April 5, 2017

The General Manager
Corporate Relations Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001
Scrip Code: **500770**

National Stock Exchange of India Ltd.
Exchange Plaza
Bandra-Kurla Complex
Bandra (E)
Mumbai 400 051
Symbol: **TATACHEM**

Dear Sir,

Sub: Notice of Meeting of the Equity shareholders convened pursuant to the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench

This is with reference to the Observation letter nos. DCS/AMAL/ND/IP/611/2016-17 and NSE/LIST/93761 both dated November 16, 2016 issued by BSE Limited and National Stock Exchange of India Limited, respectively, conveying No-objection to the Scheme of Arrangement between Tata Chemicals Limited ("Company") and Yara Fertilisers India Private Limited and their respective Shareholders and Creditors ("Scheme").

In this regard, we wish to inform you that in accordance with the directions issued by the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") vide its Order dated March 1, 2017, a Meeting of the Equity Shareholders of the Company has been convened at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Marine Lines, Mumbai 400020 on Monday, May 8, 2017 at 3.00 p.m. to obtain shareholders' approval for the Scheme.

In this connection, we enclose a copy of Notice of the Meeting along with the Statement under Section 230(3) read with Section 102 of the Companies Act, 2013 and other relevant annexures which are being sent to the Shareholders of the Company by permitted mode.

The Notice of the Meeting is also available on our website i.e. www.tatachemicals.com.

The disclosure is being made in compliance with Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Kindly acknowledge the receipt.

Thanking you,

Yours faithfully,
For Tata Chemicals Limited

Rajiv Chandan
General Counsel & Company Secretary

Encl: As above

TATA CHEMICALS LIMITED

Corporate Identity No. (CIN): L24239MH1939PLC002893
Registered Office: Bombay House, 24 Homi Mody Street, Fort, Mumbai 400001
Tel No.: +91 22 6665 8282 **Fax No.:** +91 22 6665 8144
Email: investors@tatachemicals.com **Website:** www.tatachemicals.com

NOTICE TO EQUITY SHAREHOLDERS

MEETING OF THE EQUITY SHAREHOLDERS OF TATA CHEMICALS LIMITED CONVENED PURSUANT TO THE DIRECTIONS OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

Day	Monday
Date	May 8, 2017
Time	3.00 p.m.
Venue	Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Marine Lines, Mumbai 400020

POSTAL BALLOT AND E-VOTING	
Commencing on	Saturday – April 8, 2017 (9.00 a.m. IST)
Ending on	Sunday – May 7, 2017 (5.00 p.m. IST)

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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH AT MUMBAI
COMPANY SCHEME APPLICATION NO. 186 OF 2017

In the matter of the Companies Act, 2013;

And

In the matter of Application under Sections 230-232 read with other relevant provisions of the Companies Act, 2013;

And

In the matter of Scheme of Arrangement between Tata Chemicals Limited ("**Applicant Company**" or "**Transferor Company**" or "**Company**") and Yara Fertilisers India Private Limited ("**Transferee Company**") and their respective shareholders and creditors.

Tata Chemicals Limited [CIN: L24239MH1939PLC002893], a company incorporated under the Indian Companies Act, 1913 having its registered office at Bombay House, 24 Homi Mody Street, Fort, Mumbai 400001) … Applicant Company

NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF TATA CHEMICALS LIMITED, THE APPLICANT COMPANY

To,

The Equity Shareholders of Tata Chemicals Limited

TAKE NOTICE that by an Order made on March 1, 2017 in the above mentioned Company Scheme Application (the "Order"), the Hon'ble National Company Law Tribunal, Mumbai Bench ("Hon'ble Tribunal" or "NCLT") has directed that a Meeting of the Equity Shareholders of the Applicant Company be convened and held at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Marine Lines, Mumbai 400020 on Monday, May 8, 2017 at 3.00 p.m. to consider, and, if thought fit, to approve with or without modification(s), the proposed Scheme of Arrangement between Tata Chemicals Limited ("Applicant Company" or "Transferor Company" or "Company") and Yara Fertilisers India Private Limited ("Transferee Company") and their respective Shareholders and Creditors ("Scheme").

TAKE FURTHER NOTICE that in pursuance of the Order and as directed therein, a Meeting of the Equity Shareholders of the Applicant Company will be held at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Marine Lines, Mumbai 400020 on Monday, May 8, 2017 at 3.00 p.m. (the "Meeting"), at which place, day, date and time you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the Meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you or your authorized representative, is deposited at the registered office of the Applicant Company at Bombay House, 24 Homi Mody Street, Fort, Mumbai 400001, not later than 48 hours before the scheduled time of the Meeting.

TAKE FURTHER NOTICE that copy of the Scheme, the Explanatory Statement under Section 230(3) read with Section 102 of the Companies Act, 2013, Form of Proxy, Attendance Slip, Postal Ballot Form and other annexures as stated in the Index are enclosed herewith. Copies of the Scheme and Statement under Section 230 of the Company Act, 2013 can be obtained free of charge at the registered office of the Applicant Company.

The Hon'ble Tribunal has appointed Mr. Bhaskar Bhat, Non-Executive Director of the Applicant Company or Mr. R. Mukundan, Managing Director of the Applicant Company to be the Chairman of the Meeting.

The above Scheme, if approved by the Equity Shareholders, will be subject to the subsequent approval of the Hon'ble Tribunal.

In accordance with the applicable regulatory provisions, in addition to casting of votes on Poll at the Meeting, the Company has provided the Equity Shareholders with the facility for casting their votes either by way of postal ballot or by way of remote e-voting using facility offered by the National Securities Depository Limited (NSDL). The Shareholders may refer to the "Notes" to this Notice for further details on postal ballot and remote e-voting.

The Audit Committee and the Board of Directors of the Applicant Company at their respective Meetings held on August 10, 2016 have approved the Scheme, subject to approval by the requisite majority of the Shareholders and Creditors of the Applicant Company as may be required, and subject to the sanction of the Hon'ble National Company Law Tribunal, Mumbai Bench and of such other authorities as may be necessary.

The voting rights of Equity Shareholders shall be in proportion to their Equity Shareholding in the Company as on the close of business on Saturday, April 1, 2017 ("**Cut-off Date**").

To consider and if thought fit to pass, with or without modification(s), and with requisite majority, the following resolution under Sections 230 to 232 of the Companies Act, 2013 (including any statutory modification(s) thereof for the time being in force):

"***RESOLVED THAT*** *pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 (including any statutory modification(s) thereof for the time being in force), and other applicable provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 and subject to the approval of the Mumbai Bench of the Hon'ble National Company Law Tribunal, and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Mumbai Bench of the Hon'ble National Company Law Tribunal or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the Scheme of Arrangement between Tata Chemicals Limited ("Applicant Company" or "Transferor Company" or "Company") and Yara Fertilisers India Private Limited ("Transferee Company") and their respective Shareholders and Creditors ("Scheme") placed before this Meeting and initialled by the Chairman of the Meeting for the purpose of identification, be and is hereby approved.*

RESOLVED FURTHER THAT *the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Hon'ble National Company Law Tribunal, Mumbai Bench while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper."*

Sd/-
Mr. Bhaskar Bhat
DIN : 00148778
Chairman Appointed for the Meeting

Dated this the 1st day of April, 2017
Place : Mumbai

Registered Office:

Tata Chemicals Limited
Bombay House,
24 Homi Mody Street, Fort,
Mumbai 400001
Email: investors@tatachemicals.com
Website: www.tatachemicals.com

Notes:-

1. All alterations made in the Form of Proxy should be initialled.

2. Only registered Equity Shareholders of the Applicant Company may attend and vote (either in person or by proxy or by Authorised Representative under Section 113 of the Companies Act, 2013) 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 under Section 113 of the Companies Act, 2013 or other governing body of the body corporate authorizing such representative to attend and vote at the Equity Shareholders' Meeting is deposited at the registered office of the Applicant Company not later than 48 hours before the schedule time of the Meeting.

3. **A Member 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 Company. Proxies in order to be effective must be received by the Company not later than 48 hours before the schedule time of the Meeting.**

4. A person can act as a proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total Share Capital of the Company carrying voting rights. A Member holding more than 10% of the total Share Capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or Member.

5. It is further clarified that the Proxies can only vote on Poll at the Meeting and not through any other mode.

6. A Member or his/her Proxy is requested to bring the copy of the Notice to the Meeting and produce the Attendance slip, duly completed and signed, at the entrance of the Meeting venue.

7. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID number for easy identification of attendance at the Meeting.

8. Members are informed that in case of joint holders attending the Meeting, only such joint holder whose name stands first in the Register of Members of the Applicant Company/list of Beneficial Owners as received from NSDL /Central Depository Services (India) Limited in respect of such joint holding will be entitled to vote.

9. The Notice is being sent to all the Members whose names appear in the Register of Members/Beneficial Owners as per the details furnished by the Depositories as on April 1, 2017. This Notice of the NCLT Convened Meeting of Members of the Applicant Company is also displayed / posted on the website of the Applicant Company at www.tatachemicals.com and on the website of NSDL at www.evoting.nsdl.com.

10. In compliance with the provisions of (i) Section 230(4) read with Sections 108 and 110 of the Companies Act, 2013; (ii) Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014; (iii) Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (iv) Secretarial Standards – 2 on General Meetings, the Company has also provided the facility to the Shareholders to cast their votes either by way of postal ballot or through remote e-voting facility arranged by NSDL, prior to the Meeting.

11. Member(s) can opt only for one mode of voting. If a Member has opted for remote e-voting, then he/she should not vote by postal ballot and vice-versa. However, in case Members cast their vote both through postal ballot and remote e-voting, then voting through remote e-voting shall prevail and voting done by postal ballot shall be treated as invalid.

12. It is clarified that votes may be cast by Shareholders either by postal ballot or e-voting and casting of votes by postal ballot or e-voting does not disentitle them from attending the Meeting. Shareholder after exercising his right to vote through postal ballot or e-voting shall not be allowed to vote again at the Meeting.

13. Voting rights shall be reckoned on the paid-up value of the shares registered in the name(s) of the Members on the cut-off date, i.e. April 1, 2017.

14. The voting period for postal ballot and remote e-voting shall commence on and from Saturday, April 8, 2017 at 9.00 a.m. (IST) and end on Sunday, May 7, 2017 at 5.00 p.m. (IST).

15. A postal ballot form along with self-addressed postage pre-paid envelope is also enclosed. Members are requested to carefully read the instructions printed in the postal ballot form and return the form duly completed with assent (for) or dissent (against), in the attached Business Reply Envelope, so as to reach the Scrutinizer on or before May 7, 2017 at 5.00 p.m. (I.S.T).

16. Members who have received the Notice by e-mail and who wish to vote through postal ballot, can download the postal ballot form from the Company's website www.tatachemicals.com. In case a Member is desirous of obtaining a printed duplicate postal ballot form, he or she may send an e-mail to tclballot2017@tsrdarashaw.com. The Registrar and Share Transfer Agent shall forward the same along with postage-prepaid self-addressed Business Reply Envelope to the Member.

17. No other form or photocopy of the postal ballot form is permitted.

18. As directed by the Hon'ble Tribunal, Mr. P. N. Parikh (Membership No. FCS 327) and failing him, Ms. Jigyasa Ved (Membership No. FCS 6488) of M/s. Parikh & Associates, Practicing Company Secretaries, shall act as Scrutinizer to scrutinize votes cast either electronically or on postal ballot or on Poll at the Meeting and submit a report on votes cast to the Chairman of the Meeting within 48 hours from the conclusion of the Meeting.

19. The result of the voting shall be announced by the Chairman of the Meeting on or before May 10, 2017, upon receipt of Scrutinizer's report and same shall be displayed on the website of the Company at www.tatachemicals.com and on NSDL website at www.evoting.nsdl.com besides being sent to BSE Limited and National Stock Exchange of India Limited on the said date.

20. The particulars as required under Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 with regards to the postal ballot shall be published through an advertisement in the "Free Press Journal" in English language and "Navshakti" in the Marathi language, both having circulation in Mumbai.

21. In case of Equity Shares held by companies, trusts, societies, etc., the duly completed postal ballot form should be accompanied by a certified true copy of the Board Resolution / Authority.

22. All the documents referred to in para 13 of the Explanatory Statement to be kept open for inspection are open for inspection by Members of the Company at the registered office of the Company at Tata Chemicals Limited, Bombay House, 24 Homi Mody Street, Fort, Mumbai 400001, Maharashtra between 10.00 a.m. to 12 noon on all working days (except Saturdays, Sundays and public holidays) up to the date of the Meeting. The said documents shall also be available for inspection at the venue of the Meeting.

23. The instructions for Members for e-voting are as under:

    A. Members whose shareholding is in dematerialised form and whose email addresses are registered with the Company/Depository Participant(s) will receive an email from NSDL informing the User-ID and Password:

        i) Open email and open PDF file viz. "TCL remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

        NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file "TCL remote e-voting.pdf"

        ii) Launch internet browser by typing the URL: www.evoting.nsdl.com

        iii) Click on Shareholder – Login

        iv) Put User ID and Password. Click Login. (the initial password mentioned in the e-mail sent by NSDL to shareholders whose email addresses are registered with the Company/Depository Participant(s) or mentioned in the postal ballot form)

v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

vii) Select "EVEN" (E-Voting Event Number) of Tata Chemicals Limited which is 106049.

viii) Now you are ready for remote e-voting as Cast Vote page opens.

ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

x) Upon confirmation, the message "Vote cast successfully" will be displayed.

xi) Once you have voted, you will not be allowed to modify your vote.

xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to tcl.scrutinizer@gmail.com, with a copy marked to evoting@nsdl.co.in.

B. For Members holding shares in dematerialised form whose email IDs are not registered with the Company/ Depository Participants and Members holding shares in physical form as well as those Members who have requested for a physical copy of the Notice, it may be noted that the Initial User ID & Password is being provided in the postal ballot form. Such members are requested to follow all steps from Sl. No. (ii) to (xii) above to cast vote.

If you are already registered with NSDL for e-voting, then you can use your existing User ID and password for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com.

In case Shareholders are holding shares in demat mode, User-ID is the combination of (DP ID + Client ID).

In case Shareholders are holding shares in physical mode, User-ID is the combination of (Even No + Folio No).

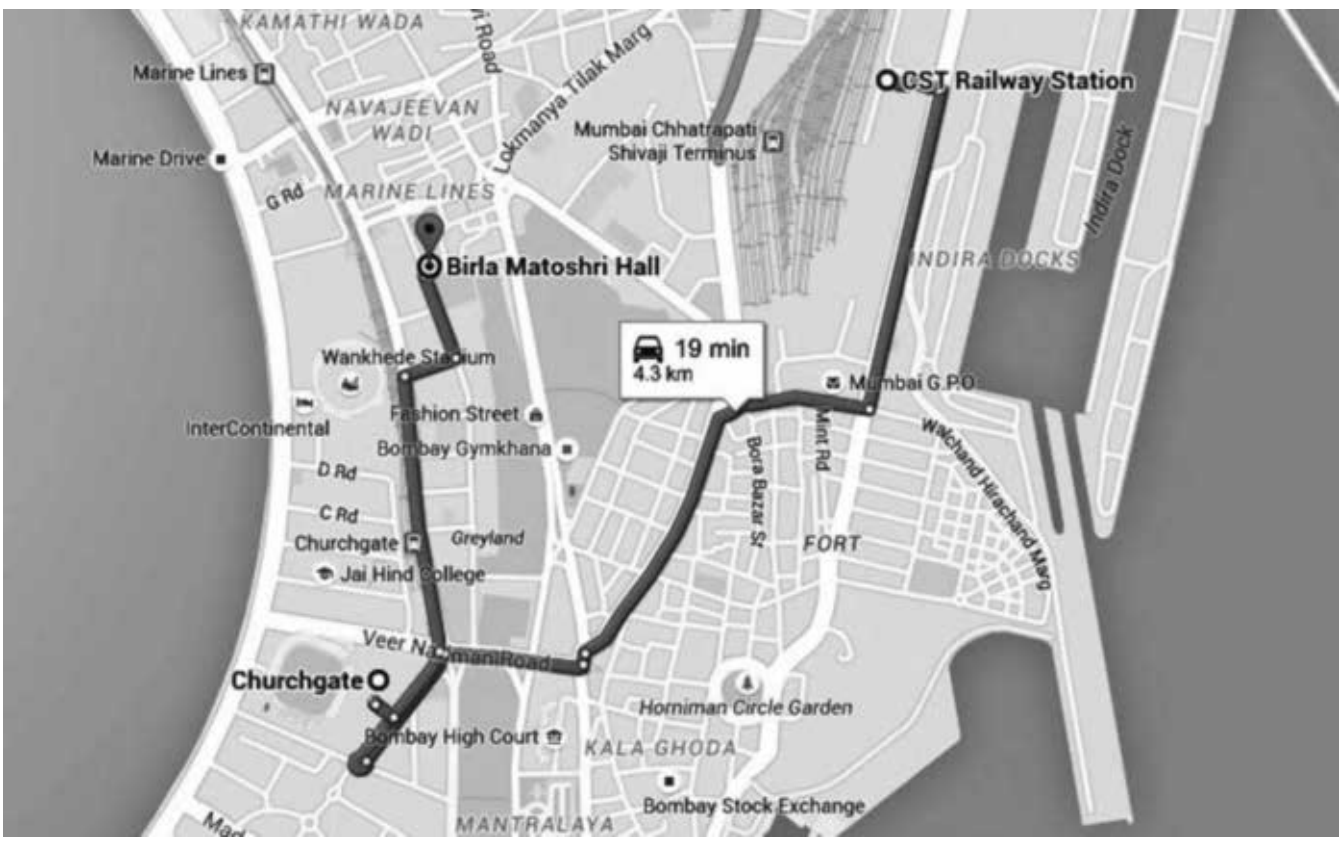
C. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at downloads section of www.evoting.nsdl.com or call on toll free no 1800-222-990. In order to address any grievances relating to e-voting, you may write to Mr. Rajiv Ranjan, Asst. Manager, NSDL at the designated email id evoting@nsdl.co.in or rajivr@nsdl.co.in or at the following telephone no. 2499 4600.

D. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

Route Map to the Venue of the Meeting

Venue : Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, New Marine Lines, Mumbai 400020

Landmark : Next to Bombay Hospital



BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH AT MUMBAI
COMPANY SCHEME APPLICATION NO. 186 OF 2017

In the matter of the Companies Act, 2013;

And

In the matter of Application under Sections 230-232 read with other relevant provisions of the Companies Act, 2013;

And

In the matter of Scheme of Arrangement between Tata Chemicals Limited ("**Applicant Company**" or "**Transferor Company**" or "**Company**") and Yara Fertilisers India Private Limited ("**Transferee Company**") and their respective shareholders and creditors.

Tata Chemicals Limited [CIN: L24239MH1939PLC002893], a company incorporated under the Indian Companies Act, 1913 having its registered office at Bombay House, 24 Homi Mody Street, Fort, Mumbai 400001) … Applicant Company

EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

1. This is a statement accompanying the Notice convening the Meeting of the Equity Shareholders of the Applicant Company, pursuant to an Order dated March 1, 2017 passed by the Hon'ble National Company Law Tribunal, Mumbai Bench in the Company Scheme Application No. 186 of 2017, referred to hereinabove, to be held at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Marine Lines, Mumbai 400020 on Monday, May 8, 2017 at 3.00 p.m. for the purpose of considering and, if thought fit, approving with or without modification(s), the arrangement embodied in the Scheme of Arrangement between Tata Chemicals Limited ("Transferor Company" or "Applicant Company" or "Company" or "TCL") and Yara Fertilisers India Private Limited ("Transferee Company" or "Yara") and their respective shareholders and creditors ("Scheme").

2. A copy of the Scheme is attached herewith as **Annexure A.** The proposed Scheme is envisaged to be effective from the Appointed Date (as defined in the Scheme) but shall be made operative from the Effective Date (as defined in the Scheme).

3. Pursuant to an Order made on March 1, 2017 passed by the Hon'ble National Company Law Tribunal, Mumbai Bench in the Company Scheme Application No. 186 of 2017, a Meeting of the Equity Shareholders of Tata Chemicals Limited is being convened and held for the purpose of considering and if thought fit, approving, with or without modification(s), the Scheme.

4. The said Order will be available for inspection at the registered office of the Applicant Company at Bombay House, 24 Homi Mody Street, Fort, Mumbai 400001 between 10.00 a.m. to 12 noon on any working day (except Saturdays, Sundays and public holidays) of the Applicant Company up to the date of the Meeting. The said Order shall also be available for inspection at the venue of the Meeting.

5. **Background of Companies**

   5.1. The Applicant Company, **Tata Chemicals Limited** ("**TCL**"), was incorporated on January 23, 1939 in Mumbai in the State of Maharashtra under the provisions of the Indian Companies Act, 1913 by the Registrar of Companies, Bombay vide Certificate of Incorporation No. 2893 of 1938-1939 and having PAN AAACT4059M and CIN L24239MH1939PLC002893. The email address of TCL is investors@tatachemicals.com. During the last five years, there has been no change in the name and registered office of the Applicant Company.

5.2. The Share Capital of TCL as on September 30, 2016 is as under:

Particulars	Amount (₹ in Crores)
Authorised Capital	
27,00,00,000 Ordinary Shares of ₹ 10/- each	270.00
Total	**270.00**
Issued Capital	
25,48,42,598 Ordinary Shares of ₹ 10/- each	254.84
Subscribed and Fully Paid-up Capital 25,47,56,278 Ordinary Shares of ₹ 10/- each	254.76
Forfeited Shares Amount originally paid-up on 86,320 Forfeited Shares	0.06
Total	**254.82**

As on date, there has been no change in the Authorised, Issued, Subscribed and Paid-up Share Capital of TCL.

5.3. TCL is a publicly listed company engaged*, inter alia,* in the manufacturing and sale of inorganic chemicals, manufacturing and sale of fertilisers including bulk and customised fertilisers and sale of consumer products such as Salt, Pulses, Spices, Nutritional Solutions. The Equity Shares of the Company are listed and traded on the BSE Limited ("BSE") and the National Stock Exchange of India Ltd. ("NSE").

5.4. The details of Directors and Promoters of TCL along with their addresses are mentioned herein below:-

Sr. No.	Name of Director/ Promoter	Category	Address
1.	Tata Sons Limited	Promoter	Bombay House, 24, Homi Mody Street, Fort, Mumbai 400001
2.	Mr. Nasser Munjee	Independent Director	Benedict Villa, House No. 471 Saud Vaddo, Chorao Island Tiswadi, Goa 403102
3.	Dr. Y. S. P. Thorat	Independent Director	Indu Niketan, General Thorat Road, Tarabai Park Kolhapur 416003, Maharashtra
4.	Ms. Vibha Paul Rishi	Independent Director	812 Aralias, 12th Floor, Block - 8, Golf Link, DLF City - V Gurgaon 122002, Haryana
5.	Mr. Bhaskar Bhat	Non-Executive Director	No.884, Chaitanya Plot, Indiranagar, Ist Stage, Bangalore 560038
6.	Mr. S Padmanabhan	Non-Executive Director	132 Apsara, NCPA Apartments, D Tata Road, Nariman Point, Mumbai 400021 Maharashtra
7.	Mr. R. Mukundan	Managing Director	Flat No. 1301/1302, 13th Floor Dosti Flamingoes - Snowflama, CT J Marg, Sewree Mumbai 400033 Maharashtra

5.5. The amount due to unsecured creditors of TCL as on December 31, 2016 is ₹ 2,890.11 crores.

5.6. The main objects of TCL as set out in Clause III of its Memorandum of Association are as follows:

- *"(1) to carry on business of manufacturers of and dealers in chemical products of any nature and kind whatsoever and as wholesales and retail chemists and druggists, analytical chemists, drysalters, oil and colour men, importers, exporters and manufacturers of and dealers in heavy chemicals, alkalis, acids, drugs, tannins, essences, pharmaceutical, photographical, sizing, medicinal, chemical, industrial and other waters, cements, oils, paints, pigments and varnishes, compounds, drug, dyestuff organic or mineral intermediates, paints and colour grinders, makers of and dealers in proprietary articles of all kinds, and of electrical, chemical, photographical, surgical and scientific apparatus and materials.*
- *(2) To manufacture, refine, manipulate, import, export and deal in salts and marine minerals and their derivatives, by-products and compounds of any nature and kind whatsoever.*
- *(11) To carry on the business manufacturers and producers of fats, fertilisers, manures, dips, sprays, vermifugs, fungicides, medicines and remedices of all kinds of agricultural fruitgrowing or other purpose or as remedies for men or animals and whether produced from vegetable or animal matter or by any chemical process."*

5.7. During the last five years, the Applicant Company has altered the Object Clause of the Memorandum of Association by inserting the following Clause III (14)(a) after Clause III (14) thereof, vide a special resolution dated February 12, 2015, in the manner set out hereunder:

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

5.8. The Transferee Company, **Yara Fertilisers India Private Limited** ("**YFIPL**"), was incorporated on April 19, 2011 in Pune in the State of Maharashtra under the provisions of the Companies Act, 1956 as a private limited company and having PAN AAACY4766C and CIN U51490PN2011FTC139239. The registered office of YFIPL is situated at #402, Suyog Fusion, Dhole Patil Road, Sangamwadi, Pune, Maharashtra - 411001. The email address of YFIPL is sanjiv.kanwar@yara.com. During the last five years, there has been no change in the name and registered office of YFIPL.

5.9. The Share Capital of YFIPL as on September 30, 2016 is as under:

Particulars	Amount (₹ in Crores)
Authorised Capital	
2,00,00,000 Equity Shares of ₹ 10/- each	20.00
Total	**20.00**
Issued Subscribed and Paid-up Capital	
1,34,17,970 Equity Shares of ₹ 10/- each	13.42
Total	**13.42**

As on date, there has been no change in the Authorised, Issued, Subscribed and Paid-up Share Capital of YFIPL.

5.10. YFIPL is primarily engaged in the business of import, sale and distribution of plant nutrition products in India.

5.11. The details of Directors and Promoters of YFIPL along with their addresses are mentioned herein below:-

Sr. No.	Name of Director/ Promoter	Category	Address
1	Yara Asia Pte. Ltd.	Promoter	1 Harbour Front Place #09-01/04, Harbour Front, Tower One, Singapore 098633
2	Fertilizer Holdings AS	Promoter	Drammensveien 131, N-0277, Oslo Norway
3	Narsimharao Venkata Lakshmi Avantsa	Director	112 Tanjong Rhu Road, #19-01 Camelot By the Water, Singapore 436929
4	Sanjiv Kanwar	Director	C-174, Madhuvan, Shakkarpur, Delhi- 110092
5	Soon Hee Koh	Director	50 Yunnan Road, Singapore 637913

5.12. The shares of YFIPL are not listed on any stock exchange.

5.13. The amount due to unsecured creditors as on December 31, 2016 is ₹ 92.40 Crores.

5.14. During the last five years, there has been no change in the objects of YFIPL.

5.15. The Main Objects of YFIPL as set out in Clause III of the Memorandum of Association are as follows:

- *"1. To carry on in India the business of importing, buying, storing, packing, re-packing, distributing, transporting, converting, altering, and improving fertilizers of all forms including chemical, organic and inorganic fertilizers and selling the same to wholesalers and retailers and rendering all forms of assistance with respect to the fertilizers sold in the field of agriculture;*
- *2. To acquire, establish, construct and maintain offices, godowns, warehouses, storage sheds and other such structures to be used by the Company in the course of running the business."*

6. **Rationale of the Scheme**

6.1. The Applicant Company and the Transferee Company have entered into an agreement dated August 10, 2016 ("Implementation Agreement"), pursuant to which it has been agreed to transfer the Divestment Business (as defined in the Scheme) of the Applicant Company as a going concern on a slump sale basis to the Transferee Company and in exchange for which, the lump sum Final Purchase Consideration (as defined in the Scheme) shall be paid by the Transferee Company to the Applicant Company, on the agreed terms and conditions as set out in the Scheme and in the Implementation Agreement.

6.2. The Management proposes to achieve the above pursuant to this Scheme under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 1956 in the manner set out herein.

6.3. The transfer of the Divestment Business pursuant to this Scheme would, *inter alia,* result in the following benefits:

- In case of the Applicant Company:
  - o Unlocking value for the Applicant Company by sale of part of its assets; strengthening the balance sheet of the Applicant Company; and
  - o Pursuing growth opportunities in line with its strategic directions.
- In case of the Transferee Company;
  - o Creation of value for shareholders by acquiring ready-to-use assets, including business undertakings and reducing time to markets; and
  - o Allowing the expansion of the range of the products offered by the Transferee Company and its Affiliates in India.

