issue or allot any further share capital whether by way of rights shares or bonus shares or otherwise

12. ISSUE AND ALLOTMENT OF SHARES BY THE TRANSFeree COMPANY:

Upon the transfer of the Undertaking of the Transferor Company and the amalgamation becoming effective in terms of this Scheme, the consideration in respect of such transfer to, and vesting of the Undertaking of the Transferor Company in, the Transferee Company shall, subject to the provisions of this Scheme, be settled by the Transferee Company as follows:

- i. The Transferee Company shall without any further application, act or deed, issue and allot at Par, the equity shares of Re. 1/- each credited as fully paid up in the capital of the Transferee Company to every equity shareholder of the Transferor Company whose name appears in the Register of Members on the Record Date in the proportion of 5 (Five) fully paid equity shares of Re. 1/- each of the Transferee Company for every 8 (Eight) equity shares of Rs. 10/- each held in the Transferor Company.
- ii. However, the shares held by the Transferee Company in the Transferor Company as on the Record Date shall stand extinguished and annulled.
- iii. Equity Shares issued and allotted by the Transferee Company to the equity shareholders of the Transferor Company shall, in all respects, rank paripassu with the existing equity shares of the Transferee Company for dividend, voting and other rights and shall be tradable on the Stock Exchanges in which the Transferee Company is listed
- iii. No fractional Certificates shall be issued by the Transferee Company in respect of the fractional entitlements, if any, to which the equity shareholders of the Transferor Company may be entitled on issue and allotment of the equity shares of the Transferee Company as aforesaid. The Board of Directors of the Transferee Company shall instead consolidate all such fractional entitlements to which the shareholders of the Transferor Company may be entitled on issue and allotment of the equity shares of the Transferee Company as aforesaid and shall, without any further application, act, instrument or deed, issue and allot equity shares in lieu thereof to an individual trustee, board of trustees or a corporate trustee (hereinafter

referred to as the “Trustee”) who shall hold the same, with all additions or accretions thereto in trust for those entitled to the fractions and sell the same in the market at such price(s) and at such time(s) as the Trustee may in its sole discretion decide and pay to the Transferee Company the net sale proceeds thereof.

- iv. Every shareholder of the Transferor Company shall surrender to the Transferee Company for cancellation, extinguishment or annulment, the relevant share certificates held by him in the Transferor Company and shall have the option exercisable by notice in writing to the Transferee Company on or before such date as may be determined by the Board of Directors of the Transferee Company to receive either in certificate form or in dematerialised form, the shares of the Transferee Company in lieu thereof in terms of this Scheme or have the same extinguished or annulled, as the case may be. If such notice is not received by the Transferee Company from any shareholders of the Transferor Company as aforesaid, the shares of the Transferee Company shall be issued to such shareholders in certificate form. Those equity shareholders of the Transferor Company who exercise the option to receive the shares of the Transferee Company in dematerialised form shall provide details of their account with a Depository Participant and such other confirmations as may be required to enable the Transferee Company to issue and directly credit their dematerialised securities account.
- (v) For the purpose of issue of shares to the shareholders of the Transferor Company, the Transferee Company shall, if and to the extent required, apply for and obtain the required statutory approvals from Reserve Bank of India and other concerned regulatory authorities and shall comply with the applicable provisions of Foreign Exchange Management Act 1999.

13. ACCOUNTING TREATMENT

- 13.1 On the Scheme becoming effective, the Transferee Company shall account for amalgamation of the Transferor Company with itself in its books of account with effect from the Appointed Date as provided in the Scheme.
- 13.2 The amalgamation being “amalgamation in the nature of merger” as defined in Accounting Standard 14, “Accounting for Amalgamations” (AS 14) as notified under Section 211 (3C) of the Act, (which continues to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs), shall be accounted for under “The Pooling of Interests Method” in accordance with the said AS 14.
- 13.3 The Transferee Company shall, upon the Scheme coming into effect, record the assets and liabilities of the Transferor Company vested in it pursuant to this Scheme at the their existing carrying amounts on the close of the business of the day immediately preceding the Appointed Date as per the audited financial statements of the Transferor Company after making adjustments, if any, for adoption of uniform accounting policies.
- 13.4 The Transferee Company shall record all the Reserves (including the balance in the Profit and Loss Account) 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, except for the adjustments, if any, for adoption of uniform accounting policies.
- 13.5 Equity shares of the Transferor Company held by the Transferee Company as on the Record Date shall stand cancelled and there shall be no further obligation / outstanding in that behalf.
- 13.6 The Transferee Company shall credit the aggregate face value of its Equity Shares issued by it to the shareholders of the Transferor Company (including those issued and allotted to the Trustee) as per Clause 12 above of the Scheme to its Share Capital Account.
- 13.7 The difference between –
 - (i) the sum of the amount recorded as Investments (towards its shareholding in the Transferor Company) in the books of the Transferee Company, Equity Shares issued pursuant to this Scheme as described in Clause 12 above; and

