

**E.I.D. - Parry (India) Limited**

Regd. Office : Dare House, 234, N.S.C. Bose Road, Parrys Corner, Chennai 600001, India.

Tel : 91.44 25306789 Fax : 91.44. 25341609 / 25340858

CIN : L24211TN1975PLC006989

Website : www.eidparry.com

February 15, 2018

To
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1, G. Block,
Bandra Kurla Complex
Bandra (E), Mumbai – 400 051

Dear Sir/Madam,

Ref: E.I.D.- Parry (India) Limited Scrip Code (EIDPARRY)

This is with reference to your mail regarding the recent news item appearing in Free Press Journal dated February 14, 2018, titled "HC upholds tribunal order on sale of sugar unit to EID Parry".

We are furnishing the details required by you:

On 30th October 1992, EID Parry (India) Ltd (EID) had entered into an agreement with M/s Nava Bharat Ferro Alloys Ltd (NABFL) for takeover of the Sugar factory assets (without workmen) of NABFL at Pugalur. Such a takeover has been recognised under Sec 25FF of the Industrial Disputes Act (ID Act) backed by numerous judgements of Supreme Court. On 13.11.1992, the properties were registered in favour of EID. On the same day, NABFL issued notice of termination to all its 651 workmen who were then working at Pugalur sugar factory and also paid notice pay, retrenchment compensation and other terminal benefits to all its workmen including gratuity.

The Workmen subsequently raised an Industrial Dispute (1) Questioning the said transfer and (2) the consequential loss of their employment.

On 13.04.1993, the Govt of Tamil Nadu referred the matter to the Industrial Tribunal, Chennai for adjudication and the said Tribunal took up the matter as ID 45/93 on which the Tribunal passed its Award on 24.09.2008 holding that the transfer of Pugalur sugar factory from NABFL to EID is real, genuine, bonafide and justified. But the consequential non-employment is not justified and therefore directed EID to give employment to the terminated workmen on and from 01.11.2008.

Aggrieved by the Order of the Tribunal both the Company and the Workmen filed Writ Petitions before the Madras High Court. The High Court of Judicature at Madras passed its orders on 09.02.2018. The order of the HC is only uploaded on the website of HC and we are yet to receive a certified copy of the same. The HC has held that the sale made by NABFL to EID is real, genuine, bonafide and justified. However, in the light of principles of fairness, equity, good conscience and socio legal justice, the HC directed fresh employment to the workmen as held by the Tribunal.

Handwritten signature



murugappa

**E.I.D. - Parry (India) Limited**

Regd. Office : Dare House, 234, N.S.C. Bose Road, Parrys Corner, Chennai 600001, India.

Tel : 91.44 25306789 Fax : 91.44. 25341609 / 25340858

CIN : L24211TN1975PLC006989

Website : www.eidparry.com

The Company has been advised by its Legal Counsel that the impugned Order failed to follow the law laid down by Hon'ble Supreme Court in a number of cases where it is held that when the transfer of undertaking is real, bonafide, genuine, the only remedy open to the workmen is to seek compensation as per Sec 25FF of the ID Act and the purchaser has no liability. In fact, the Constitution Bench of the Hon'ble Supreme Court specifically held that social justice and fair play means justice for both employer and the workmen and therefore the claim of the workmen that they would get compensation from the transferor and re-employment from the transferee cannot be sustained.

In the light of the same, we have been advised by our counsel that we have a strong case and we will be filing appeal against the Order of the High Court.

We also provide herewith the necessary information in the format as desired by you.

- a) Whether such event stated in published news were taking place? If so, you are advised to provide the said information along with the sequence of events in chronological order.

As stated above

- b) The material impact of this article on the Company.

The Company will be filing appeal against the Order. As per the advice of our Counsel, the Company has a strong case based upon the settled principles on the subject laid down by the Hon'ble Supreme Court in a number of cases. The liability, if any, of the Company in respect of this dispute depends upon the final outcome of the case and the quantum of which is not currently ascertainable. In the absence of such information, the quantitative factors which may be considered while determining the materiality of an event or information cannot be considered at this juncture. The Company does not consider that this article has any material impact on the Company.

- c) Whether company are aware of any information that has not been announced to the Exchanges under Regulation 30 of Listing Regulations. If so, you are advised to provide the said information and the reasons for not disclosing the same to the Exchange earlier as required under Regulation 30 of the Listing Regulations.

This is a case which is more than 25 years old and is disclosed in the Annual Report under the head contingent liability.

We also came to know about the order from the media report. We are yet to receive a certified copy of the Order of the Court dated 9.2.2018 though we note it has been uploaded on their website.

We request you to take the above information on record.

Thanking you,
Yours faithfully,

For E.I.D.- PARRY (INDIA) LIMITED

G. JALAJA
Company Secretary



murugappa