7. **Relationship subsisting between TCL and YFIPL**

7.1. As on date, TCL is not related to YFIPL and the companies have no common directors or promoters.

8. **Salient Features of the Scheme**

The material provisions of the proposed Scheme are detailed hereunder (the following points are reproduced as per the Scheme and are numbered according to the Scheme):

*"1.1.2 "**Adjusted Capex Plan**" means the Capex Plan as agreed between the Transferor Company and the Transferee Company at the Agreement Date, and revisions, if any, which are mutually agreed by the Transferor Company and the Transferee Company. The revisions will be agreed revisions of cost of Capex Plan items, if the Transferor Company can complete the items at the comparable quality and at a lower cost than estimated in the Capex Plan;*

*1.1.3 "**Adjustment Time**" means 1700 hours (Indian Standard Time) on the day immediately preceding the Completion Date;*

*1.1.7 "**Appointed Date**" shall be the Effective Date as defined hereinafter in the Scheme;*

*1.1.8 "**Approval**" means any permission, approval, consent, license, order, decree, authorization, authentication of, or registration, qualification, designation, declaration or filing with or notification, exemption or ruling to or from any Governmental Authority required under any statute or regulation;*

*1.1.9 "**Assumed Litigations**" shall mean all claims, disputes, causes of action, litigation, and such other proceedings as shall remain attached to and/ or relating to the Divestment Business (or a part thereof) and which are listed in **Schedule 1**, other than the Excluded Litigation;*

*1.1.10 "**Babrala Plant**" means the plants utilised for the manufacture of ammonia and urea and customized fertilisers owned by the Transferor Company, located at Babrala, Uttar Pradesh (as more particularly described in **Schedule 5**);*

*1.1.13 "**Capex Adjustment**" means the capex adjustment as defined in table B of **Schedule 7**, and is the Adjusted Capex Plan minus the cost of items on the Adjusted Capex Plan incurred by the Transferor Company between Agreement Date and Effective Date, minus capital expenditure incurred by the Transferor Company with prior written consent of the Transferee Company, minus capital work-in-progress, plus creditors for capital goods. It*

is clarified that if the Capex Adjustment is a positive number, the absolute amount will be deducted from the Purchase Consideration. If the Capex Adjustment is a negative number, the absolute amount will be added to the Purchase consideration; It is clarified that (i) the objective of the Capex Plan (the Adjusted Capex Plan) and the Capex Adjustment is to ensure that the Transferor Company carries out the activities stated therein. If the Transferor Company completes such activities at a lower cost than the amount set out in the Capex Plan, at a quality level acceptable to the Transferee Company, the difference, on account of such lower cost, shall be adjusted for in the Adjusted Capex Plan; and (ii) in the event the cost for any item exceeds the amount set out in the Capex Plan, such excess will be to the account of the Transferor Company. In the event that the Transferor Company and the Transferee Company agree that the Transferor Company will do additional projects at the cost of the Transferee Company, this cost will added to the Purchase Consideration, as defined in the Capex Adjustment. For avoidance of doubt, it should be noted that the Transferor Company is required to maintain the asset at the same standard as of the Agreement Date, save for reasonable wear and tear in the ordinary course of business, regardless of the items and amounts in the capex plan, and the Transferor Company will not be reimbursed by the Transferee Company for this, with reference to Clause 7.8 of the Implementation Agreement;

1.1.14 *"**Capex Plan**" means the Capex Plan as set in **Schedule 2** which may be amended by agreement of the Transferor Company and the Transferee Company, forming the Adjusted Capex Plan;*

1.1.24 *"**Current Assets**" means, as of any specified date, all such assets relating or assigned to the Divestment Business which are customarily called current assets under the relevant prevailing Indian GAAP other than cash, and as provided for in the relevant statement of the Transferor Company. Such statement as of June 30, 2016 is set out in **Schedule 3**;*

1.1.25 *"**Current Liabilities**" means, as of any specified date, all such liabilities relating or assigned to the Divestment Business, which are customarily called current liabilities under the relevant prevailing Indian GAAP and as provided for in the relevant statement of the Transferor Company. Such statement as of June 30, 2016 is set out in **Schedule 3**;*

1.1.26 *"**Divestment Assets**" means the Divestment Real Estate, Divestment Equipment, Records, Divestment Contracts, Transferring Inventory, Current Assets and the Non-Current Assets, forming part of the Divestment Business and any assets of the Divestment Business that have a significant co-relation or connection with the Divestment Assets or which are reasonably required to enable the Transferee Company to operate or use the Divestment Business or any Divestment Assets;*

1.1.27 *"**Divestment Business**" means the business of sale and distribution of (i) Urea and (ii) customized fertilisers, in each case manufactured by the Transferor Company through the Babrala Plant; and includes without limitation, the Divestment Assets, the Divestment Liabilities and the Divestment Employees;*

1.1.28 *"**Divestment Contracts**" means the contracts including the rights and obligations thereunder, in relation to the Divestment Business including the key contracts as listed in **Schedule 5** to the Implementation Agreement;*

1.1.29 *"**Divestment Employees**" means such employees of the Divestment Business that will be transferred to the Transferee Company comprising:*

(a) the existing employees of the Transferor Company based at the Babrala Plant who are involved in the operations and production activities of the Babrala Plant;

(b) the existing employees of the Transferor in the CAT centre at Aligarh; and

(c) between 70 (seventy) and 100 (hundred) other employees of the Transferor Company who are directly involved in the Divestment Business, whose identities shall be agreed between the Transferor Company and the Transferee Company within 90 (ninety) days from the Agreement Date minus any employees that resign, are dismissed, are terminated or transferred between such date and the Effective Date; plus any transfer or hire, from such date up to the Effective Date, as permitted under the Implementation Agreement;

*1.1.30 "**Divestment Equipment**" means the plant and machinery forming part of the Divestment Business, as stated in the relevant extracts of the fixed assets register of the Transferor Company as listed in **Schedule 5** to the Implementation Agreement;*

*1.1.31 "**Divestment Liabilities**" means the liabilities and obligations of the Transferor Company related to the Divestment Business or the result or consequences of Assumed Litigations following the Effective Date other than the Excluded Liabilities. For the avoidance of doubt, the Divestment Liabilities shall only consist of and be limited to those listed in **Schedule 4**;*

*1.1.32 "**Divestment Real Estate**" means the lands being used by the Transferor Company in relation to the Divestment Business, a list of which as of the Agreement Date, is specified in **Schedule 5**;*

*1.1.33 "**Effective Date**" shall mean the date on which the Scheme becomes effective in accordance with its terms, which shall be the Completion Date;*

Reference in this Scheme to the date of "coming into effect of this Scheme" or the "Scheme becoming effective" or "effectiveness of the Scheme" shall mean the Effective Date;

*1.1.37 "**Excluded Assets**" shall mean all the assets of the Transferor Company and any of its Affiliates, other than the Divestment Assets. It is hereby clarified that the Excluded Assets do not form a part of the Divestment Business and any corelation or connection that an Excluded Asset may have, or may have had, with the Divestment Business is not significant for the normal conduct of the Divestment Business. Without limiting the generality of the foregoing, the Excluded Assets shall include the properties, assets, contracts and rights of Transferor and its Affiliates as listed out in **Schedule 6**;*

*1.1.38 "**Excluded Liabilities**" means any and all liabilities or obligations of the Transferor Company to the extent they are not part of the Divestment Liabilities including those related to or arising out of (a) the Excluded Assets or (b) the operation of the Divestment Business or the ownership or use of the Divestment Assets prior to the Effective Date (other than those included in or forming a part of the Divestment Liabilities);*

*1.1.39 "**Excluded Litigations**" shall mean all litigations other than the Assumed Litigations and which litigations shall not stand transferred to the Transferee Company pursuant to this Scheme;*

*1.1.42 "**Final Purchase Consideration**" has the meaning ascribed to such term in Clause 9.1;*

*1.1.45 "**Haldia Plant**" means the plant located at Haldia, West Bengal, for the manufacture of DAP, NPK / NP complex fertilizers and SSP;*

*1.1.46 "**High Court Order(s)**" means the order(s) passed by the High Court sanctioning the Scheme and includes any High Court or other applicable authority's order(s) for extension of time or condonation of delay in filing of the requisite forms with the RoC in relation to the Scheme, if applicable;*

*1.1.47 "**High Court**" means the Hon'ble High Court of Judicature at Mumbai having jurisdiction in relation to the Transferor Company and the Transferee Company, as the case may be and shall include the National Company Law Tribunal, as applicable or such other forum or authority as may be vested with any powers of a High Court in relation to the Scheme under the Act;*

*1.1.48 "**Independent Auditor**" means an international audit firm to be mutually appointed by the Transferor Company and the Transferee Company;*

*1.1.52 "**Long Stop Date**" means the date immediately after the expiry of 18 (eighteen) months from the Agreement Date or such other date as may be agreed between the Transferor Company and the Transferee Company in writing;*

*1.1.53 "**Non-Current Assets**" means, as of any specified date, all such assets relating or assigned to the Divestment Business, which are customarily called non-current assets under the relevant prevailing Indian accounting*

standards, or as agreed between the Transferor Company and the Transferee Company and set out in ***Schedule 3****;*

1.1.54 *"**Non-Current Liabilities**" means, as of any specified date, all such liabilities relating or assigned to the Divestment Business, which are customarily called non-current liabilities under the relevant prevailing Indian accounting standards, or as agreed between the Transferor Company and the Transferee Company and set out in* ***Schedule 4****;*

1.1.55 *"**Other Business**" means any business of the Transferor Company or any of its Affiliates other than the Divestment Business, including for the avoidance of doubt the business of the Transferor Company conducted by and through the Haldia Plant and the Trading Business and shall also include any business of Transferor Company or any of its Affiliates conducted under the "Tata", "Tata Chemicals Limited" or "TCL" brands;*

1.1.59 *"**Purchase Consideration**" has the meaning ascribed to such term in Clause 9.1.1;*

1.1.60 *"**Records**" means any and all books, accounts and other records relating to the Divestment Business to the extent that they relate to the period up to Completion;*

1.1.68 *"**Target Working Capital**" means ₹ 814,23,28,800 (Rupees eight hundred fourteen crores twenty three lakhs twenty eight thousand and eight hundred);*

1.1.70 *"**Trading Business**" means and includes the (i) import and sale of bulk fertilisers (DAP, MOP), and (ii) sale and purchase/ contract manufacture of non-bulk fertilisers (specialty fertilisers, seeds, pesticides etc.);*

1.1.71 *"**Transferring Inventory**" means all inventories, wherever located, including all raw materials, work-in-progress, finished products, and packaging and labelling material exclusively or predominantly related to the Divestment Business, whether held at any location or facility of the Transferor Company or in transit to the depot or at a railway siding (but excluding goods in relation to which invoice is issued, but which may not have been delivered and which are not included in the Current Assets), in each case, as of the Adjustment Time;*

1.1.72 *"**Working Capital**" means an amount, in INR, equal to (a) the Current Assets plus (b) long-term loans, advances and deposits less (c) the Current Liabilities and less (d) Non-current Liabilities, in each case calculated as of the Adjustment Time. For the avoidance of doubt, Working Capital shall exclude non-current assets (except long-term loans, advances and deposits) and creditors for capital goods, as defined in* ***Schedule 7, table A****; and*

1.1.73 *"**Working Capital Adjustment**" means an amount equal to the difference between (i) the Working Capital set forth in the Final Completion Statement; and (ii) the Target Working Capital. The Working Capital Adjustment shall be determined in accordance with* ***Schedule 7, table A.***

3. ***VESTING OF DIVESTMENT BUSINESS:***

3.1 *Upon the Scheme becoming effective and with effect from the Appointed Date, the Divestment Business in its entirety shall, pursuant to Sections 391 to 394 read with other relevant provisions of the Act and without any further act, instrument, deed, matter or thing be transferred to and vested in and/ or be deemed to be and stand transferred to and vested in the Transferee Company as a 'going concern' on a slump sale basis for a lump sum consideration as set out hereinafter free from all Encumbrances, subject to the following:*

3.1.1 *In the event any part of the Divestment Business intended to be transferred does not get transferred to the Transferee Company upon the effectiveness of the Scheme, the Transferor Company and the Transferee Company undertake to take all necessary steps, and execute all necessary documents, to ensure the transfer of such part of the Divestment Business thereof to the Transferee Company forthwith without any further consideration. The Transferor Company and the Transferee Company agree that pending such transfer, the Transferor Company shall hold such part of the Divestment Business in trust for the Transferee Company, and shall put in place necessary arrangements to allow the Transferee Company to enjoy the benefit of the same without incurring monetary obligations for such actions.*

3.1.2 The Divestment Assets, Divestment Liabilities, Assumed Litigations and the Divestment Employees which form part of the Divestment Business shall be transferred to the Transferee Company in accordance with this Scheme. For the avoidance of doubt, the Other Business shall continue to vest in the Transferor Company;

3.1.3 Upon the Scheme becoming effective, the Transferee Company shall carry out or perform all such formalities and compliances under various Applicable Laws or to be carried out or performed in relation to or as a consequence of the vesting of the Divestment Business into the Transferee Company.

4. ***DIVESTMENT ASSETS:***

4.1 Without prejudice to the generality of Clause 3 (Vesting of Divestment Business) above, upon the Scheme coming into effect and at all times with effect from the Appointed Date, the Divestment Assets shall stand transferred to and vested in the Transferee Company in the following manner, unless specifically otherwise provided under the Scheme,:

4.1.1 The Divestment Assets, which are movable in nature, and/or otherwise capable of transfer by manual or constructive delivery and/or endorsement and delivery, the same may, upon coming into effect of this Scheme, be so transferred or deemed to be so transferred to the Transferee Company, and shall become the assets of the Transferee Company and title to the assets will be deemed to have been vested accordingly without requiring any deed or instrument of conveyance pursuant to the provisions of Sections 391 to 394 and/or other applicable provisions of the Act and shall upon such transfer become the property of, and an integral part of, the Transferee Company.

4.1.2 The Divestment Real Estate (including land together with the buildings and structures standing thereon), whether freehold or leasehold and all documents of title, rights and easements in relation thereto, will stand transferred to and be vested in the Transferee Company, without any further act, instrument or deed and pursuant to the provisions of Sections 391 to 394 and/or other applicable provisions of the Act. With effect from the Appointed Date, the Transferee Company shall be entitled to exercise all rights and privileges and be liable to fulfil all obligations, in relation to or applicable to such immovable properties.

4.1.3 In respect of the Divestment Assets other than those dealt with in Clause 4.1.1 and 4.1.2 above, the same shall stand transferred to and vested in the Transferee Company without any notice or other intimation to any Person in pursuance of the provisions of the Sections 391 to 394 read with other relevant provisions of the Act to the end and intent that the right of the Transferor Company to recover or realise the same stands transferred to the Transferee Company. The Transferee Company may, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such Person, as the case may be, that the said assets stand transferred to and vested in the Transferee Company and that appropriate modification should be made in their respective books/ records to reflect the aforesaid changes.

4.1.4 Without prejudice to the aforesaid and Clause 6 (Divestment Contracts), the Transferee Company may, if so required under any Applicable Law or otherwise, at any time after the Scheme becoming effective, in accordance with the provisions hereof, execute or enter into any arrangements, conveyance, confirmations, deeds, documents, letters or any other instruments relating to any Divestment Assets with any party to any contract or agreements to which the Transferor Company is a party. For such purposes, if so requested by the Transferee Company, the Transferor Company shall provide the required assistance.

4.1.5 In so far as the Divestment Assets are concerned, any Encumbrance over them, to the extent that such Encumbrance relates to any liabilities (other than the Divestment Liabilities) of the Transferor Company, shall, without any further act, instrument, or deed, be released and the Divestment Assets shall no longer be available as a security for such liabilities. The absence of any formal amendment which may be required by a lender or a third party to effect such release shall not affect the operation of the foregoing sentence.

4.1.6 In so far as the assets of the Other Business are concerned, any Encumbrance over them, to the extent they relate to the Divestment Liabilities (other than the liabilities of the Other Business) shall, without any further act, instrument, or deed be released and discharged from such security. The absence of any formal amendment which may be required by a lender or a third party to effect such release shall not affect the operation of the foregoing sentence.

4.1.7 Without prejudice to what is stated in Clauses 4.1.5 and 4.1.6 above, the Transferor Company and the Transferee Company shall execute such documents/ instruments or do all such acts and deeds including filing of necessary particulars and/ or modification of charge with the concerned RoC to give formal effect to the above Clauses, if required.

5. ***DIVESTMENT LIABILITIES:***

5.1 Without prejudice to the generality of Clause 3 (Vesting of Divestment Business) above, upon the Scheme becoming effective, the Divestment Liabilities shall stand transferred to and vested in the Transferee Company in the following manner, unless specifically otherwise provided under the Scheme:

5.1.1 Upon the Scheme becoming effective and with effect from the Appointed Date, all Divestment Liabilities shall, to the extent they are outstanding on the Effective Date, without any further act or deed become liabilities of the Transferee Company and all rights, powers, duties, and obligations in relation thereto shall stand transferred to, vested in, and shall be exercised by or against the Transferee Company, as if it has incurred such liabilities. The Transferee Company shall undertake to meet, discharge and satisfy the same to the exclusion of the Transferor Company.

5.1.2 Prior to and upon the Scheme becoming effective, all the liabilities other than the Divestment Liabilities and those relating to the Other Business, whether provided or not in the books of account of the Transferor Company shall continue to remain the liabilities of the Transferor Company. The Transferor Company shall undertake to meet, discharge and satisfy the same to the exclusion of the Transferee Company.

5.1.3 On transfer to and vesting of the Divestment Business in the Transferee Company, the mortgages and charges, if any, affecting the same shall, subject to sub-clauses 4.1.6, 4.1.7 and 4.1.8, be as hereinafter provided:

(a) The Encumbrances relating to the Divestment Business, whether existing or those created by the Transferor Company, over the assets of the Divestment Business or any part thereof transferred to the Transferee Company by virtue of this Scheme, shall be released. Such Encumbrances shall not relate or attach to any of the assets of the Divestment Business or any other assets of the Transferee Company.

(b) The Encumbrances shall after the Effective Date relate and attach to the assets or any part thereof of the Other Business of the Transferor Company.

5.1.4 Without prejudice to the provisions of the foregoing Clauses and with effect from the Effective Date, the Transferor Company and the Transferee Company shall enter into and execute such other deeds, instruments, documents and/or writings and/or do all acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the concerned RoC to give formal effect to the provisions of this Clause, if required.

5.1.5 With effect from the Effective Date, the Transferee Company alone shall be liable to perform all obligations in respect of the Divestment Liabilities and the Transferor Company shall not have any obligations in respect of the Divestment Liabilities.

5.1.6 With effect from the Effective Date, the Transferor Company alone shall be liable to perform all obligations in respect of the Other Business and the Transferee Company shall not have any obligations in respect of the Other Business.

5.1.7 It is expressly clarified that, save as mentioned in this Scheme, no other terms or conditions of the Divestment Liabilities are modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.

5.1.8 Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this Clause shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deeds, and writings and the terms of sanction or issue of any security document shall stand modified and/or superseded by the foregoing provisions.

6. ***DIVESTMENT CONTRACTS:***

6.1 Without prejudice to the generality of Clause 3 (Vesting of Divestment Business) above, upon the Scheme becoming effective, the Divestment Contracts shall stand transferred to and vested in the Transferee Company in the following manner, unless otherwise specifically provided under the Scheme:

6.1.1 Upon the Scheme becoming effective and subject to the other provisions contained in this Scheme, all Divestment Contracts entered into, subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectively as if the Transferee Company instead of Transferor Company, had been a party thereto. The absence of any formal amendment which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence.

6.1.2 Without prejudice to what is stated in Clause 6.1.1 above, upon the Scheme becoming effective, the Transferee Company shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Clause.

7. ***ASSUMED LITIGATIONS:***

7.1 Without prejudice to the generality of Clause 3 (Vesting of Divestment Business) above, upon the Scheme becoming effective, the Assumed Litigations shall stand transferred to the Transferee Company in the following manner:

7.1.1 Upon the Scheme becoming effective and subject to the other provisions contained in this Scheme, all the Assumed Litigations shall be enforced by or against the Transferee Company.

7.1.2 Upon the Scheme becoming effective and subject to the other provisions contained in this Scheme, the Transferee Company shall assume, and shall agree to pay, perform and discharge when due, all liabilities and obligations of the Transferor Company, related to or arising out of in any manner, the Assumed Litigations.

7.1.3 Upon the Scheme becoming effective, all the Excluded Litigations shall remain with the Transferor Company.

7.1.4 Upon the Scheme becoming effective, the Transferor Company and the Transferee Company shall, wherever necessary, enter into and/or execute all such documents as maybe necessary to give formal effect to the provisions of this Clause.

8. ***DIVESTMENT EMPLOYEES:***

8.1 Without prejudice to the generality of Clause 3 (Vesting of Divestment Business) above, upon the Scheme becoming effective, the Divestment Employees shall stand transferred to the Transferee Company in the following manner:

8.1.1 The Divestment Employees shall become employees of the Transferee Company without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are

not less favourable than the terms and conditions as were applicable to such employees relating to the Divestment Business of the Transferor Company immediately prior to the transfer of the Divestment Business.

8.1.2 The Transferee Company agrees that the service of all Divestment Employees up to the Effective Date shall be taken into account for the purpose of all retirement benefits to which they may be eligible. The Transferee Company further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with the Transferor Company, shall also be taken into account and agrees and undertakes to pay the same as and when payable.

8.1.3 The Transferee Company shall make all the necessary contributions for such Divestment Employees, and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. The Transferee Company will also file relevant intimations in respect of the Divestment Business with the statutory authorities concerned who shall take the same on record and substitute the name of the Transferee Company for the Transferor Company.

8.1.4 In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund / trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits created by the Transferor Company for the Divestment Employees are concerned, such proportion of the funds, contributions to the funds or trusts or the scheme or the investments made into the funds, schemes or trusts relatable to the Divestment Employees as on the Effective Date, upon the Scheme becoming effective, shall be transferred to the necessary funds, schemes or trusts of the Transferee Company and till the time such necessary funds, schemes or trusts are created by the Transferee Company, all contributions shall continue to be made to the existing funds, schemes or trusts of Transferor Company and will be transferred to the funds, schemes or trusts once created by the Transferee Company.

9. FINAL PURCHASE CONSIDERATION:

*9.1 The total lump sum consideration payable by the Transferee Company to the Transferor Company for the purchase of the Divestment Business ("**Final Purchase Consideration**") on a slump sale basis, on the terms and conditions of this Scheme, shall be:*

*9.1.1 ₹ 2669,61,60,000 (Rupees two thousand six hundred sixty nine crores sixty one lakhs and sixty thousand) ("**Purchase Consideration**");*

9.1.2 plus, the Working Capital Adjustment (if the Working Capital set forth in the Final Completion Statement is greater than the Target Working Capital) or (ii) minus the Working Capital Adjustment (if the Working Capital set forth in the Final Completion Statement is less than the Target Working Capital), as the case may be;

9.1.3 plus/ minus the Capex Adjustment. It is clarified that the Transferee Company shall not be liable to reimburse the Transferor Company for incurring the capital expenditure committed in the Capex Plan.

10. CONDUCT OF DIVESTMENT BUSINESS TILL COMPLETION DATE:

10.1 On and from the Agreement Date and up to and including the Completion Date, the Transferor Company shall so far as permitted by Applicable Law carry on the Divestment Business in all material respects as a going concern in the ordinary course as carried on immediately prior to the Agreement Date. Notwithstanding the foregoing, but without limiting its generality, the Transferor Company covenants that it will comply with the provisions of clause 7.2 of the Implementation Agreement.

10.2 On and from the Agreement Date and up to and including the Completion Date, the Transferor Company shall use commercially reasonable efforts to, where required pursuant to Applicable Law or considered as being

reasonably prudent (in the opinion of the Transferor Company), file applications to Governmental Authorities for relevant Governmental Authorisations or for approval of a court of law, tribunal or any other authorization, Approval, Consent or waiver of a third party (if applicable), in the name of and for the benefit of the Transferee Company.

*10.3 No later than 10 (ten) Business Days prior to the Completion Date, the Transferor Company shall deliver to the Transferee Company, with reasonably detailed supporting information, a statement ("**Proposed Completion Statement**") setting forth, as per **Schedule 7** (Completion Statement), (i) a reasonable, good faith estimate of the Working Capital of the Divestment Business as of the Adjustment Time ("**Estimated Working Capital Amount**"), (ii) the amount of the capital expenditure actually incurred by the Transferor Company, whether (a) towards the capital expenditure committed in the Capex Plan or (b) incurred by the Transferor Company with prior written consent of the Transferee Company from the Agreement Date; and (iii) the amount, computed as per the following formula, to be paid by the Transferee Company to the Transferor Company on the Completion Date ("**Completion Date Payment**"):*

10.3.1 the Purchase Consideration;

10.3.2 (i) plus the Estimated Working Capital Adjustment (if the Estimated Working Capital Amount is greater than the Target Working Capital) or (ii) minus the Estimated Working Capital Adjustment (if the Estimated Working Capital Amount is less than the Target Working Capital);

10.3.3 plus/ minus the Capex Adjustment.

It is clarified that the Transferee Company shall not be liable to reimburse the Transferor Company for incurring the capital expenditure committed in the Capex Plan.

*11. **COMPLETION:***

*11.1 Completion shall be on a date mutually agreed between the Transferor Company and the Transferee Company but shall be no later than 20 (twenty) Business Days from the later of (a) the date of receipt of the High Court Order(s) sanctioning the Scheme (or the High Court Order(s) for granting extension of time or condonation of delay in or granting extension of time for filing e-form INC 28, if applicable); (b) fulfilment of the Regulatory Approvals; and (c) issue of Transferor CP Satisfaction Certificate in terms of the Implementation Agreement ("**Completion Date**").*

11.2 The activities/ matters contemplated under this Scheme to be completed on the Completion Date shall be deemed to occur simultaneously and no such activity/ matter shall be consummated, or be deemed to be consummated, unless all such activities/ matters have been consummated.

11.3 On the Completion Date, each of the following shall be simultaneously undertaken:

11.3.1 The Transferor Company and the Transferee Company shall each duly file e-form INC 28 on the website of the Ministry of Corporate Affairs;

11.3.2 The Transferee Company shall convene a meeting of its Board of Directors or committee of directors so authorised for declaring the effectiveness of the Scheme, and shall provide a certified true copy of the said resolution to the Transferor Company; provided that failure to hold such meeting will not render the Scheme ineffective;

11.3.3 The Transferor Company shall convene a meeting of its Board of Directors or committee of directors so authorised for declaring the effectiveness of the Scheme and shall provide a certified true copy of the said resolution to the Transferor Company; provided that failure to hold such meeting will not render the Scheme ineffective;

11.3.4 The Transferee Company shall pay to the Transferor Company an amount equal to the Completion Date Payment, in immediately available funds, in the designated bank account of the Transferor Company,

details whereof shall be provided by the Transferor Company to the Transferee Company at least 5 (five) Business Days prior to the Completion Date;

11.3.5 The Divestment Business (including the Divestment Assets, the Divestment Liabilities, the Divestment Employees and the Assumed Litigations) and all rights, benefits and interest therein, shall stand transferred to the Transferee Company pursuant to the Scheme in the manner set out herein, free of any Encumbrance.

11.3.6 The Transferor Company and the Transferee Company shall enter into separate lease agreements for:

(a) land admeasuring 1.292 hectares situated at Khasra No.1046 and 1047, village Naiparapur, Pergana, Tehsil Khairabad, district Sitapur;

(b) land admeasuring 2.6375 acres situated at Khewat/Khatauni No.883/1493 rectangle and Killa Nos.146/21/1(3-11), 193/1/1/1(3-12), 147/25(6-0), and 192/5/1(7-19) situated at Sunam-B, Tehsil Sunam, district Sangrur; and

(c) land admeasuring 0.798 hectares situated at Khasra Plot Nos.514/1, 514/2 and 662, village Ram Nagar Karjaha, Tappa-Patara, Pargana-Haveli, Tehsil Chowri-Chowra, district Gorakhpur.

whereby the Transferor Company shall lease out the abovementioned land parcels including the existing fittings and equipment thereat to the Transferee Company for a period of 10 (ten) years at nominal consideration of ₹ 1000 (Rupees one thousand) per annum for each parcel of land. The Transferee Company undertakes to maintain and preserve the aforesaid land parcels in the same condition as received by the Transferee Company from the Transferor Company, subject to reasonable wear and tear in the course of business. The Transferee Company shall hand over the same to the Transferor Company at the end of the 10 (ten) year period free of any Encumbrance created by the Transferee Company. It is clarified that the Transferee Company shall not be required to remove any Encumbrance existing on the Completion Date or not created by the Transferee Company.

*The consummation of all the activities specified in this Clause 11.3 shall together constitute "**Completion**".*

11.4 With effect from the Completion Date, the Transferee Company shall pay, perform and discharge, when due, or cause to be paid, performed and discharged when due, all the Divestment Liabilities in relation to the period after the Completion Date.