- (ii) the amount of Equity Shares of the Transferor Company shall be adjusted against 'General Reserve' standing in the books of the Transferee Company.

13.8 To the extent there are inter-corporate loans or balances between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.

13.9 Costs, expenses and duties incurred in connection with the Scheme and to put it into operation / implementation of the Scheme shall be charged off to the Profit and Loss Account of the Transferee Company.

13.10 The Accounting treatment specified under the Scheme would be in accordance with the Accounting Standards prescribed under Section 211 (3C) of the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs), and where the Scheme prescribes a different treatment, the same shall be ignored in order to be compliant with the applicable Accounting Standards.

14. APPLICATIONS TO THE HIGH COURTS:

On this Scheme being approved by the requisite majority of shareholders and creditors of the Transferor Company and Transferee Company respectively representing the required value, the Transferor Company shall with all reasonable dispatch, make necessary applications/petitions under Sections 391 and 394 of the Act and other applicable provisions of the Act to the High Court of Gujarat at Ahmedabad and the Transferee Company shall with all reasonable dispatch, make necessary applications/petitions under Sections 391 and 394 of the Act and other applicable provisions of the Act to the High Court of Andhra Pradesh at Hyderabad for sanction and carrying out of this Scheme and for consequent dissolution of the Transferor Company without winding up and apply for and obtain such other approvals, as required by law.

15. MODIFICATIONS OR AMENDMENTS TO THE SCHEME:

The Transferor Company and the Transferee Company (by their respective Boards of Directors or such other person or persons, as the respective Board of Directors may authorize) are empowered and authorized:

- i. to assent from time to time to any modifications or amendments of this Scheme or of any conditions or limitations which the High Courts and/or any other competent authorities under law, the shareholders and/or creditors of the Transferor Company and the Transferee Company may deem fit to approve or direct or as may be deemed expedient or necessary; and
- ii. give such directions as they may consider necessary or desirable to settle all questions, doubts or difficulties that may arise in carrying out this Scheme or any matter connected therewith (including any question, doubt or difficulty arising in connection with any deceased or insolvent shareholders of the Transferor Company or the Transferee Company) and to do and execute all acts, deeds, matters and things necessary, desirable or proper for carrying this Scheme into effect.

In the event that any modification or amendment to this Scheme is unacceptable to the respective Board of Directors of either of the Transferor Company or the Transferee Company for any reason whatsoever either of the Transferor Company and/or the Transferee Company, as the case may be, shall be entitled to withdraw from this Scheme.

PART III – GENERAL

16. SCHEME CONDITIONAL UPON:

This Scheme is conditional upon and subject to:

- i. Sanction or approval of all persons or authorities concerned being obtained and granted in respect of any of the matters provided for or relating to this Scheme for which such sanction or approval is required;

- ii. Approval of this Scheme by -
 - a. the requisite majorities of the shareholders and creditors of the Transferor Company and the Transferee Company; and
 - b. the Scheme being approved by the majority of the public shareholders of the Transferor Company and the Transferee Company participating in the voting through the procedure of postal ballot and e voting, in compliance with the applicable SEBI circulars, i.e. the votes cast by the public shareholders in favour of the Scheme are more than the number of votes cast by the public shareholders against it.
- iii. Sanction of this Scheme by the High Courts.
- iv. Certified copies of the Orders of the High Courts sanctioning this Scheme being filed by the Transferor Company with the Registrar of Companies, Gujarat, and by the Transferee Company with the Registrar of Companies, Andhra Pradesh.