*12. **POST COMPLETION ADJUSTMENT:***

*12.1 Within 10 (ten) days after the Completion Date, the Transferor Company shall present to the Transferee Company, a statement ("**Preliminary Completion Statement**"), with reasonably detailed supporting information, setting forth the actual amounts of the items set out in Clause 10.3 as on the Completion Date. The Transferee Company shall, in consultation with its advisors, conduct an audit of the Preliminary Completion Statement and within 30 (thirty) Business Days of the receipt of the Preliminary Completion Statement the Transferee Company shall communicate to the Transferor Company whether it agrees or does not agree with the Preliminary Completion Statement. In the event the Transferee Company (a) agrees with the Preliminary Completion Statement provided by the Transferor Company, it will so communicate to the Transferor Company within the period referred to above; (b) does not agree with the amounts mentioned in the Preliminary Completion Statement, the Transferee Company and the Transferor Company shall consult with each other to determine the actual amounts as on the Completion Date of the items set out in Clause 10.3 of this Scheme within 10 (ten) days or such other date as may be agreed between the Transferor Company and the Transferee Company of the Transferee Company communicating to the Transferor Company that it does not agree with the amounts mentioned in the Preliminary Completion Statement. The Transferor Company and the Transferee Company will record the actual amounts, as on the Completion Date, of the items set out in Clause 10.3 of the Scheme as determined under this Clause in the*

*format at **Schedule 7** (Completion Statement), which shall be the Final Completion Statement and the date of such recording shall be the Final Determination Date.*

12.2 *In the event, the Transferor Company and the Transferee Company are unable to agree on the amounts as on the Completion Date of the items set out in Clause 10.3 of this Scheme within the specified period, the Transferee Company and the Transferor Company shall jointly engage the Independent Auditor within 5 (five) days, in compliance with the terms of reference for the Independent Auditor attached as **Schedule 8** (Terms of Reference of the Independent Auditor), to conduct an audit of the Preliminary Completion Statement and determine the actual amounts as on the Completion Date of the items set out in Clause 10.3 of this Scheme within 20 (twenty) days from the date of appointment of the Independent Auditor or such other date as may be agreed between the Transferor Company and the Transferee Company. Such final determination, in the format at **Schedule 7** (Completion Statement), shall be the Final Completion Statement. The date on which the Final Completion Statement is presented by the Independent Auditor shall be referred to as the "**Final Determination Date**". During such review by the Independent Auditor, the Transferor Company and the Transferee Company shall each make available to the Independent Auditor access as required to, such individuals and such information, books and records as may be requested by the Independent Auditor to make its final determination.*

12.3 *Absent fraud, misconduct or manifest error, the Final Completion Statement determined by the Independent Auditor shall be conclusive and binding upon the Transferor Company and the Transferee Company.*

12.4 *The fees and disbursements of the Independent Auditor shall be borne by the Transferor Company and the Transferee Company in equal proportions.*

12.5 *The Independent Auditor shall act as an expert and not as an arbitrator.*

12.6 *If the Final Purchase Consideration calculated in accordance with the Final Completion Statement, exceeds the Completion Date Payment (such difference, the "Completion Underpayment") by an amount equal to at least ₹ 10,00,000 (Rupees Ten Lakhs), the Transferee Company shall pay to the Transferor Company within 5 (five) Business Days of the Final Determination Date, an amount equal to the Completion Underpayment by wire transfer of immediately available funds to the designated bank account of the Transferor Company.*

12.7 *If the Final Purchase Consideration calculated in accordance with the Final Completion Statement, is less than the Completion Date Payment (such difference, the "Completion Overpayment") by an amount equal to at least ₹ 10,00,000 (Rupees Ten Lakhs), the Transferor Company shall pay to the Transferee Company within 5 (five) Business Days of the Final Determination Date an amount equal to the Completion Overpayment by wire transfer of immediately available funds to a bank account designated in writing by the Transferee Company (such designation to be made at least 3 (three) Business Days prior to the day on which such payment is due).*

12.8 *For the avoidance of doubt, if the Completion Underpayment or the Completion Overpayment described in sub-clauses 12.6 or 12.7 above is less than ₹ 10,00,000 (Rupees Ten Lakhs), the Completion Date Payment shall not be adjusted and no payments shall be due under sub-clauses 12.6 and 12.7.*

12.9 *To the extent that any of the Transferor Company and the Transferee Company or any of their respective Affiliates have any obligation under this Scheme or under any other agreement to indemnify or to make any other payment (other than the Purchase Consideration), no amount with respect to a matter to which such obligation or payment relates shall be included in the calculation of the Proposed Completion Statement, the Preliminary Completion Statement or the Final Completion Statement. No amount with respect to a matter shall be included more than once in the calculation of the Proposed Completion Statement, the Preliminary Completion Statement or the Final Completion Statement.*

13. ***ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEROR COMPANY:***

13.1 *The Transferor Company shall account for the transfer and vesting of the Divestment Business by derecognising the carrying values of the Divestment Assets and Divestment Liabilities which cease to be the assets and liabilities of the Transferor Company as of the Appointed Date in accordance with applicable accounting standards.*

13.2 The difference between the Final Purchase Consideration and the derecognised values referred to in Clause 13.1 above would be dealt with as per applicable accounting standards.

*14. **ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEREE COMPANY:***

14.1 The Transferee Company shall account for the transfer and vesting of the Divestment Business as of the Appointed Date by recording the Divestment Assets and Divestment Liabilities taken over under the Scheme at their fair values in accordance with applicable accounting standards.

14.2 The difference, if any, between the Final Purchase Consideration paid and the fair value of the net assets (fair value of Divestment Assets less fair value of Divestment Liabilities) will be adjusted in the goodwill / capital reserve account, as the case may be, in accordance with the applicable accounting standards.

*17. **OTHER BUSINESS:***

17.1 Upon the Scheme coming into effect and with effect from the Effective Date, the Other Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Transferor Company.

17.2 All legal, taxation or other proceedings (whether civil or criminal including before any Governmental Authority) by or against the Transferor Company under any Applicable Laws whether pending on the Effective Date or which may be instituted at any time, and in each case relating to the liability, obligation or duties of the Transferor Company in respect of the Other Business shall be continued and enforced, after the Effective Date, by or against the Transferor Company only.

*20. **CONDITIONALITY OF THE SCHEME:***

*20.1 The transfer of the Divestment Business to the Transferee Company shall require the following approvals, sanctions and consents (each a "**Regulatory Approval**"):*

20.1.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the shareholders and/or creditors of each of the Transferor Company and the Transferee Company, as may be required under Sections 391 and other relevant provisions of the Act;

20.1.2 The Stock Exchanges issuing their observation/ no-objection letters and SEBI issuing its comments on the Scheme, to the Transferor Company including comments/ approval after sanction of the Scheme by the High Court, as required under regulation 37 of the Listing Regulations read with the SEBI Circular and regulation 11 and 94 of the Listing Regulations;

20.1.3 The Scheme being sanctioned by the High Court in terms of Sections 391 to 394 and/or all other relevant provisions of the Act;

*20.1.4 The occurrence of the first of any of the following, if applicable: pursuant to the provisions of the Competition Act, 2002 of India and the rules and regulations thereunder including the Competition Commission of India (Procedure in Regard to the Transaction of Business Relating to Combinations) Regulations, 2011 ("**Combination Regulations**"), the CCI (or any appellate authority in India having appropriate jurisdiction) having either (i) granted approval to the Scheme in form and substance reasonably acceptable to the Transferor Company and the Transferee Company, or (ii) been deemed to have granted approval to the Scheme through the expiration of time periods available for their investigation and any period of limitation for filing an appeal therefrom having elapsed; and*

20.1.5 The transaction contemplated under this Scheme being approved by the competition authorities of Ukraine, if applicable.

*21. **OPERATIONALIZATION OF THE SCHEME:***

This Scheme shall become effective with effect from the Appointed Date.

22. ***EFFECT OF NON-RECEIPT OF SANCTIONS:***

22.1 In the event any of the conditions stipulated in Clause 20 (Conditionality of the Scheme) are not satisfied prior to the Long Stop Date or within such further period as may be mutually agreed upon between the Transferor Company and the Transferee Company through their respective Boards of Directors (which Boards of Directors are hereby empowered and authorized to agree to from time to time without any limitation), this Scheme shall stand revoked, cancelled. In such an event, each party shall bear and pay its respective costs, charges and expenses for and in connection with the Scheme.

22.2 The Boards of Directors of the Transferor Company and the Transferee Company shall be entitled to withdraw this Scheme prior to the Effective Date. It is hereby clarified that notwithstanding anything to the contrary contained this Scheme, neither the Transferor Company, nor the Transferee Company, shall be entitled to withdraw the Scheme unilaterally without the prior written consent of the other.

24. ***COST, CHARGES AND EXPENSES:***

24.1 The Transferor Company and the Transferee Company shall bear their respective taxes in respect of the transfer of Divestment Business in accordance with this Scheme and the transactions hereby contemplated. The Transferor Company and the Transferee Company shall bear their own respective legal, accounting, professional and advisory fees, commissions, and other costs and expenses incurred by it in connection with this Scheme and the transactions thereby contemplated.

24.2 The Transferee Company shall be liable and responsible for the payment of all stamp duty and registration charges with respect to the transfer of the Divestment Business including any Divestment Assets.

25. ***NO CAUSE OF ACTION***

No third party claiming to have acted or changed his position in anticipation of this Scheme taking effect, shall get any cause of action against the Transferor Company or the Transferee Company or their directors or officers, if the Scheme does not take effect or is withdrawn, amended or modified for any reason whatsoever."

Note : The features set out above being only the extract of the Scheme. The shareholders are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

9. The Directors of TCL and YFIPL holding shares in TCL and YFIPL respectively do not have any other interest in the Scheme otherwise than that as shareholders in general. Further, none of the key managerial personnel, debenture trustee and relatives of the directors of TCL and YFIPL is concerned or interested, financial or otherwise in the proposed Scheme. Save as aforesaid, none of the directors of TCL and YFIPL have any material interest in the proposed Scheme. The shareholding of the present directors of TCL and YFIPL, either individually or jointly as a first holder or as a nominee, in TCL and YFIPL are as under:

Sr. No.	Name of the Directors of TCL	No. of Equity Shares held in	
		TCL	YFIPL
1.	Mr. Nasser Munjee	0	0
2.	Dr. Y. S. P. Thorat	0	0
3.	Ms. Vibha Paul Rishi	0	0
4.	Mr. Bhaskar Bhat	0	0
5.	Mr. S. Padmanabhan	0	0
6.	Mr. R. Mukundan	500	0

Sr. No.	Name of the Directors of YFIPL	No. of Equity Shares held in	
		TCL	YFIPL
1.	Mr. Narsimharao Venkata Lakshmi Avantsa	0	0
2.	Mr. Sanjiv Kanwar	0	0
3.	Mr. Soon Hee Koh	0	0

10. **Valuation Report, Fairness Opinion and Approvals:**

10.1. SSPA & Co. Chartered Accountants have undertaken the valuation of the Divestment Business of TCL and have recommended the fair value of the Divestment Business vide their valuation report dated August 10, 2016. The total lump sum consideration payable by YFIPL to TCL for the purchase of the Divestment Business has been arrived at on the basis of the fair valuation of the Divestment Business of TCL based on the various methodologies/ approaches explained in the valuation report and various qualitative factors relevant to the Company and the business dynamics and growth potentials of the business, having regard to information base, key underlying assumptions and limitations. Based on the relevant factors and circumstances as outlined in the valuation report, SSPA & Co. have determined the fair value of the Divestment Business at ₹ 2,410 crores.

10.2. The Valuation Report is available for inspection at the registered office of the Company.

10.3. In terms of the SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, Kotak Mahindra Capital Company Limited, a SEBI registered Merchant Banker, has submitted to TCL, a fairness opinion, from a financial point of view, vide its letter dated August 10, 2016 on the Scheme. The fairness opinion was based on various assumptions and considerations and should be read in its entirety for information regarding the assumptions made and factors considered in rendering such opinion.

10.4. The proposal for the Scheme was placed before the Audit Committee of the Company at its meeting held on August 10, 2016. The Audit Committee of the Company took into account the recommendations on the fair valuation of the Divestment Business mentioned in the Valuation Report provided by SSPA & Co., Chartered Accountants and the Fairness Opinion provided by Kotak Mahindra Capital Company Limited. The Audit Committee has recommended the proposed Scheme, including the lump sum consideration for transfer of the Divestment Business provided therein, to the Board of Directors of the Company. Copies of the Valuation Report and the Fairness Opinion are enclosed as **Annexures B** & **C** respectively to this explanatory statement.

10.5. The Board of Directors of the Company have taken into account the independent recommendations of the Audit Committee, the recommendations of the fair valuation of the Divestment Business provided in the valuation report dated August 10, 2016 provided by SSPA & Co., Chartered Accountants and the fairness opinion dated August 10, 2016 provided by Kotak Mahindra Capital Company Limited.

10.6. Based on the aforesaid advice/opinions, the Board of Directors of the Company have come to conclusion that the lump sum consideration for transfer of the Divestment Business provided in the Scheme is fair and reasonable and has approved the same at its meeting held on August 10, 2016. Pursuant to the Scheme, the total lump sum consideration for the Divestment Business is as under, subject to post completion adjustments as detailed in Clause 12 of the Scheme:

"9.1.1 ₹ 2669,61,60,000 (Rupees two thousand six hundred sixty nine crores sixty one lakhs and sixty thousand) ("Purchase Consideration");

9.1.2 plus, the Working Capital Adjustment (if the Working Capital set forth in the Final Completion Statement is greater than the Target Working Capital) or (ii) minus the Working Capital Adjustment (if the Working Capital set forth in the Final Completion Statement is less than the Target Working Capital), as the case may be;

9.1.3 plus/ minus the Capex Adjustment. It is clarified that the Transferee Company shall not be liable to reimburse the Transferor Company for incurring the capital expenditure committed in the Capex Plan."

10.7. Further, the Board of Directors of TCL have at their Board Meeting held on August 10, 2016 by resolution approved the proposed Scheme, as detailed below.

Name of Director	Voted in favor / against / did not participate or vote
Mr. Cyrus P. Mistry	Voted in favor
Mr. Nasser Munjee	Voted in favor
Mr. Eknath A. Kshirsagar	Voted in favor
Dr. Y.S.P. Thorat	Voted in favor
Mr. Bhaskar Bhat	Voted in favor
Mr. R. Mukundan	Voted in favor

Note: Leave of absence was granted to Mr. Nusli N. Wadia, Ms. Vibha Paul Rishi and Dr. Nirmalya Kumar for the above Board Meeting.

10.8. The Board of Directors of YFIPL have at their Board Meeting held on August 10, 2016 by resolution approved the proposed Scheme, as detailed below:

Name of Director	Voted in favor / against / did not participate or vote
Mr. Narsimharao Venkata Lakshmi Avantsa	Voted in favor
Mr. Sanjiv Kanwar	Voted in favor
Mr. Soon Hee Koh	Voted in favor

10.9. The Scheme is conditional and subject to necessary sanctions and approvals as set out in the Scheme.

10.10. The Company has obtained the approval of the Scheme in terms of the SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 ("SEBI Circular") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from BSE and NSE vide their observation letters dated November 16, 2016. The observation letters from BSE and NSE are closed as **Annexures D** and **E** respectively to this explanatory statement.

10.11. The Scheme along with related documents was hosted on the website of the Applicant Company, BSE and NSE and was open for complaints/comments. The Applicant Company has not received any complaint/comment and accordingly a Nil Complaint report was filed with the BSE and NSE on October 4, 2016. The said Complaints report is enclosed herewith as **Annexure F** to this explanatory statement.

10.12. The Competition Commission of India vide its letter dated November 16, 2016 has given its approval to the Scheme. A copy of the letter dated November 16, 2016 from the Competition Commission of India is enclosed as **Annexure G** to this explanatory statement.

10.13. A copy of the unaudited provisional financial statements of the Applicant Company and the Transferee Company as on December 31, 2016 are enclosed as **Annexure H** to this explanatory statement.

10.14 In compliance with the provisions of Section 232(2) of the Companies Act, 2013, the Board of Directors of the Company, in their meeting held on March 29, 2017, have adopted a report, *inter ilia*, explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoter and non-promoter shareholders. A copy of the reports adopted by the Board of Directors of the Company is enclosed as **Annexure I** to this explanatory statement.

10.15. The Company will make a Petition under Section 232 and other applicable provisions of the Companies Act, 2013 to the Hon'ble National Company Law Tribunal, Mumbai Bench for sanctioning of the Scheme.

10.16. No investigation or proceedings are pending under the provisions of Chapter XIV of the Companies Act, 2013 or under the provisions of the Companies Act, 1956 in respect of the Company.

10.17. A copy of the Scheme has been filed by the Company with the Registrar of Companies, Maharashtra.

10.18. No winding up petition is pending against the Company.

10.19. The Scheme does not involve any capital or debt restructuring and therefore the requirement to disclose details of capital or debt restructuring is not applicable.

10.20. In the event that this Scheme is terminated or withdrawn in the manner set out herein, this Scheme shall stand revoked, cancelled and be of no effect and null and void and in such event each party hereto shall bear and pay respective costs, charges and expenses for and or in connection with the Scheme.

11. As far as the equity shareholders of TCL and YFIPL are concerned (promoter shareholders as well as non-promoter shareholders), there will be no dilution in their shareholding in their respective company. The Scheme is not expected to have any effect on the key managerial personnel, directors, promoters, non-promoter members, depositors, creditors, debenture holders, deposit trustee, debenture trustee and employees of TCL and YFIPL, wherever relevant.

12. Pursuant to the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 and SEBI Circular, the detailed pre scheme and post scheme (expected) capital structure and shareholding pattern of TCL is given herein below:

A. **Pre & Post Scheme Capital Structure:**

TCL

The Scheme contemplates the acquisition of the Divestment Business of TCL on a slump sale basis. As there is no issue of shares of TCL contemplated in the Scheme, there would be no change in the Authorised, Issued, Subscribed and Paid-up Share Capital of TCL solely pursuant to the Scheme coming into effect.

Pre & Post Scheme Capital Structure as on February 28, 2017

Particulars	**Amount (₹ in Crores)**
Authorised Capital	
27,00,00,000 Ordinary Shares of ₹ 10/- each	270.00
Total	**270.00**
Issued Capital	
25,48,42,598 Ordinary Shares of ₹ 10/- each	254.84
Subscribed and Fully Paid-up Capital	
25,47,56,278 Ordinary Shares of ₹ 10/- each	254.76
Forfeited Shares	
Amount originally paid-up on 86,320 forfeited shares	0.06
Total	**254.82**

YFIPL

The Scheme contemplates the acquisition of the Divestment Business of TCL on a slump sale basis. As there is no issue of shares of YFIPL contemplated in the Scheme, there would be no change in the Authorised, Issued, Subscribed and Paid-up Share Capital of YFIPL solely pursuant to the Scheme coming into effect.

Particulars	Pre-scheme capital structure as on February 28, 2017		
	Number of shares	Face value	Amount (₹ in Crores)
Authorised capital	20,000,000	₹ 10 per share	₹ 20.00
Issued and paid-up capital	13,417,970	₹ 10 per share	₹ 13.42

Note that the acquisition of the Divestment Business by YFIPL is currently proposed to be funded by a combination of debt and equity, and therefore, it is proposed that necessary capital will be infused in YFIPL.

B. **Pre & Post Scheme Shareholding pattern as on March 17, 2017:**

TCL

The Scheme contemplates the acquisition of the Divestment Business of TCL on a slump sale basis. As there is no issue of shares of TCL pursuant to the Scheme, there would be no change in the Pre and Post Scheme Shareholding Pattern of TCL solely pursuant to the Scheme coming into effect.

Category Code	Category of Shareholder	Pre & Post-Scheme Shareholding Pattern	
		Total No. of Shares	As a percentage of total capital
(A)	**Promoters**		
(1)	**Indian**		
(a)	Individuals/Hindu Undivided Family	0	0.00
(b)	Central Government/State Government(s)	0	0.00
(c)	Financial Institutions/Banks	0	0.00
(d)	Any Other		
	(i) Bodies Corporate	78098192	30.65
	(ii) Trust	374165	0.15
	Sub-Total (A) (1)	**78472357**	**30.80**
(2)	**Foreign**		
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0.00
(b)	Government	0	0.00
(c)	Institutions	0	0.00
(d)	Foreign Portfolio Investor	0	0.00
(e)	Any Other (specify)	0	0.00
	Sub-Total (A) (2)	**0**	**0.00**
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)	**78472357**	**30.80**

Category Code	Category of Shareholder	Pre & Post-Scheme Shareholding Pattern	
		Total No. of Shares	As a percentage of total capital
(B)	**Public Shareholding**		
(1)	**Institutions**		
(1)	Mutual Funds/UTI	42445848	16.66
(a)	Venture Capital Funds	0	0.00
(b)	Alternate Investment Funds	0	0.00
(c)	Foreign Venture Capital Investors	0	0.00
(d)	Foreign Portfolio Investors - Corp	45262300	17.77
(e)	Financial Institutions/Banks	440633	0.17
(f)	Insurance Companies	20482182	8.04
(g)	Provident Funds/ Pension Funds	0	0.00
(h)	Any Other		
	(i) OCBs	65	0.00
	Sub-Total (B) (1)	**108631028**	**42.64**
(2)	**Central Government/ State Government(s)/ President of India**	1430684	0.56
	Sub-Total (B)(2)	**1430684**	**0.56**
(3)	**Non-Institutions**		
(a)	Individuals		
i	Individual shareholders holding nominal share capital up to ₹ 2 lakh	46200478	18.14
ii	Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	2152808	0.85
(b)	NBFCs registered with RBI	4816	0.00
(c)	Employee Trusts	0	0.00
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0.00
(e)	Any Other - Clearing Members, Bodies Corporate, Limited Liability Partnership - LLP, Trust And Charitable Institutions	17864107	7.01
	Sub-Total (B) (3)	**66222209**	**25.99**
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	**176283921**	**69.20**
	Total (A+B)	**254756278**	**100.00**

YFIPL

The Scheme contemplates the acquisition of the Divestment Business of TCL on a slump sale basis. As there is no issue of shares of YFIPL contemplated in the Scheme, there would be no change in the Authorised, Issued, Subscribed and Paid-up Share Capital of YFIPL solely pursuant to the Scheme coming into effect.

Sr. No.	Name of Shareholders	Pre- Scheme		
		No. of equity shares	% share holding	Equity share capital
1	Yara Asia Pte. Ltd.	13,417,968	99.999985%	₹ 134,179,680
2	Fertilizer Holdings AS	2	0.00001%	₹ 20
	Total	**₹ 13,417,970**	**100.00%**	**₹ 134,179,700**

Note that the acquisition of the Divestment Business by YFIPL is currently proposed to be funded by a combination of debt and equity, and therefore, it is proposed that necessary capital will be infused in YFIPL.

13. The following documents shall be available for obtaining extract or obtaining copies of or for inspection by the shareholders of the Company at the registered office of the Company between 10.00 a.m. and 12 noon up to May 8, 2017 on all working days (except Saturdays, Sundays and public holidays) and the said documents shall also be available for inspection at the venue of the Meeting:

13.1. Copy of the Order of the Hon'ble National Company Law Tribunal, Bench, at Mumbai dated March 1, 2017 passed in the Company Scheme Application No. 186 of 2017 directing convening of the Meeting of Equity Shareholders of the Applicant Company.

13.2. Memorandum of Association and Article of Association of TCL and YFIPL.

13.3. Audited Financial Statement of TCL and YFIPL for last three financial years ended March 31, 2016, March 31, 2015 and March 31, 2014.

13.4. Copy of the Scheme of Arrangement between TCL and YFIPL and their respective shareholders and creditors.

13.5. Observation letters received from BSE Limited and NSE Limited dated November 16, 2016.

13.6. The Valuation Report dated August 10, 2016 of SSPA & Co., Chartered Accountants.

13.7. The Fairness Opinion dated August 10, 2016 of Kotak Mahindra Capital Company Limited.

13.8. Copy of the Company Scheme Application No. 186 of 2017 and Affidavit in Support thereof.

13.9. Copies of the resolution passed by the respective Board of Directors of TCL and YFIPL approving the Scheme.

13.10. Complaints report dated October 4, 2016 submitted by the Company to BSE Limited and the National Stock Exchange of India Limited and also uploaded on its website.

13.11. List of Divestment Contracts or Divestment Equipment.

13.12. Certificate issued by Auditor of the Company to the effect that the accounting treatment, if any, proposed in the scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.

14. This statement may be treated as an Explanatory Statement under Section 230(3) of the Companies Act, 2013 read with Section 102 of the Companies Act, 2013.

Sd/-
Mr. Bhaskar Bhat
DIN : 00148778
Chairman Appointed for the Meeting

Dated this the 1st day of April, 2017
Place : Mumbai

Annexure A

SCHEME OF ARRANGEMENT

BETWEEN

TATA CHEMICALS LIMITED

AND

YARA FERTILISERS INDIA PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

Under Sections 391 to 394 of the Companies Act, 1956 and all other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013 (to the extent notified).

I. INTRODUCTION:

(a) Tata Chemicals Limited (hereinafter referred to as "**Transferor Company**" or "**TCL**") is a public limited company incorporated under the provisions of the Indian Companies Act, 1913, having its registered office at Bombay House, 24 Homi Mody Street, Fort, Mumbai 400001, India. The Transferor Company is currently engaged, *inter alia*, in the business of manufacturing and sale of fertilizers including bulk and customized fertilizers through its plant located at Babrala, Uttar Pradesh. The Transferor Company's business constitutes the Divestment Business *(as defined hereinafter)* and the Other Business *(as defined hereinafter)*. The equity shares of the Transferor Company are listed on the Stock Exchanges *(as defined hereinafter)*.

(b) Yara Fertilisers India Private Limited is a company duly incorporated under the laws of India, having its registered office at #402 Suyog Fusion Dhole Patil Road, Sangamwadi, Pune - 411001, Maharashtra, India (hereinafter referred to as "**Transferee Company**"). The Transferee Company is engaged in the business of import, sale and distribution of plant nutrition products in India.

(c) This Scheme of Arrangement (hereinafter referred to as the "**Scheme**") provides for the transfer of the Divestment Business *(as defined hereinafter)* of the Transferor Company to, and vesting thereof in, the Transferee Company, as a "going concern" on a slump sale basis (as defined under Section 2(42C) of the Income-tax Act, 1961), for a lump sum Final Purchase Consideration *(as defined hereinafter)* as set out hereinafter payable by the Transferee Company to the Transferor Company, and in accordance with the terms of the Scheme and pursuant to the provisions of sections 391 to 394 and all other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013 (to the extent notified).

II. FACTS, RATIONALE AND BENEFITS:

(a) The Transferor Company and the Transferee Company have entered into an agreement dated August 10, 2016 ("**Implementation Agreement**"), pursuant to which it has been agreed to transfer the Divestment Business of the Transferor Company as a going concern on a slump sale basis to the Transferee Company and in exchange for which, the lump sum Final Purchase Consideration shall be paid by the Transferee Company to the Transferor Company, on the agreed terms and conditions as set out herein below and in the Implementation Agreement.

(b) The transfer of the Divestment Business pursuant to this Scheme would , *inter alia,* result in the following benefits:

(i) In case of the Transferor Company:

1. Unlocking value for the Transferor Company by sale of part of its assets;
2. Strengthening the balance sheet of the Transferor Company; and
3. Pursue growth opportunities in line with its strategic directions.

(ii) In case of the Transferee Company:

1. Creation of value for shareholders by acquiring ready-to-use assets, including business undertakings and reducing time to markets; and

2. Allowing the expansion of the range of the products offered by the Transferee Company and its Affiliates in India.

III. PARTS OF THE SCHEME:

The Scheme is divided into the following parts:

(a) Part I deals with the definitions and share capital of the Transferor Company and the Transferee Company;

(b) Part II deals with transfer of the Divestment Business from the Transferor Company and its vesting in the Transferee Company for consideration and matters incidental thereto; and

(c) Part III deals with the general terms and conditions that would be applicable to the Scheme.

PART – I
DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS:

1.1. In this Scheme unless the meaning or context otherwise requires (i) terms defined in the recitals and the introductory paragraphs above shall have the same meanings throughout this Scheme; and (ii) the following words or expressions, wherever used, (including in the Recitals and the introductory paragraphs above) shall have the following meanings:

1.1.1. "**Act**" means the Companies Act, 2013 (to the extent of the sections thereof that have been brought into force) and the Companies Act, 1956 (to the extent of the sections thereof that have not been repealed);

1.1.2. "**Adjusted Capex Plan**" means the Capex Plan as agreed between the Transferor Company and the Transferee Company at the Agreement Date, and revisions, if any, which are mutually agreed by the Transferor Company and the Transferee Company. The revisions will be agreed revisions of cost of Capex Plan items, if the Transferor Company can complete the items at the comparable quality and at a lower cost than estimated in the Capex Plan;

1.1.3. "**Adjustment Time**" means 1700 hours (Indian Standard Time) on the day immediately preceding the Completion Date;

1.1.4. "**Affiliate**" means, in relation to the Transferor Company and the Transferee Company, any other Person that, either directly or indirectly through one or more intermediate Persons, Controls, is Controlled by, or is under common Control with, the Transferor Company, or the Transferee Company, as the case may be;

1.1.5. "**Agreement Date**" means August 10, 2016;

1.1.6. "**Applicable Law**" means, with respect to any Person, any binding federal, state, national or local statute, law, ordinance, notification, rule, regulation, order, writ, injunction, directive, judgment or decree, or other requirement of any Governmental Authority applicable to such Person or any of their respective properties or assets;

1.1.7. "**Appointed Date**" shall be the Effective Date as defined hereinafter in the Scheme;

1.1.8 "**Approval**" means any permission, approval, consent, license, order, decree, authorization, authentication of, or registration, qualification, designation, declaration or filing with or notification, exemption or ruling to or from any Governmental Authority required under any statute or regulation;

1.1.9 "**Assumed Litigations**" shall mean all claims, disputes, causes of action, litigation, and such other proceedings as shall remain attached to and/ or relating to the Divestment Business (or a part thereof) and which are listed in **Schedule 1**, other than the Excluded Litigation;

1.1.10 "**Babrala Plant**" means the plants utilised for the manufacture of ammonia and urea and customized fertilisers owned by the Transferor Company, located at Babrala, Uttar Pradesh (as more particularly described in **Schedule 5**);

1.1.11 "**Board**" or "**Board of Directors**" means the boards of directors of the Transferor Company and/ or the Transferee Company, as the context may require, and shall include a committee of such board duly constituted and authorized;

1.1.12 "**Business Day**" means any day, other than a Saturday and Sunday, on which banks in Mumbai, India remain open for normal business;

1.1.13 "**Capex Adjustment**" means the capex adjustment as defined in table B of **Schedule 7**, and is the Adjusted Capex Plan minus the cost of items on the Adjusted Capex Plan incurred by the Transferor Company between Agreement Date and Effective Date, minus capital expenditure incurred by the Transferor Company with prior written consent of the Transferee Company, minus capital work-in-progress, plus creditors for capital goods. It is clarified that if the Capex Adjustment is a positive number, the absolute amount will be deducted from the Purchase Consideration. If the Capex Adjustment is a negative number, the absolute amount will be added to the Purchase consideration;

It is clarified that (i) the objective of the Capex Plan (the Adjusted Capex Plan) and the Capex Adjustment is to ensure that the Transferor Company carries out the activities stated therein. If the Transferor Company completes such activities at a lower cost than the amount set out in the Capex Plan, at a quality level acceptable to the Transferee Company, the difference, on account of such lower cost, shall be adjusted for in the Adjusted Capex Plan; and (ii) in the event the cost for any item exceeds the amount set out in the Capex Plan, such excess will be to the account of the Transferor Company. In the event that the Transferor Company and the Transferee Company agree that the Transferor Company will do additional projects at the cost of the Transferee Company, this cost will added to the Purchase Consideration, as defined in the Capex Adjustment. For avoidance of doubt, it should be noted that the Transferor Company is required to maintain the asset at the same standard as of the Agreement Date, save for reasonable wear and tear in the ordinary course of business, regardless of the items and amounts in the capex plan, and the Transferor Company will not be reimbursed by the Transferee Company for this, with reference to Clause 7.8 of the Implementation Agreement.

1.1.14 "**Capex Plan**" means the Capex Plan as set in **Schedule 2** which may be amended by agreement of the Transferor Company and the Transferee Company, forming the Adjusted Capex Plan;

1.1.15 "**CCI**" means the Competition Commission of India;

1.1.16 "**Combination Regulations**" shall have the meaning ascribed to such term in Clause 20.1.4;

1.1.17 "**Completion**" has the meaning ascribed to such term in Clause 11.3;

1.1.18 "**Completion Date**" has the meaning ascribed to such term in Clause 11.1;

1.1.19 "**Completion Date Payment**" has the meaning ascribed to such term in Clause 10.4;

1.1.20 "**Completion Overpayment**" has the meaning ascribed to such term in Clause 12.5;

1.1.21 "**Completion Underpayment**" has the meaning ascribed to such term in Clause 12.6;

1.1.22 **"Consent"** means any license, permission, approval, clearance, permit, notice, consent, authorization, waiver, grant, concession, agreement, certificate, exemption, order, or registration from any Governmental Authority or any other Person;

1.1.23 "**Control**" and its co-related words "Controlled by" or "under common Control with", in relation to any Person, means: (i) the beneficial ownership, directly or indirectly, of more than 50% (fifty percent) of the voting power exercisable at any meeting of the members of such Person; or (ii) the power to elect a majority of the members of the management board (including directors) of such Person; or (iii) power to direct the management or policies of such Person;

1.1.24 "**Current Assets**" means, as of any specified date, all such assets relating or assigned to the Divestment Business which are customarily called current assets under the relevant prevailing Indian GAAP other than cash, and as provided for in the relevant statement of the Transferor Company. Such statement as of June 30, 2016 is set out in **Schedule 3**;

1.1.25 "**Current Liabilities**" means, as of any specified date, all such liabilities relating or assigned to the Divestment Business, which are customarily called current liabilities under the relevant prevailing Indian GAAP and as provided for in the relevant statement of the Transferor Company. Such statement as of June 30, 2016 is set out in **Schedule 3**;

1.1.26 "**Divestment Assets**" means the Divestment Real Estate, Divestment Equipment, Records, Divestment Contracts, Transferring Inventory, Current Assets and the Non-Current Assets, forming part of the Divestment Business and any assets of the Divestment Business that have a significant co-relation or connection with the Divestment Assets or which are reasonably required to enable the Transferee Company to operate or use the Divestment Business or any Divestment Assets;

1.1.27 "**Divestment Business**" means the business of sale and distribution of (i) Urea and (ii) customized fertilisers, in each case manufactured by the Transferor Company through the Babrala Plant; and includes without limitation, the Divestment Assets, the Divestment Liabilities and the Divestment Employees;

1.1.28 "**Divestment Contracts**" means the contracts including the rights and obligations thereunder, in relation to the Divestment Business including the key contracts as listed in schedule 5 to the Implementation Agreement;

1.1.29 "**Divestment Employees**" means such employees of the Divestment Business that will be transferred to the Transferee Company comprising:

(a) the existing employees of the Transferor Company based at the Babrala Plant who are involved in the operations and production activities of the Babrala Plant;

(b) the existing employees of the Transferor in the CAT centre at Aligarh; and

(c) between 70 (seventy) and 100 (hundred) other employees of the Transferor Company who are directly involved in the Divestment Business, whose identities shall be agreed between the Transferor Company and the Transferee Company within 90 (ninety) days from the Agreement Date *minus* any employees that resign, are dismissed, are terminated or transferred between

such date and the Effective Date; *plus* any transfer or hire, from such date up to the Effective Date, as permitted under the Implementation Agreement;

1.1.30 "**Divestment Equipment**" means the plant and machinery forming part of the Divestment Business, as stated in the relevant extracts of the fixed assets register of the Transferor Company as listed in **Schedule 5** to the Implementation Agreement;

1.1.31 "**Divestment Liabilities**" means the liabilities and obligations of the Transferor Company related to the Divestment Business or the result or consequences of Assumed Litigations following the Effective Date other than the Excluded Liabilities. For the avoidance of doubt, the Divestment Liabilities shall only consist of and be limited to those listed in **Schedule 4**;

1.1.32 "**Divestment Real Estate**" means the lands being used by the Transferor Company in relation to the Divestment Business, a list of which as of the Agreement Date, is specified in **Schedule 5**;

1.1.33 "**Effective Date**" shall mean the date on which the Scheme becomes effective in accordance with its terms, which shall be the Completion Date;

Reference in this Scheme to the date of "coming into effect of this Scheme" or the "Scheme becoming effective" or "effectiveness of the Scheme" shall mean the Effective Date;

1.1.34 "**Encumbrance**" means (a) any mortgage, pledge, lien, charge (whether fixed or floating), hypothecation, assignment, deed of trust, title retention, right of set-off or counterclaim, security interest, security letter conferring any priority of payment in respect of any obligation of any Person; (b) purchase or option agreement or arrangement, right of first refusal, right of first offer, restriction on voting; (c) subordination agreement or arrangement; (d) agreements to create or effect any of the foregoing; (e) interest, option, or transfer restriction in favour of any Person; (f) any adverse claim as to title, possession or use; and (g) any encroachment on immovable properties;

1.1.35 "**Estimated Working Capital Adjustment**" means an amount equal to the absolute value of the difference between (i) the Estimated Working Capital Amount and (ii) the Target Working Capital;

1.1.36 "**Estimated Working Capital Amount**" has the meaning ascribed to such term in Clause 10.4;

1.1.37 **"Excluded Assets**" shall mean all the assets of the Transferor Company and any of its Affiliates, other than the Divestment Assets. It is hereby clarified that the Excluded Assets do not form a part of the Divestment Business and any co-relation or connection that an Excluded Asset may have, or may have had, with the Divestment Business is not significant for the normal conduct of the Divestment Business. Without limiting the generality of the foregoing, the Excluded Assets shall include the properties, assets, contracts and rights of Transferor and its Affiliates as listed out in **Schedule 6**;

1.1.38 "**Excluded Liabilities**" means any and all liabilities or obligations of the Transferor Company to the extent they are not part of the Divestment Liabilities including those related to or arising out of (a) the Excluded Assets or (b) the operation of the Divestment Business or the ownership or use of the Divestment Assets prior to the Effective Date (other than those included in or forming a part of the Divestment Liabilities);

1.1.39 "**Excluded Litigations**" shall mean all litigations other than the Assumed Litigations and which litigations shall not stand transferred to the Transferee Company pursuant to this Scheme;

1.1.40 "**Final Completion Statement**" means the statement in the format specified in Part B of **Schedule 7**, as determined in accordance with Clause 12;

1.1.41 "**Final Determination Date**" has the meaning ascribed to such term in Clause 12;

1.1.42 "**Final Purchase Consideration**" has the meaning ascribed to such term in Clause 9.1;

1.1.43 "**Governmental Authority**" means any: (a) national, provincial or local government or political subdivision or department thereof of any jurisdiction, or any governmental, administrative or regulatory body, commission, board, bureau, agency or instrumentality, or any court, arbitrator, alternative dispute resolution body or tribunal, in each case with applicable jurisdiction; or (b) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative functions of the government or Tax authority or power of any nature in respect of the Transferor Company, the Transferee Company or this Scheme;

1.1.44 "**Governmental Authorization**" means all filings, including Consents and Approvals, with any Governmental Authority, Consents (to the extent required from a Governmental Authority), licenses, franchises, permits, concessions, exemptions, orders, certificates, registrations, re-registrations, applications, declarations and filings pertaining to the aforesaid issued, granted, given or otherwise made available by or under the authority of any Governmental Authority or pursuant to any Applicable Law.

1.1.45 "**Haldia Plant**" means the plant located at Haldia, West Bengal, for the manufacture of DAP, NPK / NP complex fertilizers and SSP;

1.1.46 "**High Court Order(s)**" means the order(s) passed by the High Court sanctioning the Scheme and includes any High Court or other applicable authority's order(s) for extension of time or condonation of delay in filing of the requisite forms with the RoC in relation to the Scheme, if applicable;

1.1.47 "**High Court**" means the Hon'ble High Court of Judicature at Mumbai having jurisdiction in relation to the Transferor Company and the Transferee Company, as the case may be and shall include the National Company Law Tribunal, as applicable or such other forum or authority as may be vested with any powers of a High Court in relation to the Scheme under the Act;

1.1.48 "**Independent Auditor**" means an international audit firm to be mutually appointed by the Transferor Company and the Transferee Company;

1.1.49 "**Indian GAAP**" means and refers to the generally accepted accounting principles as applicable in India, including , *inter alia,* accounting standards and other authoritative pronouncements, issued by the Institute of Chartered Accountants of India, or such other body or person having a right under Applicable Laws to issue such accounting standards and other authoritative pronouncements;

1.1.50 "**IT Act**" means the Income Tax Act, 1961 and rules and regulations made there under and shall include any statutory modification, amendment, and re-enactment thereof for the time being in force;

1.1.51 "**Listing Regulations**" means the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, and shall include any statutory modification, amendment, and re-enactment thereof for the time being in force or any act, regulations, rules, guidelines etc., that may replace such regulations;

1.1.52 "**Long Stop Date**" means the date immediately after the expiry of 18 (eighteen) months from the Agreement Date or such other date as may be agreed between the Transferor Company and the Transferee Company in writing;

1.1.53 "**Non-Current Assets**" means, as of any specified date, all such assets relating or assigned to the Divestment Business, which are customarily called non-current assets under the relevant prevailing Indian accounting standards, or as agreed between the Transferor Company and the Transferee Company and set out in **Schedule 3**;

1.1.54 "**Non-Current Liabilities**" means, as of any specified date, all such liabilities relating or assigned to the Divestment Business, which are customarily called non-current liabilities under the relevant prevailing Indian accounting standards, or as agreed between the Transferor Company and the Transferee Company and set out in **Schedule 4**;

1.1.55 "**Other Business**" means any business of the Transferor Company or any of its Affiliates other than the Divestment Business, including for the avoidance of doubt the business of the Transferor Company conducted by and through the Haldia Plant and the Trading Business and shall also include any business of Transferor Company or any of its Affiliates conducted under the "Tata", "Tata Chemicals Limited" or "TCL" brands;

1.1.56 "**Person**" means any individual or other entity, whether a corporation, firm, body corporate, joint venture, trust, association, organization, partnership or proprietorship, whether or not having a separate legal personality, including any Governmental Authority;

1.1.57 "**Preliminary Completion Statement**" has the meaning ascribed to such term in Clause 12.1;

1.1.58 "**Proposed Completion Statement**" has the meaning ascribed to such term in Clause 10.4;

1.1.59 "**Purchase Consideration**" has the meaning ascribed to such term in Clause 9.1.1;

1.1.60 "**Records**" means any and all books, accounts and other records relating to the Divestment Business to the extent that they relate to the period up to Completion;

1.1.61 "**Representatives**" means the duly authorized directors, officers, managers and employees of the Transferor Company or the Transferee Company, as the context may require;

1.1.62 "**RoC**" means the respective Registrar of Companies having jurisdiction over the Transferor Company and the Transferee Company, as the case may be;

1.1.63 "**Rs.**" or "**Rupees**" or "**INR**" means Indian Rupees, the lawful currency of India;

1.1.64 "**Scheme**" "**the Scheme**" or "**this Scheme**" means this scheme of arrangement in its present form or with any modification(s) made under Clause 19 of this Scheme or any modifications approved or directed by the High Court or any other Government Authority;

1.1.65 "**SEBI**" means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;

1.1.66 "**SEBI Circular**" means Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, issued by SEBI, as amended or replaced from time to time;

1.1.67 "**Stock Exchanges**" shall mean the BSE Limited and the National Stock Exchange of India Limited collectively;

1.1.68 "**Target Working Capital**" means ₹ 814,23,28,800 (Rupees eight hundred fourteen crores twenty three lakhs twenty eight thousand and eight hundred);

1.1.69 "**Tax**" means all applicable forms of taxation, duties, levies imposed, whether direct or indirect, whether central, state or local, including without limitation corporate income tax, service tax, withholding tax, stamp duty, value added tax, customs and excise duties, entry tax, sales taxes, capital tax and other legal transaction taxes, dividend withholding tax, dividend distribution tax, land taxes, and duties and any other type of taxes or duties payable by virtue of any Applicable Law; together with any interest, penalties, surcharges or fines relating to them, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction;

1.1.70 "**Trading Business**" means and includes the (i) import and sale of bulk fertilisers (DAP, MOP), and (ii) sale and purchase/ contract manufacture of non-bulk fertilisers (specialty fertilisers, seeds, pesticides etc.);

1.1.71 "**Transferring Inventory**" means all inventories, wherever located, including all raw materials, work-in-progress, finished products, and packaging and labelling material exclusively or predominantly related to the Divestment Business, whether held at any location or facility of the Transferor Company or in transit to the depot or at a railway siding (but excluding goods in relation to which invoice is issued, but which may not have been delivered and which are not included in the Current Assets), in each case, as of the Adjustment Time;

1.1.72 "**Working Capital**" means an amount, in INR, equal to (a) the Current Assets plus (b) long-term loans, advances and deposits less (c) the Current Liabilities and less (d) Non-current Liabilities, in each case calculated as of the Adjustment Time. For the avoidance of doubt, Working Capital shall exclude non-current assets (except long-term loans, advances and deposits) and creditors for capital goods, as defined in **Schedule 7, table A**; and

1.1.73 "**Working Capital Adjustment**" means an amount equal to the difference between (i) the Working Capital set forth in the Final Completion Statement; and (ii) the Target Working Capital. The Working Capital Adjustment shall be determined in accordance with **Schedule 7, table A**.

1.2 Upon implementation of the provisions applicable to schemes of arrangement contained in the Companies Act, 2013, if the Scheme has been filed with the High Court and is pending disposal, the procedure to be followed from the date of such implementation would be as prescribed in the rules promulgated under the Companies Act, 2013 as may be applicable.

1.3 **Interpretation:**

1.3.1 In this Scheme, reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment (whether before or after the Agreement Date) for the time being in force or to any provisions replacing such statutory provisions and to all statutory instruments or orders made pursuant to such statutory provisions.

1.3.2 Unless the context otherwise requires, words denoting the singular shall include the plural and words denoting any gender shall include all genders.

1.3.3 Headings, subheadings, titles, subtitles to clauses, sub-clauses and paragraphs are for information only and shall not form part of the operative provisions of this Scheme or the Schedules hereto and shall be ignored in construing the same.

1.3.4 The Schedules refer to the schedules to this Scheme and form part of this Scheme. If there is any conflict or inconsistency between a term in the body of this Scheme and a term in any of the Schedules, exhibits or any other document referred to or otherwise incorporated in this Scheme, the term in the body of this Scheme shall take precedence.

1.3.5 References to days, months and years are to calendar days (unless otherwise specified), calendar months and calendar years, respectively. Where a period expressed in days, weeks, months or years is to be calculated from the moment at which an event occurs or an action takes place, the day during which that event occurs or that action takes place shall not be counted as falling within the period in question. A period expressed in weeks, months or years shall end with the expiry of whichever day in the last week, month or year (as applicable) of such period is the same day of the week (in the case of weeks), or falls on the same date (in the case of months or years), as the day on which the event or action from which the period is to be calculated occurred or took place. If, for a

given period expressed in months, the last day of such period does not fall during the last month expressed to be in such period, such period shall end on the last day of that month.

1.3.6 Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day if the last day of such period is not a Business Day; and whenever any payment is to be made or action to be taken under this Scheme is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day.

1.3.7 Words "directly or indirectly" mean directly, or indirectly, through one or more intermediary persons or through contractual or other legal arrangements, and "direct or indirect" have the correlative meanings.

1.3.8 Any reference in this Scheme to any document shall include reference to such document as amended, modified or restated, whether before or after the Agreement Date.

1.3.9 If, in calculating a price or an amount, the relevant variables for such calculation are expressed in different currencies then all such variables for the purposes of such calculation shall be in Rupees.

2. SHARE CAPITAL:

2.1 The authorized, issued, subscribed and paid up share capital of the Transferor Company and the Transferee Company as on June 30, 2016, as under:

Transferor Company:

Particulars	**Amount (₹ in Crores)**
Authorized Capital	
27,00,00,000 Ordinary Shares of ₹ 10/- each	270.00
Total	**270.00**
Issued Capital	
25,48,42,598 Ordinary Shares of ₹ 10/- each	254.84
Subscribed and Fully Paid-up Capital	
25,47,56,278 Ordinary Shares of ₹ 10/- each	254.76
Forfeited Shares	
Amount originally paid-up on 86,320 forfeited shares	0.06
Total	**254.82**

Transferee Company:

Particulars	**Amount (₹)**
Authorized Capital	
20,000,000 Equity Shares of ₹ 10/- each	200,000,000
Total	**200,000,000**
Issued Subscribed and Paid-up Capital	
13,417,970 Equity Shares of ₹ 10/- each	134,179,700
Total	**134,179,700**

2.2. It is clarified that until the Scheme becomes effective, the Transferor Company and the Transferee Company are free to alter their respective authorised, issued, subscribed and paid up share capital.

PART – II

TRANSFER AND VESTING OF DIVESTMENT BUSINESS IN THE TRANSFEREE COMPANY:

3. VESTING OF DIVESTMENT BUSINESS:

3.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the Divestment Business in its entirety shall, pursuant to Sections 391 to 394 read with other relevant provisions of the Act and without any further act, instrument, deed, matter or thing be transferred to and vested in and/ or be deemed to be and stand transferred to and vested in the Transferee Company as a 'going concern' on a slump sale basis for a lump sum consideration as set out hereinafter free from all Encumbrances, subject to the following:

3.1.1 In the event any part of the Divestment Business intended to be transferred does not get transferred to the Transferee Company upon the effectiveness of the Scheme, the Transferor Company and the Transferee Company undertake to take all necessary steps, and execute all necessary documents, to ensure the transfer of such part of the Divestment Business thereof to the Transferee Company forthwith without any further consideration. The Transferor Company and the Transferee Company agree that pending such transfer, the Transferor Company shall hold such part of the Divestment Business in trust for the Transferee Company, and shall put in place necessary arrangements to allow the Transferee Company to enjoy the benefit of the same without incurring monetary obligations for such actions.

3.1.2 The Divestment Assets, Divestment Liabilities, Assumed Litigations and the Divestment Employees which form part of the Divestment Business shall be transferred to the Transferee Company in accordance with this Scheme. For the avoidance of doubt, the Other Business shall continue to vest in the Transferor Company;

3.1.3 Upon the Scheme becoming effective, the Transferee Company shall carry out or perform all such formalities and compliances under various Applicable Laws or to be carried out or performed in relation to or as a consequence of the vesting of the Divestment Business into the Transferee Company.

4. DIVESTMENT ASSETS:

4.1 Without prejudice to the generality of Clause 3 *(Vesting of Divestment Business)* above, upon the Scheme coming into effect and at all times with effect from the Appointed Date, the Divestment Assets shall stand transferred to and vested in the Transferee Company in the following manner, unless specifically otherwise provided under the Scheme,:

4.1.1 The Divestment Assets, which are movable in nature, and/or otherwise capable of transfer by manual or constructive delivery and/or endorsement and delivery, the same may, upon coming into effect of this Scheme, be so transferred or deemed to be so transferred to the Transferee Company, and shall become the assets of the Transferee Company and title to the assets will be deemed to have been vested accordingly without requiring any deed or instrument of conveyance pursuant to the provisions of Sections 391 to 394 and/or other applicable provisions of the Act and shall upon such transfer become the property of, and an integral part of, the Transferee Company.

4.1.2 The Divestment Real Estate (including land together with the buildings and structures standing thereon), whether freehold or leasehold and all documents of title, rights and easements in relation thereto, will stand transferred to and be vested in the Transferee Company, without any further act,

instrument or deed and pursuant to the provisions of Sections 391 to 394 and/or other applicable provisions of the Act. With effect from the Appointed Date, the Transferee Company shall be entitled to exercise all rights and privileges and be liable to fulfil all obligations, in relation to or applicable to such immovable properties.

4.1.3 In respect of the Divestment Assets other than those dealt with in Clause 4.1.1 and 4.1.2 above, the same shall stand transferred to and vested in the Transferee Company without any notice or other intimation to any Person in pursuance of the provisions of the Sections 391 to 394 read with other relevant provisions of the Act to the end and intent that the right of the Transferor Company to recover or realise the same stands transferred to the Transferee Company. The Transferee Company may, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such Person, as the case may be, that the said assets stand transferred to and vested in the Transferee Company and that appropriate modification should be made in their respective books/ records to reflect the aforesaid changes.

4.1.4 Without prejudice to the aforesaid and Clause 6 *(Divestment Contracts)*, the Transferee Company may, if so required under any Applicable Law or otherwise, at any time after the Scheme becoming effective, in accordance with the provisions hereof, execute or enter into any arrangements, conveyance, confirmations, deeds, documents, letters or any other instruments relating to any Divestment Assets with any party to any contract or agreements to which the Transferor Company is a party. For such purposes, if so requested by the Transferee Company, the Transferor Company shall provide the required assistance.

4.1.5 In so far as the Divestment Assets are concerned, any Encumbrance over them, to the extent that such Encumbrance relates to any liabilities *(other than the Divestment Liabilities)* of the Transferor Company, shall, without any further act, instrument, or deed, be released and the Divestment Assets shall no longer be available as a security for such liabilities. The absence of any formal amendment which may be required by a lender or a third party to effect such release shall not affect the operation of the foregoing sentence.

4.1.6 In so far as the assets of the Other Business are concerned, any Encumbrance over them, to the extent they relate to the Divestment Liabilities *(other than the liabilities of the Other Business)* shall, without any further act, instrument, or deed be released and discharged from such security. The absence of any formal amendment which may be required by a lender or a third party to effect such release shall not affect the operation of the foregoing sentence.

4.1.7 Without prejudice to what is stated in Clauses 4.1.5 and 4.1.6 above, the Transferor Company and the Transferee Company shall execute such documents/ instruments or do all such acts and deeds including filing of necessary particulars and/ or modification of charge with the concerned RoC to give formal effect to the above Clauses, if required.

5. DIVESTMENT LIABILITIES:

5.1 Without prejudice to the generality of Clause 3 *(Vesting of Divestment Business)* above, upon the Scheme becoming effective, the Divestment Liabilities shall stand transferred to and vested in the Transferee Company in the following manner, unless specifically otherwise provided under the Scheme:

5.1.1 Upon the Scheme becoming effective and with effect from the Appointed Date, all Divestment Liabilities shall, to the extent they are outstanding on the Effective Date, without any further act or deed become liabilities of the Transferee Company and all rights, powers, duties, and obligations in relation thereto shall stand transferred to, vested in, and shall be exercised by or against the

Transferee Company, as if it has incurred such liabilities. The Transferee Company shall undertake to meet, discharge and satisfy the same to the exclusion of the Transferor Company.

5.1.2 Prior to and upon the Scheme becoming effective, all the liabilities other than the Divestment Liabilities and those relating to the Other Business, whether provided or not in the books of account of the Transferor Company, shall continue to remain the liabilities of the Transferor Company. The Transferor Company shall undertake to meet, discharge and satisfy the same to the exclusion of the Transferee Company.

5.1.3 On transfer to and vesting of the Divestment Business in the Transferee Company, the mortgages and charges, if any, affecting the same shall, subject to sub-clauses 4.1.6, 4.1.7 and 4.1.8, be as hereinafter provided:

(a) The Encumbrances relating to the Divestment Business, whether existing or those created by the Transferor Company, over the assets of the Divestment Business or any part thereof transferred to the Transferee Company by virtue of this Scheme, shall be released. Such Encumbrances shall not relate or attach to any of the assets of the Divestment Business or any other assets of the Transferee Company.

(b) The Encumbrances shall after the Effective Date relate and attach to the assets or any part thereof of the Other Business of the Transferor Company.

5.1.4 Without prejudice to the provisions of the foregoing Clauses and with effect from the Effective Date, the Transferor Company and the Transferee Company shall enter into and execute such other deeds, instruments, documents and/or writings and/or do all acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the concerned RoC to give formal effect to the provisions of this Clause, if required.

5.1.5 With effect from the Effective Date, the Transferee Company alone shall be liable to perform all obligations in respect of the Divestment Liabilities and the Transferor Company shall not have any obligations in respect of the Divestment Liabilities.

5.1.6 With effect from the Effective Date, the Transferor Company alone shall be liable to perform all obligations in respect of the Other Business and the Transferee Company shall not have any obligations in respect of the Other Business.

5.1.7 It is expressly clarified that, save as mentioned in this Scheme, no other terms or conditions of the Divestment Liabilities are modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.

5.1.8 Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this Clause shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deeds, and writings and the terms of sanction or issue of any security document shall stand modified and/or superseded by the foregoing provisions.

6. DIVESTMENT CONTRACTS:

6.1 Without prejudice to the generality of Clause 3 *(Vesting of Divestment Business)* above, upon the Scheme becoming effective, the Divestment Contracts shall stand transferred to and vested in the Transferee Company in the following manner, unless otherwise specifically provided under the Scheme:

6.1.1 Upon the Scheme becoming effective and subject to the other provisions contained in this Scheme, all Divestment Contracts entered into, subsisting or having effect immediately before the Effective

Date shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectively as if the Transferee Company instead of Transferor Company, had been a party thereto. The absence of any formal amendment which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence.

6.1.2 Without prejudice to what is stated in Clause 6.1.1 above, upon the Scheme becoming effective, the Transferee Company shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Clause.

7. ASSUMED LITIGATIONS:

7.1 Without prejudice to the generality of Clause 3 *(Vesting of Divestment Business)* above, upon the Scheme becoming effective, the Assumed Litigations shall stand transferred to the Transferee Company in the following manner:

7.1.1 Upon the Scheme becoming effective and subject to the other provisions contained in this Scheme, all the Assumed Litigations shall be enforced by or against the Transferee Company.

7.1.2 Upon the Scheme becoming effective and subject to the other provisions contained in this Scheme, the Transferee Company shall assume, and shall agree to pay, perform and discharge when due, all liabilities and obligations of the Transferor Company, related to or arising out of in any manner, the Assumed Litigations.

7.1.3 Upon the Scheme becoming effective, all the Excluded Litigations shall remain with the Transferor Company.

7.1.4 Upon the Scheme becoming effective, the Transferor Company and the Transferee Company shall, wherever necessary, enter into and/or execute all such documents as maybe necessary to give formal effect to the provisions of this Clause.

8. DIVESTMENT EMPLOYEES:

8.1 Without prejudice to the generality of Clause 3 *(Vesting of Divestment Business)* above, upon the Scheme becoming effective, the Divestment Employees shall stand transferred to the Transferee Company in the following manner:

8.1.1 The Divestment Employees shall become employees of the Transferee Company without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable to such employees relating to the Divestment Business of the Transferor Company immediately prior to the transfer of the Divestment Business.

8.1.2 The Transferee Company agrees that the service of all Divestment Employees up to the Effective Date shall be taken into account for the purpose of all retirement benefits to which they may be eligible. The Transferee Company further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with the Transferor Company, shall also be taken into account and agrees and undertakes to pay the same as and when payable.

8.1.3 The Transferee Company shall make all the necessary contributions for such Divestment Employees, and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. The Transferee Company will also file relevant intimations in respect of the Divestment Business with the statutory authorities concerned

who shall take the same on record and substitute the name of the Transferee Company for the Transferor Company.

8.1.4 In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund / trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits created by the Transferor Company for the Divestment Employees are concerned, such proportion of the funds, contributions to the funds or trusts or the scheme or the investments made into the funds, schemes or trusts relatable to the Divestment Employees as on the Effective Date, upon the Scheme becoming effective, shall be transferred to the necessary funds, schemes or trusts of the Transferee Company and till the time such necessary funds, schemes or trusts are created by the Transferee Company, all contributions shall continue to be made to the existing funds, schemes or trusts of Transferor Company and will be transferred to the funds, schemes or trusts once created by the Transferee Company.

9. FINAL PURCHASE CONSIDERATION:

9.1 The total lump sum consideration payable by the Transferee Company to the Transferor Company for the purchase of the Divestment Business (**"Final Purchase Consideration"**) on a slump sale basis, on the terms and conditions of this Scheme, shall be:

9.1.1 ₹ 2669,61,60,000 (Rupees two thousand six hundred sixty nine crores sixty one lakhs and sixty thousand) (**"Purchase Consideration"**);

9.1.2 *plus*, the Working Capital Adjustment (if the Working Capital set forth in the Final Completion Statement is greater than the Target Working Capital) or (ii) *minus* the Working Capital Adjustment (if the Working Capital set forth in the Final Completion Statement is less than the Target Working Capital), as the case may be;

9.1.3 *plus/ minus* the Capex Adjustment. It is clarified that the Transferee Company shall not be liable to reimburse the Transferor Company for incurring the capital expenditure committed in the Capex Plan.

10. CONDUCT OF DIVESTMENT BUSINESS TILL COMPLETION DATE:

10.1 On and from the Agreement Date and up to and including the Completion Date, the Transferor Company shall so far as permitted by Applicable Law carry on the Divestment Business in all material respects as a going concern in the ordinary course as carried on immediately prior to the Agreement Date. Notwithstanding the foregoing, but without limiting its generality, the Transferor Company covenants that it will comply with the provisions of clause 7.2 of the Implementation Agreement.

10.2 On and from the Agreement Date and up to and including the Completion Date, the Transferor Company shall use commercially reasonable efforts to, where required pursuant to Applicable Law or considered as being reasonably prudent (in the opinion of the Transferor Company), file applications to Governmental Authorities for relevant Governmental Authorisations or for approval of a court of law, tribunal or any other authorization, Approval, Consent or waiver of a third party (if applicable), in the name of and for the benefit of the Transferee Company.