17. WHEN THE SCHEME TO BECOME NULL AND VOID :

In the event of any of the sanctions and approvals referred to in Clauses 16(i), 16(ii) and 16(iii) above, not being obtained and/or this Scheme not being sanctioned by either of the High Courts and/or the certified copies of the Orders of either of the High Courts sanctioning this Scheme not being filed as aforesaid or when the Scheme is mutually agreed to be withdrawn by the Transferor Company and the Transferee Company through their respective Board of Directors, this Scheme shall become null and void and in such event no rights or liabilities whatsoever shall accrue to or be incurred by the Transferor Company and the Transferee Company. The Transferor Company inter se the Transferee Company shall, in such event, bear their respective costs, charges and expenses in connection with this Scheme.

18. COSTS, CHARGES AND EXPENSES:

Subject to Clause 17 above, all costs, charges and expenses, including stamp duty and registration charges, if any, or for in respect of any deed, document, instrument or Orders of the High Courts or either of them in relation to or in connection with negotiations leading up to and arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne and paid wholly by the Transferee Company.

Ref: NSE/LIST/236697-S

April 22, 2014

The Company Secretary,
Coromandel International Limited
"Coromandel House",
1-2-10, Sardar Patel Road
Secunderabad - 500003

Kind Attn: Mr. P Varadarajan

Dear Sir,

Sub.: Observation letter for Draft Scheme of Amalgamation (under sections 391 and 394 of the Companies Act, 1956) of Sabero Organics Gujarat Limited with Coromandel International Limited

This has reference to Draft Scheme of Amalgamation (under sections 391 and 394 of the Companies Act, 1956) of Sabero Organics Gujarat Limited with Coromandel International Limited submitted to NSE vide your letter dated March 05, 2014.

Based on our letter reference no Ref: NSE/LIST/234990-N submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 and SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, SEBI vide its letter dated April 17, 2014 has given following comments on the draft scheme of amalgamation:

- a) The draft Scheme doesn't explicitly and unequivocally include the provision regarding the approval of the scheme by the Public Shareholders of Sabero and Coromandel participating in the voting through the procedure of postal ballot and e-voting, in compliance with the said Circulars. Company to ensure that the same is included in the Scheme.
- b) The company shall duly comply with various provisions of the Circulars.

Accordingly, we do hereby convey our 'No-Objection' with limited reference to those matters having bearing on listing / delisting / continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Company to file the Scheme with the Hon'ble High Court.

However, the Exchange reserves its right to withdraw this No-objection approval at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from April 22, 2014, within which the scheme shall be submitted to the Hon'ble High Court. Further pursuant to the above SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, you shall submit to NSE the following:



Continuation Sheet

Ref: NSE/LIST/236697-S

April 22, 2014

- a. Copy of Scheme as approved by the High Court;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme
- d. Status of compliance with the Observation Letter/s of the stock exchanges
- e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f. Complaints Report as per Annexure II of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013.

Yours faithfully,
For National Stock Exchange of India Limited

Kamlesh Patel
Manager

This Document is Digitally Signed



Signer : Patel Kamlesh
Date: Tue, Apr 22, 2014 13:17:59 IST
Location: NSE

DCS/AMAL/PS/24(f)/016/2014-15

April 21, 2014

The Company Secretary
Coromandel International Limited
Coromandel House, 1-2-10,
Sardar Patel Road, Secunderabad,
Andhra Pradesh - 500003

Dear Sir / Madam,

Sub: Observation letter regarding the Scheme of Amalgamation between Sabero Organics Gujarat Limited (SOGL) & Coromandel International Limited (CIL)

We are in receipt of draft Scheme of Amalgamation involving merger of Sabero Organics Gujarat Limited (SOGL) with the company.

The Exchange has noted the confirmation given by the Company stating that the scheme does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions of the Listing Agreement or the requirements of BSE Limited (BSE).

As required under SEBI Circular No.CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No.CIR/CFD/DIL/8/2013 dated May 21, 2013; SEBI has vide its letter dated April 17, 2014 given the following comment(s) on the draft scheme of arrangement:

- *The draft scheme doesn't explicitly and unequivocally include the provision regarding the approval of the scheme by the Public Shareholders of Sabero and Coromandel participating in the voting through the procedure of postal ballot and e-voting, in compliance with the said circulars.*
- *The company shall duly comply with various provisions of the Circulars.*

Accordingly, we hereby convey Exchange's 'No-objection' with limited reference to those matters having bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable you to file the scheme with the Hon'ble High Court.

Further, you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also mention the same in your application for approval of the scheme of arrangement submitted to the Hon'ble High Court.