10.3 No later than 10 (ten) Business Days prior to the Completion Date, the Transferor Company shall deliver to the Transferee Company, with reasonably detailed supporting information, a statement (**"Proposed Completion Statement"**) setting forth, as per **Schedule 7** *(Completion Statement)*, (i) a reasonable, good faith estimate of the Working Capital of the Divestment Business as of the Adjustment Time (**"Estimated Working Capital Amount"**), (ii) the amount of the capital expenditure actually incurred by the Transferor

Company, whether (a) towards the capital expenditure committed in the Capex Plan or (b) incurred by the Transferor Company with prior written consent of the Transferee Company from the Agreement Date; and (iii) the amount, computed as per the following formula, to be paid by the Transferee Company to the Transferor Company on the Completion Date (**"Completion Date Payment"**):

10.3.1 the Purchase Consideration;

10.3.2 (i) *plus* the Estimated Working Capital Adjustment (if the Estimated Working Capital Amount is greater than the Target Working Capital) or (ii) *minus* the Estimated Working Capital Adjustment (if the Estimated Working Capital Amount is less than the Target Working Capital);

10.3.3 *plus/ minus* the Capex Adjustment.

It is clarified that the Transferee Company shall not be liable to reimburse the Transferor Company for incurring the capital expenditure committed in the Capex Plan.

11. COMPLETION:

11.1 Completion shall be on a date mutually agreed between the Transferor Company and the Transferee Company but shall be no later than 20 (twenty) Business Days from the later of (a) the date of receipt of the High Court Order(s) sanctioning the Scheme (or the High Court Order(s) for granting extension of time or condonation of delay in or granting extension of time for filing e-form INC 28, if applicable); (b) fulfilment of the Regulatory Approvals; and (c) issue of Transferor CP Satisfaction Certificate in terms of the Implementation Agreement (**"Completion Date"**).

11.2 The activities/ matters contemplated under this Scheme to be completed on the Completion Date shall be deemed to occur simultaneously and no such activity/ matter shall be consummated, or be deemed to be consummated, unless all such activities/ matters have been consummated.

11.3 On the Completion Date, each of the following shall be simultaneously undertaken:

11.3.1 The Transferor Company and the Transferee Company shall each duly file e-form INC 28 on the website of the Ministry of Corporate Affairs;

11.3.2 The Transferee Company shall convene a meeting of its Board of Directors or committee of directors so authorised for declaring the effectiveness of the Scheme, and shall provide a certified true copy of the said resolution to the Transferor Company; provided that failure to hold such meeting will not render the Scheme ineffective;

11.3.3 The Transferor Company shall convene a meeting of its Board of Directors or committee of directors so authorised for declaring the effectiveness of the Scheme and shall provide a certified true copy of the said resolution to the Transferor Company; provided that failure to hold such meeting will not render the Scheme ineffective;

11.3.4 The Transferee Company shall pay to the Transferor Company an amount equal to the Completion Date Payment, in immediately available funds, in the designated bank account of the Transferor Company, details whereof shall be provided by the Transferor Company to the Transferee Company at least 5 (five) Business Days prior to the Completion Date;

11.3.5 The Divestment Business (including the Divestment Assets, the Divestment Liabilities, the Divestment Employees and the Assumed Litigations) and all rights, benefits and interest therein, shall stand transferred to the Transferee Company pursuant to the Scheme in the manner set out herein, free of any Encumbrance.

11.3.6 The Transferor Company and the Transferee Company shall enter into separate lease agreements for:

(a) land admeasuring 1.292 hectares situated at Khasra No.1046 and 1047, village Naiparapur, Pergana, Tehsil Khairabad, district Sitapur;

(b) land admeasuring 2.6375 acres situated at Khewat/Khatauni No.883/1493 rectangle and Killa Nos.146/21/1(3-11), 193/1/1/1(3-12), 147/25(6-0), and 192/5/1(7-19) situated at Sunam-B, Tehsil Sunam, district Sangrur; and

(c) land admeasuring 0.798 hectares situated at Khasra Plot Nos. 514/1, 514/2 and 662, Village Ram Nagar Karjaha, Tappa-Patara, Pargana-Haveli, Tehsil Chowri-Chowra, District Gorakhpur.

whereby the Transferor Company shall lease out the abovementioned land parcels including the existing fittings and equipment thereat to the Transferee Company for a period of 10 (ten) years at nominal consideration of ₹ 1000 (Rupees one thousand) per annum for each parcel of land. The Transferee Company undertakes to maintain and preserve the aforesaid land parcels in the same condition as received by the Transferee Company from the Transferor Company, subject to reasonable wear and tear in the course of business. The Transferee Company shall hand over the same to the Transferor Company at the end of the 10 (ten) year period free of any Encumbrance created by the Transferee Company. It is clarified that the Transferee Company shall not be required to remove any Encumbrance existing on the Completion Date or not created by the Transferee Company.

The consummation of all the activities specified in this Clause 11.3 shall together constitute **"Completion"**.

11.4 With effect from the Completion Date, the Transferee Company shall pay, perform and discharge, when due, or cause to be paid, performed and discharged when due, all the Divestment Liabilities in relation to the period after the Completion Date.

12. POST COMPLETION ADJUSTMENT:

12.1 Within 10 (ten) days after the Completion Date, the Transferor Company shall present to the Transferee Company, a statement (**"Preliminary Completion Statement"**), with reasonably detailed supporting information, setting forth the actual amounts of the items set out in Clause 10.3 as on the Completion Date. The Transferee Company shall, in consultation with its advisors, conduct an audit of the Preliminary Completion Statement and within 30 (thirty) Business Days of the receipt of the Preliminary Completion Statement the Transferee Company shall communicate to the Transferor Company whether it agrees or does not agree with the Preliminary Completion Statement. In the event the Transferee Company (a) agrees with the Preliminary Completion Statement provided by the Transferor Company, it will so communicate to the Transferor Company within the period referred to above; (b) does not agree with the amounts mentioned in the Preliminary Completion Statement, the Transferee Company and the Transferor Company shall consult with each other to determine the actual amounts as on the Completion Date of the items set out in Clause 10.3 of this Scheme within 10 (ten) days or such other date as may be agreed between the Transferor Company and the Transferee Company of the Transferee Company communicating to the Transferor Company that it does not agree with the amounts mentioned in the Preliminary Completion Statement. The Transferor Company and the Transferee Company will record the actual amounts, as on the Completion Date, of the items set out in Clause 10.3 of the Scheme as determined under this Clause in the format at **Schedule 7** *(Completion Statement)*, which shall be the Final Completion Statement and the date of such recording shall be the Final Determination Date.

12.2 In the event, the Transferor Company and the Transferee Company are unable to agree on the amounts as on the Completion Date of the items set out in Clause 10.3 of this Scheme within the specified period, the

Transferee Company and the Transferor Company shall jointly engage the Independent Auditor within 5 (five) days, in compliance with the terms of reference for the Independent Auditor attached as **Schedule 8** *(Terms of Reference of the Independent Auditor)*, to conduct an audit of the Preliminary Completion Statement and determine the actual amounts as on the Completion Date of the items set out in Clause 10.3 of this Scheme within 20 (twenty) days from the date of appointment of the Independent Auditor or such other date as may be agreed between the Transferor Company and the Transferee Company. Such final determination, in the format at **Schedule 7** *(Completion Statement)*, shall be the Final Completion Statement. The date on which the Final Completion Statement is presented by the Independent Auditor shall be referred to as the **"Final Determination Date"**. During such review by the Independent Auditor, the Transferor Company and the Transferee Company shall each make available to the Independent Auditor access as required to, such individuals and such information, books and records as may be requested by the Independent Auditor to make its final determination.

12.3 Absent fraud, misconduct or manifest error, the Final Completion Statement determined by the Independent Auditor shall be conclusive and binding upon the Transferor Company and the Transferee Company.

12.4 The fees and disbursements of the Independent Auditor shall be borne by the Transferor Company and the Transferee Company in equal proportions.

12.5 The Independent Auditor shall act as an expert and not as an arbitrator.

12.6 If the Final Purchase Consideration calculated in accordance with the Final Completion Statement, exceeds the Completion Date Payment (such difference, the **"Completion Underpayment"**) by an amount equal to at least ₹ 10,00,000 (Rupees Ten Lakhs), the Transferee Company shall pay to the Transferor Company within 5 (five) Business Days of the Final Determination Date, an amount equal to the Completion Underpayment by wire transfer of immediately available funds to the designated bank account of the Transferor Company.

12.7 If the Final Purchase Consideration calculated in accordance with the Final Completion Statement, is less than the Completion Date Payment (such difference, the **"Completion Overpayment"**) by an amount equal to at least ₹ 10,00,000 (Rupees Ten Lakhs), the Transferor Company shall pay to the Transferee Company within 5 (five) Business Days of the Final Determination Date an amount equal to the Completion Overpayment by wire transfer of immediately available funds to a bank account designated in writing by the Transferee Company (such designation to be made at least 3 (three) Business Days prior to the day on which such payment is due).

12.8 For the avoidance of doubt, if the Completion Underpayment or the Completion Overpayment described in sub-clauses 12.6 or 12.7 above is less than ₹ 10,00,000 (Rupees Ten Lakhs), the Completion Date Payment shall not be adjusted and no payments shall be due under sub-clauses 12.6 and 12.7.

12.9 To the extent that any of the Transferor Company and the Transferee Company or any of their respective Affiliates have any obligation under this Scheme or under any other agreement to indemnify or to make any other payment (other than the Purchase Consideration), no amount with respect to a matter to which such obligation or payment relates shall be included in the calculation of the Proposed Completion Statement, the Preliminary Completion Statement or the Final Completion Statement. No amount with respect to a matter shall be included more than once in the calculation of the Proposed Completion Statement, the Preliminary Completion Statement or the Final Completion Statement.

13. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEROR COMPANY:

13.1 The Transferor Company shall account for the transfer and vesting of the Divestment Business by derecognising the carrying values of the Divestment Assets and Divestment Liabilities which cease to be the assets and liabilities of the Transferor Company as of the Appointed Date in accordance with applicable accounting standards.

13.2 The difference between the Final Purchase Consideration and the derecognised values referred to in Clause 13.1 above would be dealt with as per applicable accounting standards.

14. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEREE COMPANY:

14.1 The Transferee Company shall account for the transfer and vesting of the Divestment Business as of the Appointed Date by recording the Divestment Assets and Divestment Liabilities taken over under the Scheme at their fair values in accordance with applicable accounting standards.

14.2 The difference, if any, between the Final Purchase Consideration paid and the fair value of the net assets (fair value of Divestment Assets less fair value of Divestment Liabilities) will be adjusted in the goodwill / capital reserve account, as the case may be, in accordance with the applicable accounting standards.

15. SAVING OF CONCLUDED TRANSACTIONS:

Nothing in the Scheme shall affect any transaction or proceeding already concluded by the Transferor Company in respect of the Divestment Business, to the end and intent that the Transferee Company shall accept and adopt all acts, deeds and things done and executed by the Transferor Company in regard to the Divestment Business as if it is done and executed by the Transferee Company itself.

PART – III

GENERAL TERMS AND CONDITIONS

16. AMENDMENT OF MEMORANDUM OF ASSOCIATION OF THE TRANSFEREE COMPANY

Clause III (A) (1) (main objects) of the memorandum of association of the Transferee Company shall, as a part of and, upon the coming into effect of this Scheme and without any further act or deed, be replaced by the following clause:

"To carry on in India and abroad the business of manufacturing, buying, storing, packing, re-packaging, marketing, distributing, transporting, converting, altering, trading in, and improving fertilizers of all forms including chemical, organic and inorganic fertilisers, and selling the same to wholesalers and retailers in India or abroad and rendering all forms of assistance with respect to fertilizers manufactured and sold in the field of agriculture"

It is clarified that for the purposes of this Clause 16, the consent of the shareholders of the Transferee Company to this Scheme shall be sufficient for the purposes of effecting the above amendment in the objects of the Transferee Company, and shall be deemed to include consent under any other provisions of the Act that may be applicable and no further resolution under any provision of the Act including Section 13 would be separately required.

17. OTHER BUSINESS:

17.1 Upon the Scheme coming into effect and with effect from the Effective Date, the Other Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Transferor Company.

17.2 All legal, taxation or other proceedings (whether civil or criminal including before any Governmental Authority) by or against the Transferor Company under any Applicable Laws whether pending on the

Effective Date or which may be instituted at any time, and in each case relating to the liability, obligation or duties of the Transferor Company in respect of the Other Business shall be continued and enforced, after the Effective Date, by or against the Transferor Company only.

18. APPLICATION TO HIGH COURT:

The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make applications/ petitions to the High Court for sanctioning this Scheme under Sections 391 to 394 of the Act and other applicable provisions of the Act and for such other orders as the High Court may deem fit for bringing the Scheme into effect and all matters ancillary or incidental thereto.

19. MODIFICATION OR AMENDMENTS TO THE SCHEME:

19.1 Subject to Clause 19.4, the Transferor Company and the Transferee Company by their respective Boards of Directors or such other Person or Persons, as the respective Boards of Directors, may authorize, may make and/or consent to (i) any modifications / amendments to the Scheme (including but not limited to the terms and conditions thereof); or (ii) to any conditions or limitations that the High Court or any other Governmental Authority may deem fit to direct or impose; or (iii) modification/ amendment which may otherwise be considered necessary, desirable or appropriate by them. No further approval of the shareholders or creditors of any of the Transferor Company or the Transferee Company shall be necessary for giving effect to the provisions of this Clause.

19.2 The Transferor Company and the Transferee Company, by their respective Boards of Directors or such other Person or Persons, as the respective Boards of Directors may authorize including any committee or sub committee thereof, shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any authorities or otherwise howsoever arising out of, or under, or by virtue of the Scheme and/or any matter concerned or connected therewith, including but not limited to any questions relating to whether any assets or liabilities of the Transferor Company are included in the definition of "Divestment Business".

19.3 For the purpose of giving effect to this Scheme or to any modifications or amendments or additions thereto, the Representatives of the Transferor Company and the Transferee Company may jointly give and are hereby jointly authorised to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

19.4 Notwithstanding anything stated in Clauses 19.1, 19.2, and 19.3 hereinabove, no amendments or changes to the Scheme shall be carried out or be permissible unless and until the same are approved by the High Court before which the Transferor Company and the Transferee Company have filed the petition for sanctioning the Scheme.

20. CONDITIONALITY OF THE SCHEME:

20.1 The transfer of the Divestment Business to the Transferee Company shall require the following approvals, sanctions and consents (each a **"Regulatory Approval"**):

20.1.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the shareholders and/or creditors of each of the Transferor Company and the Transferee Company, as may be required under Sections 391 and other relevant provisions of the Act;

20.1.2 The Stock Exchanges issuing their observation/ no-objection letters and SEBI issuing its comments on the Scheme, to the Transferor Company including comments/ approval after sanction of the

Scheme by the High Court, as required under regulation 37 of the Listing Regulations read with the SEBI Circular and regulation 11 and 94 of the Listing Regulations;

20.1.3 The Scheme being sanctioned by the High Court in terms of Sections 391 to 394 and/or all other relevant provisions of the Act;

20.1.4 The occurrence of the first of any of the following, if applicable: pursuant to the provisions of the Competition Act, 2002 of India and the rules and regulations thereunder including the Competition Commission of India (Procedure in Regard to the Transaction of Business Relating to Combinations) Regulations, 2011 (**"Combination Regulations"**), the CCI (or any appellate authority in India having appropriate jurisdiction) having either (i) granted approval to the Scheme in form and substance reasonably acceptable to the Transferor Company and the Transferee Company, or (ii) been deemed to have granted approval to the Scheme through the expiration of time periods available for their investigation and any period of limitation for filing an appeal therefrom having elapsed; and

20.1.5 The transaction contemplated under this Scheme being approved by the competition authorities of Ukraine, if applicable.

21. OPERATIONALIZATION OF THE SCHEME:

This Scheme shall become effective with effect from the Appointed Date.

22. EFFECT OF NON-RECEIPT OF SANCTIONS:

22.1 In the event any of the conditions stipulated in Clause 20 *(Conditionality of the Scheme)* are not satisfied prior to the Long Stop Date or within such further period as may be mutually agreed upon between the Transferor Company and the Transferee Company through their respective Boards of Directors (which Boards of Directors are hereby empowered and authorized to agree to from time to time without any limitation), this Scheme shall stand revoked, cancelled. In such an event, each party shall bear and pay its respective costs, charges and expenses for and in connection with the Scheme.

22.2 The Boards of Directors of the Transferor Company and the Transferee Company, shall be entitled to withdraw this Scheme prior to the Effective Date. It is hereby clarified that notwithstanding anything to the contrary contained this Scheme, neither the Transferor Company, nor the Transferee Company, shall be entitled to withdraw the Scheme unilaterally without the prior written consent of the other.

23. SEVERABILITY:

23.1 If any part of this Scheme is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Company and the Transferee Company that such part shall be severable from the remainder of the Scheme. Further, if the deletion of such part of this Scheme may cause this Scheme to become materially adverse to the Transferor Company and/ or the Transferee Company, then in such case the Transferor Company and/ or the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Company and the Transferee Company the benefits and obligations of the Scheme, including but not limited to such part.

23.2 If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the mutual agreement of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

23.3 The non-receipt of any sanctions or approvals for a particular asset or liability forming part of any of the Divestment Business getting transferred pursuant to this Scheme, shall not affect the effectiveness of the other parts of the Scheme.

24. COST, CHARGES AND EXPENSES:

24.1 The Transferor Company and the Transferee Company shall bear their respective taxes in respect of the transfer of Divestment Business in accordance with this Scheme and the transactions hereby contemplated. The Transferor Company and the Transferee Company shall bear their own respective legal, accounting, professional and advisory fees, commissions, and other costs and expenses incurred by it in connection with this Scheme and the transactions thereby contemplated.

24.2 The Transferee Company shall be liable and responsible for the payment of all stamp duty and registration charges with respect to the transfer of the Divestment Business including any Divestment Assets.

25. NO CAUSE OF ACTION

No third party claiming to have acted or changed his position in anticipation of this Scheme taking effect, shall get any cause of action against the Transferor Company or the Transferee Company or their directors or officers, if the Scheme does not take effect or is withdrawn, amended or modified for any reason whatsoever.

SCHEDULE 1

ASSUMED LITIGATION

LIST OF LITIGATIONS - BABRALA

Sr. No.	Under Act	Parties	Case Type	Court / Forum	Case Filed On Date	Facts	Next Hearing date	Stage	Claim	Claim Remark	Status	Claim Amount	Litigation By / Against Company
1	Contract Labour (Regulation and Abolition) Act, 1970	Ram Singh Vs (1) Chief Manager (Pradhan Prabandhak) M/s Tata Chemicals Limited, Babrala District Badaun (2) M/s Pragati Electric Company Narora, Dist-Bulandshahar Site TCL, Babrala Badaun	Employment Dispute No. 01/2011	Labour court Bareilly	10/24/2009	Matter of dispute is "Whether the termination of service of Ram Singh from 30/3/09 is reasonable and legal, and if not what benefit can be availed by petitioner".	18-07-2016	Cross examination is in progress.	NA	No claim amount in Labour Matter.	Pending	0	Against Company
2	Contract Labour (Regulation and Abolition) Act, 1970	Veerpal Vs (1) General Manager (Maha Prabandhak), M/s Tata Chemicals Limited, Indira Dham, Babrala (2) Manager, M/s ANS Construction, Indira Dham Babrala Badaun, through Tata Chemicals Limited Babrala Badaun	Employment Dispute No. 27/2012	Labour Court Rampur	1/30/2013	Matter of dispute is "Whether the removal of worker veerpal from the post of "Mali" w-e-f 27/02/2011 by General Manager - Tata Chemicals ltd and ANS constructions is vaild and legal, and If not, worker is entitled for what benefit among others reliefs"?	30-06-2016	Labour Court is vacant. New date will be informed separately once new presiding officer joins the court.	NA		Pending	0	Against Company
3	Writ Petition under Article 226	U. P. Pollution Control Board Vs Tata Chemicals Ltd & another	Writ Petition No. 4310/2007	Allahabad High Court	8/22/2007	Writ petition has been filed by the Uttar Pradesh Pollution Control Board (UPPCB) for setting aside the Judgment & Order passed in the favour of the Company by the Cess Appellate Committee, Lucknow in an appeal filed by the Company challenging therein the water cess assessment order served upon the Company under Water Prevention and Control of Pollution, Cess Act, 1977 and to direct the Company to deposit the impunged assessed amount of water cess.	30/06/2016	There is no order of listing.	Specific	Nine Lakhs Eighty Two Thousand Four Hundred Ten only	Pending	982410.48	Against Company

Sr. No.	Under Act	Parties	Case Type	Court / Forum	Case Filed On Date	Facts	Next Hearing date	Stage	Claim	Claim Remark	Status	Claim Amount	Litigation By / Against Company
4	Payment of Gratuity Act	Shambhu Rai S/o Shraday Rai Vs (1) Employer (Sevayogak)/ General Manager (Maha Prabhandak), TCL Babrala Dist Sambhal (U.P.) (2) M/s Singh & Company, Amar Nagar, 777, Rae Bareilly, U.P.	Gratuity Dispute No. 21/P.G.A/2013	Controlling Authority, Moradabad	5/30/2013	The contract of bagging Contractor (M/s Singh & Company) who was engaged with the TCL since long was not renewed after expiry of time. After non renewal of the contract the employees of the contractor approached his employer (contractor) claiming the gratuity but the Contractor refused to pay. Thereafter all the concerned persona have filed the applications claiming gratuity before the appropriated authority in which TCL is also made as a party.	02.07.2016	cross examination of the applicants are in progress.	Specific	(Thirty Five Lakhs)	Pending	3500000	Against Company
5	Payment of Wages Act, 1936	Om Prakash Vs (1) Employer (Sevayogak)/General Manager (Maha Prabhandak) TCL, Babrala (sambhal) (2) Employer (Sevayogak)/Contractor (Thekadar) Gonard Infratech Ltd Branch office H-116 Sector 63 Noida (U.P) 201301	Payment of Wages Act No. 41/2013	Concerned Officer/ Deputy Labour Comm-issioner	8/12/2013	Joint application (47 applicants) has been filed by the applicants under the Payment of Wages alleging non-payment of wages by the contractor. It is also alleged that applicants had worked under the contractor in civil construction for the construction of new township.	18/07/2016	Authority has directed the applicant to amend the application, and to affix the photographs & personal details of all the applicants on whose behalf application under PWA has been filed.	Specific	Ruppes Eight Lakh Twenty Two Thousand Four Hundred Thirty Four only (ruppes 8,22,434/-)	Pending	822434	Against Company
6	Code of Civil Procedure, 1908	Amit Kr Choudhary Vs Tata Chemicals Ltd	Civil Suit No. 260/2014	Civil Judge (Sr Division)	4/22/2014	Civil Suit has been filed by the Plaintiff (contractor) for recovery of his dues. Contract of the Plaintiff (contractor) was terminated under termination clause for breaching the terms and conditions of the agreement executed between the plaintiff (contractor) & defendant (Tata Chemicals Ltd).	25/07/2016	Written Statement under preparation.	Specific	Rupees Four Lakhs Twenty Nine Thousand Twenty Two only (₹ 4,29,022/-)	Pending	429022	Against Company

Sr. No.	Under Act	Parties	Case Type	Court / Forum	Case Filed On Date	Facts	Next Hearing date	Stage	Claim	Claim Remark	Status	Claim Amount	Litigation By / Against Company
7	Payment of Wages Act, 1936	Jeetpal Vs General Manager (Maha Prabhandak) TCL, Babrala (Dist -sambhal) (2) Gonard Infratech Ltd Branch office H-119 Sector 63 Noida (U.P) 201301	Payment of Wages Act No. 83/2014	Deputy Labour Commissioner	9/4/2014	Application has been filed by one alleged Sub-contractor making allegations about non-payment of wages to its workers employed by the sub-contractor.	18/07/2016	Authority has directed the applicant to amend the application, and to affix the photographs & personal details of all the applicants on whose behalf application under PWA has been filed.	Specific	Ruppes Twelve Lakhs Fifty Thousand Only (₹ 12,50,000/-)	Pending	1250000	Against Company
8	Payment of Gratuity Act	Chunni Singh Vs M/s Employer (Sevayogak)/ General Manager (Maha Prabandhak) TCL, Babrala	Application No. 30/2014	Controlling Authority	12/1/2014	Application has been filed by the Contractor ex-employee claiming gratuity from TCL.	2/7/2016	TCL has filed an application for summoning of the conciliation file decided by conciliation officer in which contractor was made the party and the matter was settled between the applicant and contractor.	Specific	Forty Seven Thousand	Pending	47000	Against Company
9	U P Industrial Dispute Act,1947	Damodar Sharma Vs (1) M/s Vice President TCL Babrala Dist Sambhal UP (2) M/s Pragati Electric Company, TCL Babrala Dist Sambhal, Permanent Address - M/s Pragati Electric Co, Narora (Bulandshahar) UP	Employment Dispute No. ...../2016	Labour Court Rampur	26/05/2016	Applicant an employee of an ex-electrical contractor has alleged illegal retrenchment from the post of electrician.	30/06/2016	Matter has been referred to labour court, Rampur. labour court is vacant.	NA		Pending	0	Against Company
10	U P Industrial Dispute Act,1947	Udayvir Vs (1) M/s Vice President TCL Babrala Dist Sambhal UP (2) M/s S K Enterprises TCL Babrala Dist Sambhal Permanent address Hari Baba Marg Lekhpal Colony Babrala Sambhal UP	Employment Dispute No. ...../2016	Labour Court Rampur	26-03-2016	Applicant an ex employee of courier and housekeeping contractor has alleged his illegal retrenchment from his services by his employer.	30/06/2016	Matter has been referred to labour court, Rampur. labour court is vacant.	NA		Pending	0	Against Company
11	Workmen compensation Act	Smt Puspha Rajput Vs (1) Tata Chemicals Ltd through its Manager Babrala Dist Sambhal (2) M/s Anoop Refrigeration, D.S. 185-186, Sector -D, LDA Colony Lucknow - 12	Workman Compensation No. 91/2015	Deputy Labour Commissioner	5/1/2015	Application under employees compensation act has been filed by the legal heirs of contractor employee who has died due to cardiac arrest within the plant premises.	5/7/2016	Listed for filing of written statement by TCL and Insurance company.	Specific	Rupees Twenty Lakhs Only (₹ 20,00,000/-) only	Pending	2000000	Against Company

Sr. No.	Under Act	Parties	Case Type	Court / Forum	Case Filed On Date	Facts	Next Hearing date	Stage	Claim	Claim Remark	Status	Claim Amount	Litigation By / Against Company
12	U P Industrial Dispute Act,1947	Nathu Singh Vs (1) General Manager (Maha Prabandhak) M/s TCL, Babrala Dist Sambhal, (2) Contractor (samvidakar) M/s Shiva Mechinicals, TCL Babrala 3/336 Pushpa Vihar Colony, Avas Vikas Chandausi (3) Managing Director, TCL 24 Homi Modi Street Fort Mumbai 400001, (4) Senior Vice President TCL Sector - 62 Noida Gautam Budh Nagar	Conciliation No. 11/2015	Assistant Labour commissioner	9/10/2015	Contractor employee has filed an application before the Conciliation officer, Moradabad under the provisions of U.P. Industrial Disputes Act, 1947 alleging retrenchment from services.	2/7/2016	The contractor has filed its detailed reply. the matter will be listed for arguments or for the reply to be filed by applicant against the submissions made by the contractor. TCL has already submitted its reply.	NA		Pending	0	Against Company
13	Payment of Gratuity Act	Damodar Sharma Vs (1) M/s Vice President, TCL Babrala Dist Sambhal (2) M/s Pragati Electric Company, TCL Babrala Dist Sambhal, Permanent Address - M/s Pragati Electric Co, Narora (Bulandshahar)	Gratuity Dispute No. 25/2015	Assistant Labour Commissioner	6/1/2015	Ex-employee of previous contractor has filed an application claiming therein gratuity.	2/7/2016	TCL will file its objection on the ground that the applicant has filed a conciliation case before the concerned authority.	NA		Pending	83930	Against Company
14	Writ Petition under Article 226	Tata Chemicals Ltd Vs Collector, Badaun	Disputes with the Government No. 49829/2010	High Court of Uttar Pradesh, Allahabad	8/17/2010	TCL had filed Writ Petition challenging the Judgement & order passed by the Collector, Badaun thereby imposing penaly of ₹ 28400/- along with dispossession from 2530 sq.m land in dispute.	30/06/2016	There is no further orders of listing.	Specific	Twenty Eight Thousand Four Hundred	Pending	28400	By Company
15	First Appeal	Tata Chemicals Ltd Vs collector and others	First Appeal No. 62/2007	High Court of Uttar Pradesh, Allahabad	3/21/2007	First Appeal has been filed against the Award/Decree dated 20.07.1989 passed by the District Court, Badaun whereby compensation awarded by SLAO was increased by the District Court .	12/7/2016	Final arguments will take place. a) on the issue of limitation. b) on substitution applications filed by TCL.	Specific	Amount deposited & appeal filed.(AS-29 Remote)	Pending	829137	By Company