The Exchange reserves its right to withdraw its No-objection/approval at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Yours faithfully,


Bhuvana Sriram
Deputy Manager


Pooja Sanghvi
Asst. Manager

Complaints Report for the period March 10, 2014 – March 31, 2014

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Nil
5.	Number of complaints pending	Nil

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Nil	Nil	Nil

For Coromandel International Limited



P. Varadarajan
 VP-Legal & Company Secretary



**IN THE HIGH COURT OF JUDICATURE OF ANDHRA PRADESH AT HYDERABAD
(ORIGINAL JURISDICTION)**

IN THE MATTER OF THE COMPANIES ACT, 1956 (1 of 1956)

AND

IN THE MATTER OF SECTIONS 391 TO 394 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT 1956

AND

**IN THE MATTER OF SCHEME OF AMALGAMATION BETWEEN
SABERO ORGANICS GUJARAT LIMITED AND COROMANDEL INTERNATIONAL LIMITED
AND THEIR RESPECTIVE SHAREHOLDERS**

AND

**IN THE MATTER OF COROMANDEL INTERNATIONAL LIMITED
COMPANY APPLICATION NO. 616 OF 2014**

FORM OF PROXY

I/We (*), the undersigned, the Equity Shareholder of Coromandel International Limited, do hereby nominate and appoint Mr./Ms. of and failing him/her of as my/our PROXY to act for me at the Court convened meeting of the Equity Shareholders of Coromandel International Limited to be held on Monday, the 16th day of June 2014 at 10.00 a.m., at Hotel Minerva Grand, S.D. Road, Secunderabad-500003, India for the purpose of considering, and, if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme of Amalgamation of Sabero Organics Gujarat Limited with Coromandel International Limited (the "Scheme of Amalgamation"), and at such meeting and any adjournment/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.

Dated this.....day of2014

Name :

Address :

Affix
Re.1
Revenue
Stamp

Ledger Folio No./DP ID/Client ID No:

Signature across the stamp

Notes:

- i) The Form of Proxy must be deposited at the Registered Office of the Coromandel International Limited not less than 48 (forty eight) hours before the time of holding the aforesaid meeting.
 - ii) If you are a body corporate, as the shareholder, a copy of the Resolution of the Board of Directors or the governing body authorizing such person to act as its representative/proxy at the meeting and certified to be a true copy by a Director, the manager, the secretary or any other authorised officer of such body corporate be lodged with the Applicant Company at its registered office not later than 48 (forty eight) hours before the meeting.
 - iii) A proxy need not be equity shareholder of Coromandel International Limited.
 - iv) All alterations made in the Form of Proxy should be initialed by the Equity Shareholder.
 - v) In case of multiple proxies, the proxy later in time shall be accepted.
- (*) Strike Out which ever not applicable.

INTENTIONALLY LEFT BLANK

COROMANDEL INTERNATIONAL LIMITED

Regd. Office: Coromandel House, Sardar Patel Road,
Secunderabad - 500 003, Andhra Pradesh, India.
Corporate Identity Number : L24120AP1961PLC000892
Email :mail@coromandel.murugappa.com Website: www.coromandel.biz

COURT CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF COROMANDEL INTERNATIONAL LIMITED

ATTENDANCE SLIP

PLEASE COMPLETE THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Name and Address of the Shareholder:
(in BLOCK LETTERS)

(For Demat Holding) : DP ID : _____ Client ID : _____

(For Physical Holding) : Folio No : _____ No. of Shares Held : _____

Name and Address of the Proxy (in BLOCK LETTERS) to be filled in if the proxy attends instead of equity shareholder:



I hereby record my presence at the Meeting of the Equity Shareholders of Coromandel International Limited held pursuant to the Order dated 28th day of April, 2014 of the Hon'ble High Court of Andhra Pradesh on Monday, the 16th day of June 2014 at 10.00 a.m., at Hotel Minerva Grand, S.D. Road, Secunderabad - 500 003, India.

Signature of the Equity Shareholder or Proxy _____

NOTES :

Shareholders/Proxy holders are requested to bring the attendance slip with them when they come to the meeting.



If undelivered, please return to:
Coromandel International Limited
"COROMANDEL HOUSE" 1-2-10, Sardar Patel Road,
Secunderabad - 500 003, Andhra Pradesh, India.
Ph: 040-27842034 / 7212
Fax: 040-27844117
Website: www.coromandel.biz