Sr. No.	Under Act	Parties	Case Type	Court / Forum	Case Filed On Date	Facts	Next Hearing date	Stage	Claim	Claim Remark	Status	Claim Amount	Litigation By / Against Company
16	Environment Protection Act	M C Mehta Vs Union of India & Others	Environment No. 200/2014	National Green Tribunal	1/2/2016	Applicant M. C. Mehta had filed a petition before the Supreme Court of India against Union of India & Others asking for directions to save rive Ganges and its tributaries from pollution by industries and municipalities in the ganga basin. The Supreme Court had passed Judgment and Order dated 22/09/1987 and has issued directions and monitoring progress of pollution control measures in ganga basin. In 2014 vide an order dated 29.10.2014 the Supreme Court transferred the matters to the National Green Tribunal (NGT) for further action and monitoring of progress. NGT has interalia directed the CPCB and UPPCB to file a list of polluting industries and other polluters and notify such polluters/ industries to file their say, if any. UPPCB has filed the list of polluting industry and listed TCL, Babrala also as a polluting industry. TCL being a Zero effluent industry with control equipment and monitoring system installed will file its objection.		Earlier the bench has asked the UPPCB to submit a detailed report providing details of polluting industries and details of cities and towns from which river ganga or its tributaries are passing through with details of source of drainage to them from such towns and cities. It has been apprised that UPPCB has filed the list wherein name of TCL is appearing. Objections will be prepared and filed before the authority.	NA		Pending	0	Against Company
17	Employee Compensation Act, 1923	Omwati Vs (1) General manager TCL (Maha Prabhandak) TCL Babrala Dist Sambhal (2) Contractor/Employer ANS Company TCL Babrala	Workmen compensation No. 192/2015	Assistant Labour commissioner	6/11/2015	Application has been filed by the legal heirs of employee of horticulture contractor for compensation alleging death during the course of employment.	2/7/2016	TCL will file its objections on merits.	Specific	FIVE LAKH	Pending	500000	Against Company

Sr. No.	Under Act	Parties	Case Type	Court / Forum	Case Filed On Date	Facts	Next Hearing date	Stage	Claim	Claim Remark	Status	Claim Amount	Litigation By / Against Company
18	Civil Procedure Code 1908	Makhan Singh & others Vs Collector Badaun & other	Voucher Application No. 16/2008	Addl. District & Sessions Judge	1/4/2001	- Special Land Acquisition officer (SLAO) passed the acquisition award/ compensation on 20/03/1987. - Being aggrieved by the award/ compensation of SLAO 40 land references were referred to the Court of Additional District and Session Court, Badaun in the year 1988. - Hon'ble Court revised the compensation by increasing by judgement and order dated 20/07/1989. - TCL challenged the judgment and order of lower court by filing first appeal. By mistake only 39 first appeals were filed instead of 40. - After about 11 years (but within the period of limitation) decree holder filed the execution application in the year 2001 to enforce the decree. - On the application of the decree holder order was passed on 02/12/2006 to pay the decretal amount. - TCL filed FA bearing no 62/2007 (defective appeal) challenging therein the judgement & order dated 20/07/1989. - In compliance of the order passed in execution application TCL deposited the entire decreed amount via DD amounting to rupees 829137/- on 19 Jan, 2008. - Voucher application filed by the applicant to withdraw the money. - Objection by TCL requesting the Hon'ble court not to disburse the amount till the final disposal of the FA pending before the High Court. - Till date application is not decided.	02-07-2016	Voucher application filed by the applicant to release the payment yet to be decided.	NA		Pending	0	Against Company

SCHEDULE 2
CAPEX PLAN
Amount proposed to be spent on Capital items from June 2016 to June 2017

Sr. No.	Project Title	Total Cost of the Project (₹ Crs)	Category	Urea	
				Upto May 16	June 16 to June 17
1	On-off Valve for SSF in Cooling Tower	0.1000	Maintenanace		0.10
2	VFD installation in 58 MK1 compressor	0.1500	Improvements/ Upgradations		0.15
3	Revamping of Cathodic protection system in ammonia, urea & off-site plant	0.9500	Improvements/ Upgradations		0.92
4	Installation of heater in dehumidifying system,	0.1500	Improvements/ Upgradations		0.15
5	Replacement of Analyser shelter (Packaged AC)	0.20	Improvements/ Upgradations		0.20
6	Procurement of AC compressor for CCR - 2 Nos	0.045	Maintenanace		0.05
7	Resin for WBA-D	0.2700	Maintenanace		0.27
8	Resin for PCC-C	0.0650	Maintenanace		0.07
9	Resin for MB-E	0.1050	Maintenanace		0.11
10	Water testing Equipment for Lab - Turbidity Meter -Flame Photometer	0.0120	Maintenanace		0.01
11	Volumetric analysis equipments for Lab -Auto Titrator -KF Titrator -Digital Burettes	0.1550	Maintenanace		0.16
12	Gas Flow Meter (02 Nos.) for Lab	0.016	Maintenanace		0.02
13	Hot Plate for Lab	0.005	Maintenanace		0.01
14	Flame Proof Vacuum Pump (Portable Type) for Lab	0.01	Maintenanace		0.01
15	Replacement of P-19 pump	0.10	Maintenanace		0.10
16	DCS Up gradation (Phase-II)	9.000	Maintenanace	8.360	0.05
17	Up gradation of Belt Conveyor from Urea plant to PPP	4.000	Improvements/ Upgradations	3.360	0.50
18	Replacement of up-graded Ammonia Condenser (E-510)-3 nos	8.500	Improvements/ Upgradations	0.000	1.50
19	Energy Meter for Effluent Treatment-3 Nos.	0.0200	Maintenanace	0.0000	0.02
20	Online display board at Factory main gate	0.1500	Maintenanace	0.0000	0.15
21	Audiometry sound proof booth	0.0160	Maintenanace	0.0000	0.02
22	397 Nos Street light up gradation to LED. (phased out in 03 years)	0.6800	Improvements/ Upgradations	0.0000	0.16
23	228 Nos CCR lights up gradation to LED	0.0700	Maintenanace	0.0000	0.07
24	Replacement of Effulent water header line (Between GP to Monitorig pond) - 1000 mt - 6" line	0.60	Maintenanace	0.00	0.60
25	New Wet Dedusting System in Urea Plant	1.20	Improvements/ Upgradations	0.00	1.20
26	Upgradation of 300 MR effluent line from DM Plant to ETP from MSRL to CPVC	0.25	Improvements/ Upgradations	0.00	0.25
27	Replacement of Horticulture line segment in town ship area (1250 Mtr near School & DBs)	0.90	Maintenanace	0.00	0.90
28	Replacement of Fire water line in Ammonia Plant	0.25	Maintenanace	0.00	0.25

Sr. No.	Project Title	Total Cost of the Project (₹ Crs)	Category	Urea	
				Upto May 16	June 16 to June 17
29	DCP Extinguisher (Cartridge Type & Cap. - 6 Kg)- 200 Nos., CO_2 Extinguisher (40 Nos. (Cap.- 22.5 Kg), 25 nos. (Cap.-4.5 kg), 15 Nos. (Cap.- 2 Kg) (Total 280 Nos))	0.3000	Maintenanace	0.0000	0.30
30	Hydro jetting suit (02 Nos.)	0.0400	Maintenanace	0.0000	0.04
31	Nomex Suit (02 nos.)	0.0300	Maintenanace	0.0000	0.03
32	Aluminized fire proximity suit (03 Nos.)	0.0300	Maintenanace	0.0000	0.03
33	Rescue Dummy (01 Nos.)	0.0160	Maintenanace	0.0000	0.02
34	Portable Detector 04 (LEL - 2, Chlorine - 1, H_2 CO -01)	0.0300	Maintenanace	0.0000	0.03
35	Fast-Act Extinguisher (Toxic Chemical Vapour Neutralisation) - 04 Nos.	0.0160	Maintenanace	0.0000	0.02
36	Vented Chemical Storage Cabinet for Lab	0.02	Maintenanace	0	0.02
37	Air / Emission, Workplace monitoring equipment for Lab	0.025	Maintenanace	0	0.03
38	On-line monitoring system (Gaseous)	1.000	Improvements/ Upgradations	0.000	1.00
39	Cooling Tower Sulphuric Acid System upgradation	0.120	Improvements/ Upgradations	0.000	0.12
40	Replacement of higher capacity De-dusting blower for Urea Plant	0.250	Improvements/ Upgradations	0.000	0.25
41	Replacement of Television - 5 Nos for Guest House	0.0200	Maintenanace	0.000	0.02
42	Grinder for Labour Canteen	0.0030	Maintenanace	0.000	0.00
43	Replacement of Cooking Range for DB	0.0060	Maintenanace	0.000	0.01
44	Motor Bike - 2 Numbers for Security Use	0.0120	Maintenanace	0.000	0.01
45	Cooking range and chimney for labour canteen	0.0150	Maintenanace	0.000	0.02
46	Furniture for Admin use in plant	0.1500	Maintenanace	0.000	0.15
47	Phase wise Replacement of Phase-4 ceiling fan 360 Nos (phased out in 03 years)	0.0900	Maintenanace	0.000	0.03
48	Mechanization of Cl_2 tonner handling system	0.20	Maintenanace	0.000	0.20
49	Replacement of 44"HP Scanner	0.0800	Maintenanace	0.000	0.08
50	Tube-well - 1 no	0.4800	Maintenanace	0.000	0.48
51	Turn out for Railway siding (1 in 852 kg/M) - 2 sets	0.7000	Improvements/ Upgradations	0.000	0.70
52	Xerox Multifunction Machine for school	0.0200	Maintenanace	0.000	0.02
53	Dome Climber for school	0.0070	Maintenanace	0.000	0.01
54	CCTV for school	0.0600	Maintenanace	0.000	0.06
55	Construction of labour toilet at other side of bagging plant	0.085	Maintenanace	0.000	0.09
56	Internal: Minor Capital Schemes	1.00	Improvements/ Upgradations	0.00	0.80
	Total	**32.77**		**11.72**	**12.51**

SCHEDULE 3
CURRENT ASSETS, CURRENT LIABILITIES & NON CURRENT ASSETS

Current assets

INR in million	30-Jun-16
Inventories	1,161.9
Trade receivables	8,658.6
Short-term loans and advances	117.0
Total	**9,937.5**

Source: Trial Balance as on 30th June, 2016

Inventories

INR in million	30-Jun-16
Raw materials	46.9
Manufactured finished goods*	929.08
Stores and spare parts, packing materials	185.9
Total	**1,161.9**

Source: Trial Balance as on 30th June, 2016

* Includes WIP ₹ 47.8 million

Trade receivables

INR in million	30-Jun-16
Subsidy	8,250.0
Other debtors*	413.5
Provision for doubtful debtors	(4.9)
Total	**8,658.6**

Source: Trial Balance as on 30th June, 2016

* Excluding amount of ₹ 7.48 million receivable from Notore

Short term loans and advances

INR in million	30-Jun-16
Deposits with Government, public bodies and others	78.55
Advances recoverable in cash or kind	31.02
Advances to suppliers	5.64
Advances to employees	1.80
Total	**117.0**

Source: Trial Balance as on 30th June, 2016

Current liabilities

INR in million	30-Jun-16
Trade payables	666.8
Other current liabilities	522.9
Short-term provisions	101.2
Total	**1,290.9**

Source: Trial Balance as on 30th June, 2016

Trade payables

INR in million	30-Jun-16
Creditors for supplies/services	651.6
Other payables	15.2
Total	**666.8**

Source: Trial Balance as on 30th June, 2016

Other current liabilities

INR in million	30-Jun-16
Market incentive provisions	22.6
Deposits from customers	158.3
Advances received from customers	162.0
Creditors for statutory dues	100.4
Creditors for capital goods	10.5
Other liabilities	69.1
Total	**522.9**

Source: Trial Balance as on 30th June, 2016

Short term provisions

INR in million	30-Jun-16
Privilege leave	61.0
Sick leave	39.6
Long service award	0.5
	-
Total*	**101.2**

Source: Trial Balance as on 30th June, 2016

* Excluding ₹ 22.9 million of indirect tax cases not being transferred

1. The above schedules do not include any amount on account of short term borrowings, proposed dividend and inter company balances

2. Creditors for capital goods will not be considered as part of working capital

Non-current assets

INR in million	30-Jun-16
Tangible assets	5,401.4
Capital work-in-progress	3.4
Long-term loans and advances	9.4
Total	**5,414.3**

Source: Trial Balance as on 30th June, 2016

Long term loans and advances

INR in million	30-Jun-16
Capital advances	
Security deposits (with Government, public bodies and others)	
Advances to employee	8.2
Advances recoverable in cash/kind (including deposits)	1.2
Total	**9.4**

Source: Trial Balance as on 30th June, 2016

SCHEDULE 4
DIVESTMENT LIABILITIES

Divestment liabilities

INR in million	30-Jun-16
Current liabilities	1,290.9
Non-current liabilities	44.1
Total	**1,335.0**
Contingent liabilities	**1,915.3**

Source: Trial Balance as on 30th June, 2016

Contingent liabilities

INR in million	30-Jun-16
Sales tax	-
Labour & other legal	9.0
Letter of credit	1,906.3
Total	**1,915.3**

Source: Management information

Contingent liabilities

Letter of credit as at 30th June 2016

Sl. No.	Issuing Bank	BG no/Bank Ref No.	Date of Issue / Date of renewal	Date of Expiry	Beneficiary	Place	Currency	INR in million
1	State Bank of India, Mumbai	0999508LC0000134	01-Jul-2015	30-Jun-2016	Chief Commercial Manager, NR	New Delhi	INR	8.0
2	HDFC Bank Limited, Mumbai	560SBLC091060001	05-Jun-2015	30-Jun-2016	Reliance Industries ltd.	Mumbai	INR	184.5
3	HDFC Bank Limited, Mumbai	560SBLC112500001	05-Jun-2015	30-Jun-2016	BP Exploration (Alpha) Limited	Mumbai	INR	84.5
4	HDFC Bank Limited, Mumbai	560SBLC091060002	05-Jun-2015	30-Jun-2016	Niko (NECO) Limited	Mumbai	INR	30.5
5	Axis Bank Limited, Mumbai	0040100003649	05-Feb-2016	11-Feb-2017	Indian Oil Corporation Limited, Institutional Area Lodhi Road, New Delhi.	New Delhi	INR	280.0
6	Axis Bank Limited, Mumbai	00040100008231	30-Dec-2015	13-Jan-17	Gas Authority of India Ltd.(GAIL), 3rd Floor, Fortune Tower,10 Rana Pratap Marg, Lucknow - 226001.	Lucknow	INR	720.0
7	Axis Bank Limited, Mumbai	40100003827	22-Jun-2015	04-Aug-2016	Reliance Gas Transportaion Infrastructure	Mumbai	INR	66.2
8	Axis Bank Limited, Mumbai	00040100009347	01-Jun-2016	31-Jul-2016	Gujarat State Petroleum Corporation	Gandhinagar	INR	290.5
9	Axis Bank Limited, Mumbai	00040100009272	06-May-2016	30-Apr-2017	Gail Gas Limited	Noida	INR	242.0
	Total							**1,906.3**

Legal cases liability as at 30th June 2016

Sl. No.	Entity-Unit/ Location-Dept	Under Act	Parties	Case Type	Court/Forum	Case File on Dt	Facts	Stage	Claim	Claim Remark	Status	Claim Amount (INR Million)
1	Tata Chemicals - BABRALA - Legal	Payment of Gratuity Act	Shambhu Rai S/o Shraday Rai **Vs** Tata Chemicals	Labour	Controlling Authority, Moradabad	30-05-2013	ex contractors of bagging contractor have filed 50 applications before the Controlling Authority, Moradabad under the payment of gratuity act claiming gratuity. TCL has been arrayed as Employer in all those applications.	matter listed for applicants evidence	25 to 50 Lac		Pending	3.50
2	Tata Chemicals - BABRALA - Legal	Payment of Wages Act, 1936	Om Prakash **Vs** Tata Chemicals	Payment of Wages Act	Concerned Officer/ Deputy Labour Commissioner	12/8/2013	case has been filed, alleging therein, for non-payment of wages by the contractor engaged for construction of new township within TCL premises.	Preliminary Objections filed by TCL. Hearing on objections will take place	5 to 10 Lac		Pending	1.00

Sl. No.	Entity-Unit/ Location-Dept	Under Act	Parties	Case Type	Court/Forum	Case File on Dt	Facts	Stage	Claim	Claim Remark	Status	Claim Amount (INR Million)
3	Tata Chemicals - BABRALA - Legal	First Appeal	Tata Chemicals **Vs** collector and others	First Appeal	High Court of Uttar Pradesh, Allahabad	21-03-2007	This is the lone remaining appeal, which has been filed against the Award & Decree dated 20.07.1989, passed by ADJ, Badaun towards compensation for land acquisition for the plant.	lisitng not taking place.	Unspecified	Amount deposited & appeal filed.(AS-29 Remote)	Pending	
4	Tata Chemicals - BABRALA - Legal	Writ Petition under Article 226	Tata Chemicals **Vs** Collector, Badaun	Disputes with the Government	High Court of Uttar Pradesh, Allahabad	17-08-2010	TCL had filed wirt petition challenging order passed by Collector Badaun thereby imposing penaly of ₹ 28400/- along with dispossession from the disputed land.	matter has been stayed by High Court. No lisitng for final arguments.	Less than 1 Lac	Appeal filed by TCL has been admitted. Outflow of money is possible in case of adverse order in addition to loss of land. (As-29 Possible)	Pending	0.03
5	Tata Chemicals - BABRALA - Legal	Payment of Wages Act, 1936	Jeetpal Singh Yadav **vs** Tata Chemicals Limited	Labour	Concerned Officer/ Deputy Labour Commissioner	9/4/2014	Case has been filed, alleging therein, for non-payment of wages by the contractor engaged for construction of new township within TCL premises.	V/P has been filed by the counsel of the Company.	10 to 25 Lac		Pending	1.30
6	Tata Chemicals - BABRALA - Legal	Code of Civil Procedure	Amit Kr Choudhary - BABRALA - Legal	Civil Suit	Civil Judge, (Sr Division) Bulandshahar	4/22/2014	Civil Suit has been filed by the plaintiff for recovery of dues. In fact contract of the plaintiff was terminated for breach of the terms and conditions executed between defendant and plaintiff.	Objections under preparation.	1 to 5 Lac		Pending	0.50
7	Tata Chemicals - BABRALA - Legal	Payment of Gratuity Act	Chunni vs Tata Chemicals	Payment of Gratuity Act	Controlling Authority, Moradabad		ex employee of mechnical contractor has filed an application before the Controlling Authority, Moradabad under the payment of gratuity act claiming gratuity.	Objections to be filed by TCL	47000		Pending	0.05

Sl. No.	Entity-Unit/ Location-Dept	Under Act	Parties	Case Type	Court/Forum	Case File on Dt	Facts	Stage	Claim	Claim Remark	Status	Claim Amount (INR Million)
8	Tata Chemicals - BABRALA - Legal		Omwati w/o Late Ramsahay v/s TCL & another	Employees Compen-satation Act	Employees Compensation Commissioner, Moradabad		Application has been filed by legal heirs of employee of contractor for compensation alleging death during the course of employment	pending			Pending	0.50
9	Tata Chemicals - BABRALA - Legal	Payment of Gratuity Act	Damodar Sharma **vs** Tata Chemicals & another	Payment of Gratuity Act	Controlling Authority, Moradabad		Ex-employee of erstwhile electrical contractor has filed an application before the Controlling Authority, Moradabad under the payment of gratuity act claiming gratuity.	Objections to be filed by TCL	83930		Pending	0.08
10	Tata Chemicals - BABRALA - Legal		Smt Pushpa Rajput **v/s** TCL & another	Employees Compen-satation Act	Employees Compensation Commissioner, Moradabad		Application has been filed by legal heirs of employee of contractor for compensation alleging that their son has died due to accident in the course of employment.	pending			Pending	2.00
	Total											**9.0**

Current liabilities

INR in million	30-Jun-16
Trade payables	666.8
Other current liabilities	522.9
Short-term provisions	101.2
Total	**1,290.9**

Source: Trial Balance as on 30th June, 2016

Trade payables

INR in million	30-Jun-16
Creditors for supplies/services	651.6
Other payables	15.2
Total	**666.8**

Source: Trial Balance as on 30th June, 2016

Other current liabilities

INR in million	30-Jun-16
Market incentive provisions	22.6
Deposits from customers	158.3
Advances received from customers	162.0
Creditors for statutory dues	100.4
Creditors for capital goods	10.5
Other liabilities	69.1
Total	**522.9**

Source: Trial Balance as on 30th June, 2016

Short term provisions

INR in million	30-Jun-16
Privilege leave	61.0
Sick leave	39.6
Long service award	0.5
Total	**101.2**

Source: Trial Balance as on 30th June, 2016

1. The above schedules do not include any amount on account of short term borrowings, proposed dividend and inter company balances
2. Creditors for capital goods will not be considered as part of working capital

Non-current liabilities

INR in million	30-Jun-16
Long-term provisions	44.1
Total	**44.1**

Source: Trial Balance as on 30th June, 2016

Long term provisions

INR in million	30-Jun-16
Long Service Award	7.6
Gratuity	10.9

INR in million	30-Jun-16
Family Benefit Scheme	25.6
Total	**44.1**

Source: Trial Balance as on 30th June, 2016

SCHEDULE 5
DIVESTMENT REAL ESTATE

A. Leasehold Land

Plot No. A admeasuring 1519.79 acres at Industrial Area Babrala, District Badaun, Tehsil Gunoor, Uttar Pradesh.

B. Freehold Land

Sr. No.	Description of Property	Area	Vendor	Details of Instrument	Registered	Stamped
1.	Land situate at Khasra Plot No.382/1 (part), Village Mankapur, Tehsil and District Badaun	13,558.5 sq. mts.	Shri Keshav Krishna Goyal	Sale Deed dated April 4, 1996	Registered	Stamped for ₹ 1,57,325/-
2.	Land situate at Khasra No. 396, Village Lalpur Hameer, Pargana and Tehsil Bilari, District Moradabad	4,360 sq. mts.	Shri Abdul Waris	Sale Deed dated July 30, 1997	Registered	Stamped for ₹ 73,500/-
3.	Land situate at Khasra No.662, Village Ujrai, Tehsil, Etmadpur District, Agra	5 bighas 15 biswas and 11 biswansi	Shri Jhajhan Lal, Sriniwas and Suresh	Sale Deed dated August 8, 1997	Registered	Stamped for ₹ 1,97,051/-
4.	Land situate at Khasra Nos.496, 485M and 505, Village Bhedpur, Paragana Jamaur, Tehsil Sadar, District Shahjahanpur	1.367 hectares	Smt. Rama Devi Gupta	Sale Deed dated February 20, 1998	Registered	Stamped for ₹ 2,00,450/-

C. Leasehold Premises

Sr. No.	Description of Premises	Area	Vendor	Details of Instrument	Registered	Stamped
1.	Premises B1/1, 2nd Floor, Deep Lok, Mahanagar Extension, Lucknow (Uttar Pradesh)	1,250 sq. ft.	Mr. Deepak Marwah and Mr. Alok Marwah	Lease deed dated October 9, 2013	Not registered	Stamped for ₹ 100/-
2.	Premises at ground floor, Plot No. 373A, Nageshwar Colony, Boring Road, Patna - 1	1,800 sq. ft.	Mrs. Renu Thakur	Lease deed (December 2014)	Not registered	Stamped for ₹ 1000/-
3.	Premises at Plot No. 302 at Agarwal Flats, Agarwal Dharan Kanta, Bypass Road, Bisalpur Chauraha, Barielly	2,300 sq. ft	Pankaj Kumar Agarwal HUF	Lease dated July 1, 2015	Not registered	Stamped for ₹ 100/-
4.	Premises at SCO 121-122-123, Sector 34-A, Chandigarh	650 sq. ft.	DLG Builders Private Limited	March 26, 2003 as latest extended vide letter dated November 1, 2013	Not registered	Stamped for ₹ 10/-
5.	Premises at Padam Business Park Plaza Office, 312, 3rd Floor, Plot No. Ins 1, Sector 12A, Sikandara Avas Vikas Yojna, Agra – 282004	850 sq. ft.	Mr. Uday Kumar Agarwal	July 20, 2011 as latest extended vide letter dated May 28, 2015	Not registered	Stamped for ₹ 10/-

SCHEDULE 6
EXCLUDED ASSETS

1. Other Business (including for the avoidance of doubt, the business of the Transferor Company and its Affiliates conducted by and through the Haldia Plant and the Trading Business).

2. **Aligarh (Freehold):**

   (i) 1/9th share of agricultural land admeasuring 2.902 hectares (equivalent to 0.3224 hectares), situate at Khasra No.251, Village Bhartari, Pergana and Tehsil Koil, District Aligarh, by and under registered Sale Deed dated November 26, 1997; and

   (ii) Agricultural land situate at Khasra No.18 (admeasuring 1.565 hectares) and Khasra No.19 (admeasuring 0.288 hectares), collectively admeasuring 1.853 hectares), Village Bhankri Khas, Pergana, Tehsil Koil, District Aligarh, by and under registered Sale Deed dated November 26, 1997

3. **Marble Arch (Freehold):** Residential premises located in the building known as 'Marble Arch', situate at 9, Prithviraj Road, New Delhi – 110 011, including flat number C-2, C-4, and C-6 by and under 3 (three) simultaneously executed Agreements for Sale dated February 26, 1986 executed between various entities of the Tata Group (which was subsequently transferred to the Transferor Company) and Ramesh Apartments (Delhi) Private Limited;

4. **NOIDA (Freehold)**

   (iii) Office space admeasuring 962.62 sq. mts. in the building known as 'The Corenthum' situate at Sector 62, Noida, by and under Transfer Deed dated October 19, 2012 executed between DMG Finance & Investments Private Limited and the Transferor Company; and

   (iv) Office space admeasuring 962.62 sq. mts. In the building known as 'The Corenthum' situate at Sector 62, Noida, by and under Transfer Deed dated October 19, 2012 executed between Emtech Solutions Private Limited and the Transferor Company.

5. All cash and cash equivalents, bank accounts and deposits, marketable securities, and Investments of any type;

6. Any receivable (including any amount or enhancement of the amount of subsidy, grant or reimbursement) in relation to the period before Completion Date, where the Transferor Company's entitlement of such receivable was or is contested, disputed or not accepted by the Person authorised or entitled to authorise or approve the grant or release of such receivable to the Transferor Company and where the Transferor Company had not provided for such receivable in its books of account and consequently not included in the Divestment Business;

7. Any receivable (including any amount or enhancement of the amount of subsidy, grant or reimbursement) in relation to the period before Completion Date, which is in excess of amount actually claimed by the Transferor Company or in excess of an amount provided for in the books of account of the Transferor Company;

8. All causes of action, lawsuits (other than Assumed Litigations), judgments, claims and demands of any nature and all other claims or rights against Third Parties (other than rights under the Divestment Contracts for products sold or services performed after the Completion Date), and all proceeds of any of the foregoing;

9. All properties and assets of every kind, nature and description, whether real, personal or mixed, whether tangible or intangible, and wherever situated, used by the Transferor Company or any of its Affiliates in connection with, or otherwise related or historically allocable to, any Other Business;

10. All corporate and constitution documents, taxpayer and other identification numbers, seals, minute books, stock transfer books and other documents relating to the organization, maintenance and existence of the Transferor Company or any of its Affiliates;

11. All refunds or claims for refunds due from central, state, local and foreign taxing authorities with respect to Taxes paid (including where paid under protest) or to be paid by the Transferor Company or any of its Affiliates in relation the Divestment Assets;

12. Any inventories other than Transferring Inventory and labels and pre-printed packaging, in each case relating to products or otherwise, and owned by the Transferor Company or any of its Affiliates;

13. All insurance policies;

14. All rights of indemnification, insurance proceeds, claims against insurers, and similar rights related to any matters occurring on or before the Completion Date;

15. All ledgers (except those dealing exclusively with the Divestment Business), journals (except those dealing exclusively with the Divestment Business), tax returns (other than returns for indirect taxes which are specifically related to the Divestment Business);

16. All rights to intellectual property belonging to the Transferor Company or its Affiliates including the Tata Name;

17. All rights of Transferor Company and its Affiliates under the Implementation Agreement, the other transaction documents or the confidentiality agreement dated July 14, 2015 by and between the Transferor Company and the Transferee Company;

18. All real property owned or leased by the Transferor Company or any of its Affiliates excluding the Divestment Real Estate;

19. All other properties, assets (real, personal or moveable, tangible or intangible), contracts and rights that are not expressly included in the Divestment Assets; and

20. The hedge instruments to cover the forex risk on the acceptances in the form of supplier credits in relation to the Divestment Business.

SCHEDULE 7
COMPLETION STATEMENT

Table A. Working capital adjustment

	Date:	**DDMMYYYY**
Amount in INR		**Babrala**
Current Assets		
Inventory		
Receivables		
Short-term loans and advances (including other current assets)		
Non-current assets		
Long-term loans and advances (1)		
	Sub total	-
Current Liabilities (2)		
Trade payables		
Other current liabilities (3)		
Short-term provisions		
Non-current liabilities		
Long-term provisions		
Other non-current liabilities		
	Sub total	-
Net working capital		-
Less: Targeted Working Capital		
Working Capital Adjustment		-

Notes:

Cash and bank balances and short term borrowings are not to form part of the above computation.

(1) Long-term loans and advances will is part of Non-Current Assets and will be included in the Completion Statement as the only item within Non-Current Assets.

(2) Current Liabilities means, as of any specified date, all such liabilities relating or assigned to the Divestment Business, which are customarily called current liabilities under the Indian GAAP. Such statements as of June 30, 2016 are set out in Schedule 3.

(3) Other current liabilities shall exclude creditors for capital goods, as this is adjusted for under Table B.

(4) Current liabilities shall exclude the provisions towards tax litigation.

Table B. Capex adjustment

	Date:	DDMMYYYY
Amount in INR		**Babrala**
Amount as per Capex Plan (1)		
+/ - Agreed changes to the CAPEX Plan, approved by the Transferee Company		
Adjusted Capex Plan (2)		
Less: Capital work-in-progress		
Plus: Creditors for capital goods		
Less: Additional capital expenditure incurred by the Transferor Company with prior written consent of the Transferee Company		
Less: the cost of items on the Adjusted Capex Plan incurred and completed by the Transferor Company between Agreement Date and Completion		
Capex adjustment (3)		-

Notes:

(1) Capex Plan means for the purposes of the above statement, is the Capex Plan as defined in the Scheme.

(2) Adjusted Capex Plan for the purposes of the above statement, is the Adjusted Capex Plan as defined in the Scheme.

(3) Capex adjustment for the purposes of the above statement, the Capex Adjustment as defined in the Scheme.

SCHEDULE 8
TERMS OF REFERENCE OF THE INDEPENDENT AUDITOR

The following terms of reference shall be binding on the Independent Auditor appointed by the Transferor Company and the Transferee Company:

The overall objective of the Independent Auditor's verification will be to conduct a audit as required to settle the disputes between the Transferor Company and the Transferee Company, and as required (i) verify the Preliminary Completion Statement and (ii) certify the capital expenditure amount provided by the Transferor Company.

The deliverable of the Independent Auditor's verification/certification in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes and Standards on Auditing issued by the Institute of Chartered Accountants of India will be the (i) Final Completion Statement duly approved by it and an audit opinion that the Working Capital specified therein is true and fair, and the (ii) capital expenditure amount claimed to be spent by the Transferor Company duly approved by it and an opinion that the capital expenditure amount is true and fair.

The terms of the Independent Auditor's appointment and the aforesaid deliverables shall include, the following:

- Ensure that the Working Capital as at the Completion Date as set forth in the Preliminary Completion Statement and the amount of capital expenditure has been accurately calculated in accordance with the definitions and related calculation schedules contained in the Scheme.
- Ensure that the amounts used in the calculation of the Working Capital and capital expenditure as at the Completion Date is in agreement with the books of account of the Transferor Company and do not contain misstatements or omissions. The Independent Auditor shall carry out the physical verification of inventory, including stores and spares, at the plants in the presence of representatives of the Transferor Company and the Transferee Company as at the Completion Date and corroborate the results of physical verification with the inventory, including stores and spares, at the plants used in calculation of Working Capital in the Preliminary Completion Statement.
- The Independent Auditor shall verify a representative sample of receivables including outstanding urea subsidy receivable, and ensure that the allowance for doubtful debt is accurately calculated, and that Completion Statement accurately represent the receivables, as per Indian accounting rules and policies. It is clarified that this we will not get external confirmation from the government.
- Ensure that the amounts used in the calculation of Working Capital and capital expenditure as at the Completion Date is computed in accordance with the relevant accounting policies of the Transferor Company and are also in compliance with the requirements of Indian GAAP, to the extent applicable.

The Independent Auditor shall prepare and deliver its opinion within 45 (forty five) days from the Completion Date. The Independent Auditor's opinion shall be addressed to the Transferor Company with a copy to the Transferee Company.

SSPA & CO.
Chartered Accountants
1st Floor, " Arjun", Plot No. 6 A,
V. P. Road, Andheri (W),
Mumbai - 400 058. INDIA.
Tel. : 91 (22) 2670 4376
91 (22) 2670 3682
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Website : www.sspa.in

STRICTLY PRIVATE & CONFIDENTIAL

August 10, 2016

The Board of Directors
Tata Chemicals Limited
Bombay House,
24 Homi Mody Street, Fort,
Mumbai 400 001.

Re: Recommendation of fair value of Babrala Division for the proposed sale of Babrala Division by Tata Chemicals Limited

Dear Sirs,

As requested by the management of Tata Chemicals Limited (hereinafter referred to as "TCL" or "the Company"), we have undertaken the valuation exercise of Babrala Division of TCL (hereinafter referred to as "Babrala Division" or "the Division") for recommending fair value of the Division for the purpose of proposed sale by TCL.

1 PURPOSE OF VALUATION

We have been informed by the management of TCL (hereinafter referred to as "the Management") that TCL is considering a proposal to sell Babrala Division on a slump sale basis for a lump sum consideration pursuant to a Scheme of Arrangement ("Scheme") under section 391 of the Companies Act, 1956 and other applicable provisions of Companies Act, 2013. Further, we have been informed that the transaction would be subject to customary closing adjustments on account of changes in working capital.

In this connection, SSPA & Co., Chartered Accountants (hereinafter referred to as "SSPA") have been appointed by the Management to carry out fair valuation of the Division.

2 BRIEF BACKGROUND

2.1 TATA CHEMICALS LIMITED

TCL, a part of Tata Group conglomerate and headquartered at Mumbai, is the second largest producer of soda ash in the world. Tata Salt, a TCL's product, is market leader in national branded salt segment in India. The Company has significant operations in Europe, Africa, South East Asia and the Middle East markets as well. The shares of TCL are listed on BSE Limited and National Stock Exchange of India.

TCL operates in the following business segments:

- **Inorganic Chemicals:** TCL is an integrated manufacturer of basic and value added chemicals; key among them being soda ash, sodium bicarbonate, cement and salt. The Company produces a range of chemicals at its integrated complex at Mithapur. The Company also has overseas operations in North America, United Kingdom and Kenya for soda ash, bicarbonate and industrial salt.
- **Fertilisers**: This segment comprises of two manufacturing units viz. Babrala Plant manufacturing Urea and Customised Fertilisers and the Haldia Plant producing Phosphatic Fertlisers like Di-ammonium Phosphate (DAP), NPK and Single Super Phosphate (SSP). In addition to these, the Company imports and sells bulk fertilisers like Muriate of Potash (MOP) and DAP. This segment also provides a dedicated network for distribution of agri inputs and services to farmers through its network of Tata Kisan Sansar. These centres are one-stop resource centres for farmers.
- **Other Agri Inputs:** The Company is also engaged in the Crop Protection business directly and through its subsidiary viz. Rallis India Limited. The latter is one of India's leading agrochemicals companies with a comprehensive portfolio of pesticides, herbicides, fungicides and plant nutrients for Indian farmers.
- **Others:** This segment primarily comprises of pulses, spices, water purifiers and nutritional solutions.

2.2 BABRALA DIVISION

Babrala Division is a state-of-art fertiliser complex in Babrala (Uttar Pradesh), engaged in the business of manufacture, sale and distribution of urea and customized fertilisers. Commissioned on a green-field site in 1994, Babrala Division is India's most energy efficient urea plant. TCL has an established presence in respect of these products primarily in the north Indian states of Uttar Pradesh, Punjab and Haryana. Urea is

marketed under the flagship brand of Tata Paras and customised fertilisers are sold under the Paras Farmoola brand.

3 SOURCES OF INFORMATION

Our valuation exercise is based on the following sources of information:

(a) Management certified divisional balance sheet and profit & loss statement of Babrala Division for financial year (FY) 2013-14, 2014-15 and 2015-16.

(b) Management certified divisional balance sheet and profit & loss statement of Babrala Division for the quarter ended 30 Jun 2016.

(c) Management certified assets and liabilities position as at 30 Jun 2016 of Babrala Division proposed to be transferred pursuant to slump sale.

(d) Discussions with the Management on various issues relevant for the valuation including the prospects and outlook for the nitrogenous fertilizers industry, expected growth rate and other relevant information relating to expected future/maintainable profitability of the Division, etc.

(e) Such other information and explanations as we have required and which have been provided by the Management.

(f) Information available in public domain.

4 EXCLUSIONS AND LIMITATIONS

4.1 Our report is subject to the scope limitations detailed hereinafter. As such, the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.

4.2 Valuation is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. While SSPA has provided an assessment of the value based on the information available, application of certain formulae and within the scope and constraints of our engagement, others may place a different value to the same.

4.3 No investigation of the Company's claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the

loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

4.4 Our work does not constitute an audit or certification of the historical financial statements / prospective results including the working results of Babrala Division referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report. Valuation analysis and results are specific to the purpose of valuation and the valuation date mentioned in the report is as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

4.5 A valuation of this nature involves consideration of various factors including those impacted by prevailing market trends in general and industry trends in particular. This report is issued on the understanding that the Management of the Company have drawn our attention to all the matters, which they are aware of concerning the financial position of Babrala Division and any other matter, which may have an impact on our opinion, on the fair value of Babrala Division including any significant changes that have taken place or are likely to take place in the financial position of Babrala Division. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

4.6 In the course of the valuation, we were provided with both written and verbal information. We have however, evaluated the information provided to us by the Company through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. Public information, estimates, industry and statistical information relied in this report have been obtained from the sources considered to be reliable. However, we have not independently verified such information and make no representation as to the accuracy or completeness of such information from or provided by such sources. Our conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Company. We assume no responsibility for any errors in the above information furnished by the Company and consequential impact on the present exercise.

4.7 Our report is not, nor should it be construed as our opining or certifying the compliance of the proposed transfer with the provisions of any law including companies, taxation



and capital market related laws or as regards any legal implications or issues arising from such proposed transfer.

4.8 This Report is prepared only in connection with the proposed transfer exclusively for the use of the Company and for submission to any regulatory/statutory authority as may be required under any law.

4.9 Any person/party intending to provide finance/invest in the shares/business of the Company/Babrala Divison shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.

4.10 It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the proposed transfer as aforesaid, can be done only with our prior permission in writing.

4.11 SSPA, nor its partners, managers, employees makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the valuation is carried out. All such parties expressly disclaim any and all liability for, or based on or relating to any such information contained in the valuation.

5 VALUATION APPROACH

5.1 For the purpose of valuation of business, generally the following approaches are adopted:

(a) the "Underlying Asset" approach

(b) the "Income" approach; and

(c) the "Market" approach

5.2 Considering the fact that the business of the Division is intended to be continued on a "going concern" basis, we have considered it appropriate not to consider the Underlying Asset approach for the present valuation exercise.

Babrala Division is not separately listed on any stock exchange. Hence, Market approach has not been adopted.

Considering the above and given the nature of the business in which Babrala Division is engaged in, we have thought fit to use Income approach for the present valuation exercise.

5.3 **INCOME APPROACH**

Under Income approach, the Division has been valued using the Comparable Companies Multiple ('CCM') Method.

5.3.1 The CCM Method arrives at the value of an entity/business by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences such as growth potential, past track record, size, business dynamics, etc. The Enterprise Value (EV) to Earnings before Interest Tax Depreciation and Amortization (EBITDA) multiples of comparable listed companies are used for the present valuation exercise.

5.3.2 Under the CCM method, the Division is valued as follows:

- EBITDA of the Division for FY 2015-16 is considered for arriving at the maintainable EBITDA. While arriving at the maintainable EBITDA, adjustments have been made for non-recurring/non-operating items of income/expenditure.
- The maintainable EBIDTA as arrived above is capitalized by applying an appropriate EV/EBITDA multiple to arrive at the enterprise value of Babrala Division. EV/EBITDA Multiple is based on the multiples of comparable listed companies and in our opinion, the same is reasonable considering the growth prospects, business risk, expected return and the industry in which the Division operates.
- To the enterprise value so arrived at, adjustments have been made for contingent liabilities and value of surplus assets (after considering the tax impact wherever applicable).
- On the basis of foregoing, the value of Babrala Division works out to **INR 2,410 crores**.

6 **RECOMMENDATION OF FAIR VALUE**

6.1 In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. present and prospective competition, yield on comparable securities and market sentiments, etc. which are not evident from the face of the balance sheets but

which will strongly influence the worth of a business. This concept is also recognized in judicial decisions. For example, Viscount Simon Bd in Gold Coast Selection Trust Ltd. vs. Humphrey reported in 30 TC 209 (House of Lords) and quoted with approval by the Supreme Court of India in the case reported in 176 ITR 417 as under:

'If the asset takes the form of fully paid shares, the valuation will take into account not only the terms of the agreement but a number of other factors, such as prospective yield, marketability, the general outlook for the type of business of the company which has allotted the shares, the result of a contemporary prospectus offering similar shares for subscription, the capital position of the company, so forth. There may also be an element of value in the fact that the holding of the shares gives control of the company. If the asset is difficult to value, but is nonetheless of a money value, the best valuation possible must be made. Valuation is an art, not an exact science. Mathematical certainty is not demanded, nor indeed is it possible.'

6.2 In light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove earlier in this report, in our opinion, the fair value of Babrala Division is **INR 2,410 crores**.

Thank you,
Yours faithfully,

SSPA & Co

SSPA & CO.
Chartered Accountants
Firm registration number: 128851W

Place: Mumbai

kotak®

Investment Banking

August 10, 2016

The Board of Directors
Tata Chemicals Limited,
Bombay House,
24 Homi Mody Street,
Fort, Mumbai - 400001

Dear Sirs,

Sub: Sale of fertilizer business of Tata Chemicals Limited ("Tata Chemicals") consisting of the business of manufacturing, sales and distribution of urea and customized fertilizers manufactured at Babrala, Uttar Pradesh along with assets thereof ("Proposed Transaction")

The Company has requested us to issue a fairness opinion ("Opinion") from a financial point of view on the Proposed Transaction.

In arriving at our Opinion, we have reviewed historical financial information for the relevant business. We have also reviewed certain publicly available information, and have taken into account such other matters as we deemed necessary including our assessment of general economic, market and monetary conditions. We have also reviewed the valuation report issued to Tata Chemicals by SSPA & CO., Chartered Accountants dated August 10, 2016, which sets out that the valuation of the relevant business at INR 2,410 crores.

In addition to above, we have had discussions with members of the management of Tata Chemicals on the past and current financial operations of the concerned businesses and have received a management representation letter from Tata Chemicals dated August 09, 2016 ("Management Representation Letter").

Further, we have had discussions with SSPA & CO., Chartered Accountants, the valuation advisor, on such matters which we believed were necessary or appropriate for the purpose of issuing this Opinion.

We assume no responsibility for the legal, tax, accounting or structuring matters including, but not limited to, legal or title concerns. Title to all subject business assets is assumed good and marketable. We have further assumed that the Proposed Transaction would be carried out in compliance with applicable laws, rules and regulations.

In giving our Opinion, we have assumed and relied upon, without independent verification, the accuracy and completeness of all information supplied or otherwise made available to us either in oral or written form, discussed with or reviewed by or for us, or publicly available. We have been given to understand that all information that was relevant for the purpose of our exercise was disclosed to us. We have not conducted any evaluation or appraisal of any assets or liabilities of Tata Chemicals or the relevant business nor have we evaluated the solvency or fair value of Tata Chemicals or the relevant business, under any laws relating to bankruptcy, insolvency or similar matters. In addition, we

Kotak Mahindra Capital Company Limited
CIN U67120MH1995PLC134050
Registered Office:
27BKC
C - 27, "G" Block
Bandra Kurla Complex
Bandra (East), Mumbai - 400 051, India.

T +91 22 43360000
F +91 22 67132445
www.investmentbank.kotak.com

have not assumed any obligation to conduct any physical inspection of the properties or facilities of Tata Chemicals including the relevant business.

Our Opinion does not factor overall economic environment risk and other risks and is purely based on the information and representations provided to us. We have not assumed the risk of any material adverse change having an impact on the businesses of Tata Chemicals or the relevant business in arriving at our final Opinion.

We express no view as to, and our Opinion does not address, the underlying business decision of Tata Chemicals to effect the Proposed Transaction or the merits of the Proposed Transaction. Our Opinion does not constitute a recommendation to any shareholder or creditor of Tata Chemicals as to how such shareholder or creditor should view or vote on the Proposed Transaction or any matter related thereto. In addition, this Opinion does not address the fairness to, or any other consideration, to the creditors or other constituencies of Tata Chemicals, other than to whom it is addressed. We are not expressing any opinion herein as to the prices at which the shares of the Tata Chemicals will trade following the announcement or consummation of the proposed transaction or as to the prices at which the shares of Tata Chemicals may be transacted.

Our Opinion is necessarily based on financial, economic, market and other conditions as in effect on the date of this issuing the Opinion, and the information made available to us as of, the date hereof.

We will receive a fee for our services in connection with the delivery of this Opinion from Tata Chemicals. In addition, Tata Chemicals has agreed to indemnify us for certain potential liabilities arising out of our engagement. We are also acting as Transaction Advisor to Tata Chemicals for the Proposed Transaction and will receive a fee for the same.

We and our affiliates in the past have provided, and currently provide, services to Tata Chemicals and their affiliates including services related to the Proposed Transaction for which services we and such affiliates have received and expect to receive compensation, including, without limitation as lenders and creditors and as financial advisors for the purchase/sale of assets/businesses by/to Tata Chemicals (as the case may be) and as lead managers / underwriters in securities offerings of Tata Chemicals.

In the ordinary course of business, we and our affiliates may actively trade or hold securities of companies that may be the subject matter of this transaction for our own account or for the account of our customers and, accordingly, may at any time hold long or short position in such securities. In addition, we and our affiliates maintain relationships with Tata Chemicals and their respective affiliates.

This Opinion is provided solely for the benefit of the Board of Directors of Tata Chemicals, and shall not confer rights or remedies upon, any shareholder of Tata Chemicals, or any other person other than the members of the Board of Directors of Tata Chemicals, or be used for any other purpose, except to the extent required by law or by the request or requirement of any, judicial, statutory, regulatory, legislative, administrative or other governmental body. This Opinion may not be used or relied upon by nor is it issued for the benefit of any third party for any purpose whatsoever or

disclosed, referred to or communicated by you (in whole or in part) except with our prior written consent in each instance. Provided however, this opinion may only be disclosed as may be required under any applicable law in India and may be kept open for inspection by shareholders of Tata Chemicals, but we take no responsibility or liability for or arising out of any such disclosure. We specifically disclaim any responsibility to any third party to whom this Letter may be shown or who may acquire a copy of this Letter.

The laws of India govern all matters arising out of or relating to this Opinion (including, without limitation, its interpretation, construction, performance, and enforcement).

With respect to any suit, action or any other proceedings relating to this Opinion the courts of competent jurisdiction at India shall have exclusive jurisdiction.

On the basis of and subject to the foregoing, it is our view that, as of the date hereof, the proposed valuation is fair and reasonable from a financial point of view.

Yours faithfully,

For **Kotak Mahindra Capital Company Limited**



Authorised Signatory



DCS/AMAL/ND/IP/611/2016-17
November 16, 2016

The Company Secretary
Tata Chemicals Limited
Bombay House, 24 Homi Mody Street,
Fort, Mumbai 400001

Sir/Madam,

Sub: Observation letter regarding the Draft Scheme of Arrangement between Yara Fertilizers India Private Limited and Tata Chemicals Limited.

We are in receipt of the Draft Scheme of Arrangement between Yara Fertilizers India Private Limited with Tata Chemicals Limited.

As required under SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015; SEBI vide its letter dated November 15, 2016 has inter alia given the following comment(s) on the draft scheme of arrangement:

- ***"Company shall duly comply with various provisions of the Circulars."***

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble High Court.

Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble High Court, the listed company shall submit to the stock exchange the following:

a. Copy of the High Court approved Scheme;
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. Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
e. Status of compliance with the Observation Letter/s of the stock exchanges;
f. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
g. Complaints Report as per Annexure II of this Circular.
h. Any other document/disclosure as informed by the Exchange

The Exchange reserves its right to withdraw its 'No adverse observation' 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.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

Nitin Bajari
Manager

Annexure E

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

NIFTY 50 Stock of the nation

Ref: NSE/LIST/93761 November 16, 2016

The Compliance Officer,
Tata Chemicals Limited
Bombay House,
24, Homi Mody Street,
Fort, Mumbai 400001

Kind Attn.: Mr. Rajiv Chandan

Dear Sir,

Sub: Observation letter for draft Scheme of Arrangement between Tata Chemicals Limited and Yara Fertilizers India Private Limited and their respective shareholders and creditors under sections 391 to 394 and other applicable provisions of the Companies Act, 1956

This has reference to draft Scheme of Arrangement between Tata Chemicals Limited and Yara Fertilizers India Private Limited and their respective shareholders and creditors under sections 391 to 394 and other applicable provisions of the Companies Act, 1956 filed by the Company vide its letter dated September 13, 2016.

Based on our letter reference no Ref: NSE/LIST/90140 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/CDM/16/2015 dated November 30, 2015, SEBI has vide letter dated November 15, 2016, has given following comments on the draft Scheme of Arrangement:

"a) The Company shall duly comply with various provisions of the Circulars."

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of regulation 11 of SEBI (LODR) Regulation, 2015, we hereby convey our "No-objection" in terms of regulation 94 of SEBI (LODR) Regulation, 2015, so as to enable the Company to file the draft scheme with the Hon'ble High Court.

However, the Exchange reserves its rights to raise objections 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 November 16, 2016, within which the Scheme shall be submitted to the Hon'ble High Court. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, you shall submit to NSE the following:

Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400051, India. • Tel: +91 22 26598235/36, 26598346 • Fax: +91 22 26598237/38
E-mail : cmlist@nse.co.in • Web site: www.nseindia.com

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 SEBI Circular No. CIR/CFD/CDM/16/2015 dated November 30, 2015.

Yours faithfully,
For National Stock Exchange of India Limited

Kautuk Upadhyay
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

October 4, 2016

BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001
Scrip Code: 500770

Ref: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed scheme of Arrangement between the Company, Yara Fertilisers India Private Limited and their respective Shareholders and Creditors

Dear Sir,

Sub: Complaint report as per Annexure III of SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015

We refer to our letter dated September 9, 2016, in this regard, please find below the Complaint Report as per the required format in Annexure III.

We request you to acknowledge the receipt of the same.

Yours faithfully,

For **Tata Chemicals Limited**

Rajiv Chandan
General Counsel & Company Secretary

Encl: As above

Copy to:

The Manager, Listing-Compliance Department
National Stock Exchange of India Limited
Exchange Plaza
Bandra-Kurla Complex
Bandra (E)
Mumbai 400 051
Symbol: TATACHEM

TATA CHEMICALS LIMITED
Bombay House 24 Homi Mody Street Fort Mumbai 400 001
Tel 91 22 6665 8282 Fax 91 22 6665 8143/44 www.tatachemicals.com
CIN : L24239MH1939PLC002893

ANNEXURE III

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)
NIL			

For TATA CHEMICALS LIMITED

Rajiv Chandan
General Counsel & Company Secretary

सत्यमेव जयते

Fair Competition For Greater Good

भारतीय प्रतिस्पर्धा आयोग
COMPETITION COMMISSION OF INDIA

By e-mail and speed post

Comb. Reg. No.: C-2016/09/430 **16th November 2016**

To
Mr. Sanjiv Kanwar
Yara Fertilisers India Private Limited
402, Suyog Fusion Dhole Patil Road,
Sangamwadi, Pune - 411001
Maharashtra, India.

Subject: **Communication under sub-regulation (5) of Regulation 28 of the Competition Commission of India (Procedure in regard to transaction of business relating to combinations) Regulations, 2011**

Reference is invited to the notice (bearing Registration No.C-2016/09/430) filed by Yara Fertilisers India Private Limited on 08.09.2016 under sub-section (2) of Section 6 of the Competition Act, 2002 ("**Act**") in relation to the combination.

2. In this regard, you are hereby informed that the Commission, in its meeting held on 15th November 2016, considered the proposed combination and approved the same under sub-section (1) of Section 31 of the Act.

3. The order of the Commission in this regard will follow.

(Smita Jhingran)
Secretary

Cc:
Mr. Bharat Budholia, Partner,
Cyril Amarchand Mangaldas
5th Floor, Peninsula Chambers, Peninsula Corporate Park,
Ganpatrao Kadam Marg, Lower Parel,
Mumbai – 400013, Maharashtra.

Annexure H

Unaudited Provisional Financial Statements of the Applicant Company as on December 31, 2016

Tata Chemicals Limited
Unaudited Balance Sheet as at 31st December 2016

	Note No	As at 31-Dec-16
I. ASSETS		
(1) Non-current assets		
(a) Property, plant and equipment	1	1,418.06
(b) Capital work-in-progress	1	115.28
(c) Other intangible assets	2	10.96
(d) Intangible assets under development	2	0.06
(e) Financial assets		
(i) Investments	3	5,911.28
(ii) Loans	4	0.08
(iii) Other financial assets	5	57.69
(f) Advance tax assets (net)		380.32
(g) Other non-current assets	6	59.29
Total non-current assets		**7,953.02**
(2) Current assets		
(a) Inventories	7	840.31
(b) Financial assets		
(i) Investments	3	1,561.39
(ii) Trade receivables	8	1,074.55
(iii) Cash and cash equivalents	9	27.89
(iv) Bank balances other than (iii) above	9	15.03
(v) Loans	4	-
(vi) Other financial assets	5	74.23
(c) Current tax assets (net)	18	-
(d) Other current assets	6	170.71
		3,764.11
Assets classified as held for sale	19	1,158.44
Total current assets		**4,922.55**
Total Assets		**12,875.57**
II. EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity share capital	10	254.82
(b) Other equity	11	8,064.40
Total Equity		**8,319.22**
(2) Liabilities		
1 Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	12	1,123.97
(ii) Other financial liabilities	13	0.44
(b) Provisions	14	110.57
(c) Deferred tax liabilities (net)	15	156.55
(d) Other non-current liabilities	16	10.50
Total non-current liabilities		**1,402.03**
2 Current liabilities		
(a) Financial liabilities		
(i) Borrowings	12	1,326.27
(ii) Trade payables	17	645.66
(iii) Other financial liabilities	13	677.62
(b) Provisions	14	178.34
(c) Current tax liabilities (net)	18	93.70
(d) Other current liabilities	16	106.80
		3,028.39
Liabilities directly associated with assets classified as held for sale	19	125.93
Total current liabilities		**3,154.32**
Total liabilities		**4,556.35**
Total Equity and Liabilities		**12,875.57**

For and on behalf of
Tata Chemicals Limited

R. Mukundan
Managing Director

John Mulhall
Chief Financial Officer

TATA CHEMICALS LIMITED MUMBAI

Tata Chemicals Limited

Unaudited Statement of Profit and Loss for the period ended 31st Dec 2016

(₹ in crores)

		Note No	Nine months ended 31-Dec-16
I.	Revenue from operations	20	5,120.21
II.	Other income	21	123.97
III.	**Total Income (I+II)**		**5,244.18**
IV.	**EXPENSES**		
	Cost of materials consumed		1,085.82
	Purchases of stock-in-trade		1,407.02
	Changes in inventories of finished goods, stock-in-trade and work-in-progress		37.29
	Excise duty on sale of goods		177.97
	Employee benefits expense	22	220.73
	Finance costs	23	169.54
	Depreciation and amortisation expense	24	114.26
	Other expenses	25	1,383.29
	Total expenses (IV)		**4,595.92**
V.	**Profit before tax (III - IV)**		**648.26**
VI	**Tax expense**		
	(i) Current tax	26	192.15
	(ii) Deferred tax	26	(3.37)
VII	**Profit for the period from continuing operations (V-VI)**	27	**459.48**
VIII	**Profit/ (loss) from discontinued operations**		106.86
IX	Tax expense of discontinued operations		34.59
X	**Profit/ (loss) from discontinued operations (after tax) (VIII-IX)**		72.27
XI	**Profit/(loss) for the period (VII+X)**		**531.75**
XII	**Other Comprehensive Income**		
	(i) Items that will not be reclassified to profit or loss	11	2.54
XIII	**Total other comprehensive income (i)**		**2.54**
XIV	**Total Comprehensive Income for the period (XI + XIII)**		**534.29**
XV	**Earnings per equity share (for continuing operations):**		
	(i) Basic (in ₹.) *		18.04
	(ii) Diluted (in ₹.) *		18.04
XVI	**Earnings per equity share (for discontinued operations):**		
	(i) Basic (in ₹.) *		2.84
	(ii) Diluted (in ₹.) *		2.84
XVII	**Earnings per equity share (for continuing and discontinued operations):**		
	(i) Basic (in ₹.) *		20.88
	(ii) Diluted (in ₹.) *		20.88

* Not annualized

For and on behalf of
Tata Chemicals Limited

R. Mukundan
Managing Director

John Mulhall
Chief Financial Officer

TATA CHEMICALS LIMITED MUMBAI

Note 1 : Property, plant and equipment

(₹ in crores)

(Deemed Cost)	Gross carrying amount					Accumulated Depreciation and Impairment					Net carrying amount
	As at 01-Apr-16	Additions	Disposals	Assets classified as held for sale	As at 31-Dec-16	As at 01-Apr-16	for the year	Disposals	Assets classified as held for sale	As at 31-Dec-16	As at 31-Dec-16
1. Land :											
(a) Freehold	37.73	3.87	-	1.41	40.19	-	-	-	-	-	40.19
(b) Leasehold	-	-	-	-	-	-	-	-	-	-	-
2. Buildings :											
(a) Factory Buildings	200.16	9.83	0.05	47.61	162.33	12.67	9.31	0.01	7.50	14.47	147.86
(b) Other Buildings	240.50	0.88	0.08	99.57	141.73	9.63	7.04	0.07	6.16	10.44	131.29
3. Plant and Machinery											
(a) Owned	1,466.09	143.07	4.55	426.31	1,178.30	140.31	106.64	1.63	61.33	183.99	994.31
(b) Leased	50.56	-	0.25	-	50.31	11.12	8.02	-	-	19.14	31.17
4. Furniture and Fittings	15.60	1.36	0.06	2.08	14.82	2.20	1.58	0.04	0.58	3.16	11.66
5. Vehicles											
(a) Owned	4.84	0.34	0.02	0.52	4.64	1.25	0.95	-	0.13	2.07	2.57
(b) Leased	0.53	0.14	-	-	0.67	0.09	0.08	-	-	0.17	0.50
6. Office Equipment	48.56	6.52	0.19	7.19	47.70	13.19	10.58	0.13	2.78	20.86	26.84
7. Saltworks, Reservoirs and Pans	24.52	4.67	0.05	-	29.14	5.98	3.04	-	-	9.02	20.12
8. Traction Lines, Railway Sidings and Wagons	15.29	-	-	1.77	13.52	1.25	1.50	0.57	0.22	1.96	11.56
9. Water Works	0.37	-	0.01	-	0.36	-	-	-	-	-	0.36
Total	2,104.75	170.68	5.26	586.46	1,683.71	197.69	148.74	2.45	78.70	265.28	1,418.43
Capital Work-in-Progress	-	-	-	-		-	-	-	-	-	115.28
Total	2,104.75	170.68	5.26	586.46	1,683.71	197.69	148.74	2.45	78.70	265.28	1,533.71

Note 2 : Intangible Assets

	Gross carrying amount					Accumulated Depreciation and Impairment					Net carrying amount
	As at 01-Apr-16	Additions	Disposals	Assets classified as held for sale	As at 31-Dec-16	As at 01-Apr-16	for the year	Disposals	Assets classified as held for sale	As at 31-Dec-16	As at 31-Dec-16
1. Computer Software	4.57	2.57	0.21	1.18	5.75	0.21	1.03	-	1.00	0.24	5.51
2. Others	6.78	-	-	-	6.78	0.76	0.57	-	-	1.33	5.45
Intangible Assets	11.35	2.57	0.21	1.18	12.53	0.97	1.60	-	1.00	1.57	10.96
Intangible Assets Under Development	-	-	-	-	-	-	-	-	-	-	0.06
Total	11.36	2.57	0.21	1.18	12.53	0.97	1.60	-	1.00	1.57	11.02



		As at 31-Dec-2016	
		Quantity	Amount ₹ in crore
3.	**Investments**		
	Non - Current		
(A)	**Investments in Equity Instruments (fully paid)**		
	(i) Subsidiaries		
	Quoted		
	Rallis India Ltd. (fully paid)	97341610	479.97
	Unquoted		
	Bio Energy Ventures -1 (Mauritius) Pvt Ltd.	575381426	2,398.39
	(ii) Joint Ventures		
	Unquoted		
	Indo Maroc Phosphore, S.A. , Morocco	206666	166.26
	(iii) Investments at FVTOCI		
	Quoted		
	The Indian Hotels Co. Ltd.	8907790	87.79
	Oriental Hotels Ltd.	2523000	5.41
	Tata Investment Corporation Ltd.	475840	26.65
	Tata Steel Ltd.	2491977	97.50
	Tata Motors Ltd.	1966294	92.81
	Tata Global Beverages Ltd.	43175140	526.74
	Titan Company Ltd.	13826180	451.84
	Unquoted		
	The Associated Building Co. Ltd.	550	0.02
	Taj Air Ltd.	4000000	4.00
	Tata Industries Ltd.	9861303	170.19
	Tata Capital Ltd.	3230859	10.02
	Tata International Ltd.	48000	188.64
	Tata Projects Ltd.	193500	122.12
	Tata Services Ltd.	1260	0.13
	Tata Sons Ltd.	10237	56.86
	Tata Teleservices Ltd. #	1285110	1.99
	IFCI Venture Capital Funds Ltd.	250000	0.67
	Kowa Spinning Ltd.	60000	*
	Total (A)		**4,887.99**
(B)	**Investments in Preference Shares**		
	(i) Subsidiaries		
	Unquoted		
	5% Non Cumulative Redeemable Preference Shares of Bio Energy Venture -1(Mauritius) Pvt.Ltd	1500014	1,018.88
	Total (B)		**1,018.88**
(C)	**Investments in Compulsorily Convertible Debenture (fully paid up)**		
	(i) Investments at FVTOCI		
	Quoted		
	The Indian Hotels Co. Ltd.	*	*
	Unquoted		
	TATA Power Renewable Energy Limited	2890000	2.89
	Total (C)		**2.89**
(D)	**Investments in Section 8 Company (fully paid up)**		
	(i) Investments at FVTOCI		
	Unquoted		
	Global Innovation And Technology Alliance (GITA)	15000	1.50
	Water Quality India Association	7100	0.01
	Total (D)		**1.51**
	Total Non Current Investments (A+B+C+D)		**5,911.28**

Shares can be transferred only with the prior approval of the Board of Directors of Tata Teleservices Ltd.
* value below ₹ 50,000/-

TATA CHEMICALS LIMITED MUMBAI

Current	As at Dec-16
Investments in Mutual funds	
Quoted	
Birla Sun Life Mutual Fund	170.28
ICICI Prudential Mutual Fund	216.88
SBI Mutual Fund	24.10
Tata Mutual Fund	217.88
Kotak Mahindra Mutual Fund	217.90
IDFC Mutual Fund	209.41
HDFC Mutual Fund	79.27
UTI Mutual Fund	217.79
Axis Mutual Fund	207.88
Total Current Investments	1,561.39

4. Loans

Non-Current	As at Dec-16
(a) Other loans	
Unsecured, considered good:	
Deposit with others	0.08
	0.08

5. Other financial assets

Non-Current	As at Dec-16
(a) Fixed deposits with original maturity of more than one year	0.26
(b) Derivative	55.53
(c) Loans and advances to employees	1.90
	57.69
Current	
(a) Claims receivable - Related parties	34.76
(b) Derivative	
(i) Foreign exchange forward contracts and options	35.36
(c) Income accrued on investments	1.00
(d) Advances recoverable from related party	1.20
(e) Loans and advances to employees	1.23
(f) Others claims	0.68
	74.23

6. Other assets

Non-Current	As at Dec-16
(a) Capital advances	8.06
(b) Advance to suppliers	0.02
(c) Deposit with public bodies	42.33
(d) Deposit with others	8.88
	59.29
Current	
(a) Prepaid expenses	6.80
(b) Advance to suppliers	122.66
(c) Statutory receivables	40.29
(d) Others	0.96
	170.71

TATA CHEMICALS LIMITED MUMBAI

7. Inventories	As at Dec-16
(a) Raw materials	363.38
(b) Work-in-progress	23.80
(c) Finished goods	167.70
(d) Stock in trade	189.08
(e) Stores and spare parts and packing materials	96.35
	840.31

8. Trade Receivables	As at Dec-16
Current	
(a) Unsecured considered good	1,074.55
(b) Doubtful	45.50
(c) Allowance for doubtful debts	(45.50)
	1,074.55

9. Cash and cash equivalents	As at Dec-16
(a) Balances with Banks	27.34
(b) Cash on hand	0.55
Cash and cash equivalents as per cash flows statement	**27.89**
Other bank balances:	
(c) Earmarked balances with banks	15.03
	42.92

10. Equity	As at Dec-16
(a) Authorised:	
27,00,00,000 Ordinary shares of ₹ 10 each	270.00
(b) Issued :	
25,48,42,598 Ordinary shares of ₹ 10 each	254.84
(c) Subscribed and fully paid up:	
25,47,56,278 Ordinary shares of ₹ 10 each	254.76
(d) Forfeited shares:	
86,320 Ordinary shares of ₹ 10 each	
Amount originally paid-up on forfeited shares	0.06

Footnotes:

(a) The movement of number of shares and share capital:

Particulars	No. of Shares	As at Dec-16 (₹ in crores)
Issued share capital:		
Ordinary shares :		
Balance at 1st April	254,842,598	254.84
Issued during the year	-	-
Balance at 31st Dec	**254,842,598**	**254.84**
Subscribed and paid up:		
Ordinary shares :		
Balance at 1st April	254,756,278	254.76
Issued during the year	-	-
Balance at 31st Dec	**254,756,278**	**254.76**

(b) Terms/ rights attached to equity shares

The Company has issued one class of ordinary shares at par value of 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential accounts, in proportion to their shareholding.



(b)	Interest income	
	(i) On bank deposits	1.92
	(ii) On loans and advances	0.08
	(iii) Other interest	0.17
		2.17
(c)	Other gains and losses (net)	
	(i) Corporate guarantee commission	10.71
	(ii) Foreign exchange gain	19.25
		29.96
		123.97

22. Employee benefit expenses

	(₹ in crores) Nine months ended 31-Dec-16
Salaries, wages and bonus	174.21
Contribution to provident and other funds	11.52
Staff welfare expenses	35.00
	220.73

23. Finance cost

		(₹ in crores) Nine months ended 31-Dec-16
(a)	Interest costs	
	(i) Interest on Borrowings	77.71
	(ii) Interest on obligations under finance leases	4.43
(b)	Exchange differences on account of Marked to market loss on derivaties (net)	77.92
(c)	Other borrowing costs	
	(i) Discounting and other charges	9.48
		169.54

24. Depreciation and amortisation expenses

		(₹ in crores) Nine months ended 31-Dec-16
(a)	Depreciation of property, plant and equipment pertaining to continuing operations	112.89
(b)	Amortisation of intangible assets	1.37
	Total depreciation and amortisation pertaing to continuing operations	**114.26**

25. Other Expenses

		(₹ in crores) Nine months ended 31-Dec-16
1	Stores and spare parts consumed	50.62
2	Packing materials consumed	203.83
3	Power and fuel	295.77
4	Repairs - Buildings	4.82
	- Machinery	47.97
	- Others	9.07
5	Rent	39.76
6	Royalty, rates and taxes	21.93
7	Excise duty adjustment for stocks	7.77
8	Distributors' service charges	13.09
9	Sales promotion expenses	96.01
10	Insurance charges	5.41
11	Freight and forwarding charges	441.17
12	Loss on assets sold, discarded or write off	0.78
13	Bad debts written off	0.47
14	Directors' fees and commission	4.70
15	Expenditure towards Corporate Social Responsibility (CSR)	8.98
16	Donations and Contributions	1.59
17	Auditors remuneration	3.70
18	Other expenses	125.85
		1,383.29

TATA CHEMICALS LIMITED

15. Deferred tax Liabilities (Net)

	As at Dec-16
Deferred tax assets	(77.35)
Deferred tax Liabilities	233.90
	156.55

16. Other Liabilities

	As at Dec-16
Non-Current	
(a) Other liabilities	10.50
	10.50
Current	
(a) Creditors for statutory dues	84.10
(b) Advance received from customers	15.68
(c) Other liabilities	7.02
	106.80

17. Trade Payables

	As at Dec-16
(a) Trade payables	645.66
	645.66

18. Current tax liabilities (net)

	As at Dec-16
(a) Current tax liabilities	93.70
	93.70

19. Assets classified as held for sale

	As at Dec-16
Asset held for sale	0.37
Assets related to Urea Business	1,158.07
	1,158.44
Liabilities related to Urea Business	125.93
	125.93

20. Revenue from operations

	(₹ in crores) Nine months ended 31-Dec-16
(a) Sale of products	5,100.22
(b) Other operating revenues	
(a) Insurance claim	1.21
(b) Town income	1.81
(c) Liabilities no longer required-written back	1.84
(d) Miscellaneous income	15.13
	19.99
	5,120.21

21. Other income

	(₹ in crores) Nine months ended 31-Dec-16
(a) Dividend income	
(i) Current investments	32.70
(ii) Non current investments	
- Subsidiaries	24.34
- Joint venture	21.02
- Others	13.78
	91.84

TATA CHEMICALS LIMITED MUMBAI

12. Borrowings	As at Dec-16
Non-Current	
Unsecured - at amortised cost	
(a) Non convertible debentures	250.00
(b) Term loans - bank	853.41
(c) Obligations under finance leases	20.56
	1,123.97
Current	
Loans repayable on demand	
Secured - from banks	
Cash/packing credit	0.77
Buyers Credit	50.00
Working capital demand loan	50.00
Unsecured - from banks	
Buyers Credit	452.46
Others	
Secured	
Suppliers Credit	110.00
Unsecured	
Suppliers Credit	663.04
	1,326.27

13. Other financial liabilities	As at Dec-16
Non-Current	
(a) Pension payable on employee separation scheme	0.36
(b) Others	0.08
	0.44
Current	
(a) Current maturities of long term debt	429.76
(b) Current maturities of finance lease obligation	27.13
(c) Interest accured but not due	39.58
(d) Creditors for capital goods	21.32
(e) Unclaimed Dividend	15.07
(f) Unclaimed debenture interest	0.01
(g) Derivatives - foreign exchange	9.39
(h) Security deposits from customers	36.84
(i) Others	98.52
	677.62

14. Provisions	As at Dec-16
Non-Current	
(a) Employee benefits	108.22
(b) Others	2.35
	110.57
Current	
(a) Employee benefits	51.28
(b) Others	127.06
	178.34

TATA CHEMICALS LIMITED MUMBAI

Tata Chemicals Limited
Schedules to Unaudited Financial Statements

Note 11. Other Equity

(₹ in crores)

	Reserve and surplus								Other Reserve		Total
	Capital Reserve	Securities Premium Reserve	Capital Redemption Reserve	Debenture Redemption Reserve	Surplus on amalgamation	General Reserve	Exchange differences on translating the financial statements of foreign operation	Retained Earnings	Equity Instruments through other Comprehensive Income	Acturial gains /(losses) (net of tax)	
Balance as at 1st April, 2016	0.66	1,258.21	0.10	240.00	20.45	1,171.94	63.07	3,676.58	1,425.98	(25.22)	7,831.78
Profit for the year	-	-	-	-	-	-	-	531.75	-	-	531.75
Other comprehensive income for the year net of income tax	-	-	-	-	-	-	-	-	24.89	(22.35)	2.54
Total Comprehensive Income Income for the year	-	-	-	-	-	-	-	531.75	24.89	(22.35)	534.30
Transactions with the owners											
Dividends	-	-	-	-	-	-	-	(254.76)	-	-	(254.76)
Tax on above proposed dividend	-	-	-	-	-	-	-	(46.91)	-	-	(46.91)
Balance as at 31st Dec 2016	0.66	1,258.21	0.10	240.00	20.45	1,171.94	63.07	3,906.67	1,450.87	(47.57)	8,064.40

TATA CHEMICALS LIMITED MUMBAI

CERTIFIED TRUE COPY

Koh Soon Hee
Director

Knowledge grows

Yara Fertilisers India Private Limited

	Unaudited Statement of Profit and Loss	Amount in Rs. 31/12/2016
	Revenue	
I	Revenue from operations	1,342,454,235
II	Total revenue	1,342,454,235
III	Expenses	
	(a) Purchases of Stock-in-trade	1,185,872,093
	(b) Selling, General & Admin Expenses	110,058,140
	(c) Warehousing/Capacity Carrying Costs	1,238,822
	(d) Depreciation and amortisation expense	6,304,079
	(e) Finance Costs	44,625,038
	(f) YTHP Shared Costs	38,216,585
	Total expenses	1,396,314,736
IV	Loss before tax	(53,860,501)
V	Less : Tax expenses	
	(a) Current Tax	-
	(b) Deferred Tax	-
VI	Loss for the year as on 31 December 2016	(53,860,501)

For Yara Fertilisers India Private Limited

Soon Hee Koh
Director

CERTIFIED TRUE COPY
Koh Soon Hee
Director

Knowledge grows

Yara Fertilisers India Private Limited

	Unaudited Balance Sheet	31 December 2016	
A.	Equity and liabilities		
(1)	Shareholders' funds		
	(a) Share capital	834,129,710	
	(b) Reserves and surplus	(293,321,209)	
			540,808,501
(2)	Non current liabilities		
	(a) Deferred tax liabilities		
	(b) Other long term liabilities	14,210,785	
	(c) Long term provisions	3,831,248	
			18,042,033
(3)	Current liabilities		
	(a) Short term borrowings	514,243,638	
	(b) Trade payables		
	- total outstanding dues of Micro Enterprises and Small Enterprises		
	- total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	9,240,224,720	
	(c) Other current liabilities	17,870,958	
	(d) Short-term provisions	2,170,000	
			9,774,509,316
	Total		10,333,359,850
II.	Assets		
(1)	Non current assets		
	(a) Fixed assets		
	Tangible assets	1,000,000	
	Intangible assets	1,258	
			1,001,258
(2)	Current assets		
	(a) Inventories	2,626,621,624	
	(b) Trade receivables	6,221,581,824	
	(c) Cash and cash equivalents	2,941,712	
	(d) Short-term loans and advances	1,201,432	
			8,854,346,592
	Total		10,333,359,850

For Yara Fertilisers India Private Limited

Soon Hee Koh
Director

Annexure I

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF THE APPLICANT COMPANY

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF TATA CHEMICALS LIMITED AT ITS MEETING HELD ON WEDNESDAY THE 29TH DAY OF MARCH, 2017 AT BOMBAY HOUSE, HOMI MODY STREET, FORT, MUMBAI 400001 EXPLAINING THE EFFECT OF THE SCHEME OF ARRANGEMENT ON SHAREHOLDERS, PROMOTER AND NON-PROMOTER SHAREHOLDERS AND KEY MANAGERIAL PERSONNEL

1. Background

1.1 The proposed Scheme of Arrangement between Tata Chemicals Limited ("**TCL**" or the "**Transferor Company**" or "**Company**") and Yara Fertilisers India Private Limited (the "**Transferee Company**" or "**YFIPL**") and their respective shareholders and creditors (the "**Scheme**") was approved by the Board of Directors of the Company (the "**Board**") vide resolution dated 10th day of August, 2016. Subsequent to the said date, provisions of Section 230 to 232 of the Companies Act, 2013 (the "**Act**"), *inter alia*, governing schemes of arrangement between companies has become operative with effect from the 15th day of December, 2016. The provisions of Section 232(2)(c) of the Act requires the directors to adopt a report explaining (i) the effect of the arrangement under the Scheme on each class of shareholders, promoter and non-promoter shareholders and key managerial personnel; and (ii) laying out in particular the share exchange ratio, specifying any special valuation difficulties. The said report is required for the meeting of the equity shareholders ordered by the Hon'ble National Company Law of Tribunal, Mumbai Bench ("**NCLT**") vide its order dated March 1, 2017. The Board noted that the Scheme does not contemplate any allotment of shares of the Company or the Transferee Company.

1.2 This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.

1.3 The following documents were placed before the Board:

1.3.1 Draft Scheme as recommended by the Committee of Directors and the Audit Committee of the Company duly initialled by the Company Secretary for the purpose of identification;

1.3.2 Valuation Report dated August 10, 2016 of SSPA & Co., Chartered Accountants, Independent Chartered Accountants describing the methodology adopted by them in arriving at the valuation of the Divestment Business of the Company ("**Valuation Report**");

1.3.3 Fairness Opinion dated August 10, 2016 prepared by Kotak Mahindra Capital Company Limited, an Independent Category-I Merchant Banker, providing the Fairness Opinion on the valuation of the Divestment Business of the Company ("**Fairness Opinion**") as recommended by SSPA & Co., Chartered Accountants; and

1.3.4 Report of the Audit Committee of the Board of Directors dated August 10, 2016.

2. Effect of the Scheme of Arrangement on equity shareholders (promoter and non-promoter shareholders) of TCL:

2.1 Under the Scheme, an arrangement is sought to be entered into between the Company and its equity shareholders (promoter shareholders and non-promoter shareholders) as the Divestment Business of the Company shall stand transferred to and vested in the Transferee Company.

2.2 Further, upon the effectiveness of the Scheme, i.e. transfer and vesting of the Divestment Business of the Company on a going concern basis, the Transferee Company will pay a cash consideration to the Company in accordance with Clause 9.1 of the Scheme amounting to INR 26,696,160,000 plus/minus the Working Capital Adjustment and Capex Adjustment, as applicable, determined in accordance with table A and table B respectively of Schedule 7 of the Scheme.

2.3 The Scheme contemplates the acquisition of the Divestment Business of the Company on a slump sale basis. As there is no issue of shares of the Company pursuant to the Scheme, there would be no change in

the pre and post scheme shareholding pattern and capital structure of the Company solely pursuant to the Scheme coming into effect.

2.4 As far as the equity shareholders are concerned (promoter shareholders as well as non-promoter shareholders), there will be no dilution in their shareholding in the Company.

3. Effect of the Scheme of Arrangement on Directors and Key Managerial Personnel of TCL:

3.1 The Scheme is not expected to have any effect on the Directors and Key Managerial Personnel of the Company. Further, no change in the Board of Directors of the Company is envisaged on account of the Scheme.

3.2 The directors holding shares of the Company do not have any other interest in the Scheme otherwise than that as shareholders in general. Further, none of the Key Managerial Personnel and relatives of the Directors of the Company is concerned or interested, financial or otherwise in the proposed Scheme. Save as aforesaid, none of the Directors of the Company have any material interest in the proposed Scheme.

3.3 The individual shareholding, of each of the said Directors, the Key Managerial Personnel and their respective relatives, is less than 2% of the paid up share capital of the Company. The shareholding of the present Directors of the Company, either individually or jointly as a first holder or as a nominee, in the Company and the Transferee Company is as under:

Sr. No.	Name of the Directors of TCL	No. of Equity Shares held in	
		TCL	YFIPL
1.	Mr. Nasser Munjee	0	0
2.	Dr. Y. S. P. Thorat	0	0
3.	Ms. Vibha Paul Rishi	0	0
4.	Mr. Bhaskar Bhat	0	0
5.	Mr. S Padmanabhan	0	0
6.	Mr. R. Mukundan	500	0

3.4 As on date, the Company is not related to the Transferee Company and the companies have no common directors or promoters.

4. Valuation:

4.1 SSPA & Co., Independent Chartered Accountants have undertaken the valuation of the Divestment Business of the Company and have recommended the fair value of the Divestment Business vide their valuation report dated August 10, 2016. The total lump sum consideration payable by the Transferee Company to the Company for the purchase of the Divestment Business has been arrived at on the basis of the fair valuation of the Divestment Business of the Company based on the various methodologies/ approaches explained in the valuation report and various qualitative factors relevant to the company and the business dynamics and growth potentials of the business, having regard to information base, key underlying assumptions and limitations. Based on the relevant factors and circumstances as outlined in the valuation report, SSPA & Co. have determined the fair value of the Divestment Business at ₹ 2,410 crores.

4.2 No special valuation difficulties were reported.

By Order of the Board

R. Mukundan
Managing Director
DIN - 00778253

Date and Place: 29th day of March, 2017 at Mumbai

TATA CHEMICALS LIMITED

Corporate Identity No. (CIN): L24239MH1939PLC002893
Registered Office: Bombay House, 24 Homi Mody Street, Fort, Mumbai 400001
Tel No.: +91 22 6665 8282 **Fax No.:** +91 22 6665 8144
Email: investors@tatachemicals.com **Website:** www.tatachemicals.com

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH AT MUMBAI
COMPANY SCHEME APPLICATION NO. 186 OF 2017

In the matter of the Companies Act, 2013;

And

In the matter of Application under Sections 230-232 read with other relevant provisions of the Companies Act, 2013;

And

In the matter of Scheme of Arrangement between Tata Chemicals Limited ("**Applicant Company**" or "**Transferor Company**" or "**Company**") and Yara Fertilisers India Private Limited ("**Transferee Company**") and their respective shareholders and creditors.

Tata Chemicals Limited [CIN: L24239MH1939PLC002893], a company incorporated under the Indian Companies Act, 1913 having its registered office at Bombay House, 24 Homi Mody Street, Fort,) Mumbai 400001 … Applicant Company

PROXY FORM

Name of the member(s)			
Registered Address			
Email ID			
Folio No./Client ID		DP ID	

I/We, being the Member(s) of _____ share(s) of Tata Chemicals Limited, hereby appoint :

1. Name: _____ Email Id: _____
   Address: _____
   _____ Signature: _____ Or failing him/her;
2. Name: _____ Email Id: _____
   Address: _____
   _____ Signature: _____ Or failing him/her;
3. Name: _____ Email Id: _____
   Address: _____
   _____ Signature: _____

as my/our Proxy to attend and vote (on a Poll) for me/us and on my/our behalf at the meeting of the Equity Shareholders, convened pursuant to the direction of the Hon'ble National Company Law Tribunal, Mumbai Bench to be held on Monday, May 8, 2017 at 3.00 p.m. at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, New Marine lines, Mumbai 400 020, for the purpose of considering and approving the Scheme of Arrangement as detailed in the Notice of the Meeting and at any adjournment or adjournments thereof and to vote, for me/us and in my/our name(s) ..... (here, if for, insert 'FOR', or if against, insert 'AGAINST') arrangement embodied in the said Scheme as my/our proxy.

Signed this _____ day of _____ 2017

Affix 1/- Revenue Stamp

Signature of the member _____ Signature of Proxyholder(s) _____

Notes:

1. **This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at Bombay House, 24, Homi Mody Street, Fort, Mumbai 400 001, not later than 48 hours before the commencement of the Meeting.**
2. A Proxy need not be a member of the Company.
3. For the Resolution, Explanatory Statement and Notes, please refer to the Notice of the Meeting of the Equity Shareholders of the Company.

TATA CHEMICALS LIMITED

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Email: investors@tatachemicals.com **Website:** www.tatachemicals.com

ATTENDANCE SLIP

MEETING CONVENED PURSUANT TO THE DIRECTIONS OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL OF THE EQUITY SHAREHOLDERS ON MONDAY, MAY 8, 2017

at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, New Marine Lines, Mumbai 400 020

Folio No. :	DP ID :	Client ID :

I/ We hereby record my/our presence at the Meeting of the Equity Shareholders of the Company, convened pursuant to an Order dated March 1, 2017 of the Hon'ble National Company Law Tribunal, Mumbai Bench at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020, on Monday, May 8, 2017 at 3.00 p.m.

Name & Address of the Equity Shareholder : _____

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

No. of Shares held : _____

Name of Proxy Holders/
Authorised Representative : _____

Signatures : _____

Notes:

1. Only Member/Proxy holder can attend the Meeting.
2. Please complete the Folio No. /DP ID No., Client ID No. and name of the Member/Proxy holder, sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.
3. A Member/Proxy holder attending the meeting should bring copy of the Notice for reference at the meeting.

www.sapprints.com

TATA CHEMICALS LIMITED

Corporate Identity No. (CIN): L24239MH1939PLC002893
Registered Office: Bombay House, 24 Homi Mody Street, Fort, Mumbai 400001
Tel. No.: +91 22 6665 8282 **Fax No.:** +91 22 6665 8144
Email: investors@tatachemicals.com **Website:** www.tatachemicals.com

POSTAL BALLOT FORM

The last date for receipt of Postal Ballot Form is Sunday, May 7, 2017

1. Name and Registered Address of the sole/ first named Member :
2. Name(s) of the joint Member(s) if any :
3. Registered Folio No./ DP ID No. & Client ID No.* (*Applicable to Members holding shares in dematerialized form) :
4. Number of Equity Shares held :
5. E-voting Event Number (EVEN) :
6. User ID :
7. Password :
8. I/We hereby exercise my/our vote(s) in respect of Resolution as detailed in the Notice dated April 1, 2017 convening Meeting of the Equity Shareholders of Tata Chemicals Limited, as directed by the Hon'ble National Company Law Tribunal, on Monday, May 8, 2017 at 3.00 p.m. at Birla Matushri Sabhagar,19, Sir Vithaldas Thackersey Marg, Marine Lines, Mumbai 400020 by sending my/our assent or dissent to the said Resolution by placing a tick mark (✓) in the appropriate box below:

Item No.	Description of the Resolution	No. of Shares	I / We assent to the Resolution (FOR)	I / We dissent to the Resolution (AGAINST)
1.	Resolution for approving the Scheme of Arrangement between Tata Chemicals Limited ("**Applicant Company**" or "**Transferor Company**" or "**Company**") and Yara Fertilisers India Private Limited ("**Transferee Company**") and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.			

Place:
Date:

(Signature of Member)

Note: Please read the instructions printed overleaf carefully before exercising your vote.

INSTRUCTIONS

1. The Mumbai Bench of the Hon'ble National Company Law Tribunal (NCLT), vide its Order dated March 1, 2017, has directed that a Meeting of the Equity Shareholders of the Applicant Company shall be convened and held at Birla Matushri Sabhagar,19, Sir Vithaldas Thackersey Marg, Marine Lines, Mumbai 400020 on Monday, May 8, 2017 at 3.00 p.m. for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme.

   Pursuant to Sections 230 to 232 read with Section 108 and 110 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, assent or dissent of the members in respect of the resolution detailed in the Notice dated April 1, 2017 is being additionally sought through Postal Ballot process/remote e-voting as per the directions of NCLT.

2. Member(s) desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. P.N. Parikh and failing him, Ms. Jigyasa Ved of M/s. Parikh & Associates, Practicing Company Secretary, in the enclosed self-addressed postage prepaid envelope. Postage will be borne by the Company. Envelope containing the Postal Ballot Form, if deposited in person or sent by courier at the expense of the Member(s), will also be accepted.

3. The voting period shall commence on and from Saturday, April 8, 2017 at 9.00 a.m. (IST) and end on Sunday, May 7, 2017 at 5.00 p.m. (IST). The envelopes containing the Postal Ballot Form should reach the Scrutinizer not later than 5.00 p.m. (IST) on Sunday, May 7, 2017. The Postal Ballot Form received after this date and time will be strictly treated as if reply from the Member has not been received.

4. Assent/Dissent to the proposed resolution may be recorded by placing tick mark (✓) in the appropriate column. Postal Ballot Form bearing (✓) mark in both the column will render the form invalid.

5. In case of joint holding, the Postal Ballot Form should be completed and signed (as per the specimen signature registered with the Company/ Depository) by the first named Member and in the absence of such Member, by the next named joint holder. A Member may sign the Postal Ballot Form through an attorney; in such case certified true copy of Power of Attorney should be attached to the Postal Ballot Form. There will be only one Postal Ballot Form for every folio irrespective of the number of joint Member(s).

6. In case of shares held by Companies, Trust, Societies etc., a duly completed Postal Ballot Form should be signed by its authorised signatories. In such cases the duly completed Postal Ballot Form should also be accompanied by a certified true copy of the Board resolution/Authority together with the specimen signature(s) of the authorised signatory(ies) duly verified.

7. An incomplete, unsigned, incorrectly completed, incorrectly ticked, defaced, torn, mutilated, overwritten, wrongly signed Postal Ballot Form will be rejected. The Postal Ballot shall not be exercised by a proxy.

8. Voting right shall be reckoned on the paid up value of shares registered in the name of Member as at the close of business on Saturday, April 1, 2017 ('Cut-off date').

9. In case a Member is desirous of obtaining a printed duplicate Postal Ballot Form, he or she may send an e-mail to tclballot2017@tsrdarashaw.com. The Registrar and Share Transfer Agent shall forward the same along with postage-prepaid self-addressed business reply envelope to the Member. However, the duly completed duplicate Postal Ballot Form should reach the scrutinizer not later than the date and time specified above.

10. If any extraneous paper is found in such envelope the same would not be considered by the Scrutinizer and would be destroyed.

11. The Scrutinizer's decision on the validity of the Postal Ballot Form shall be final.

12. The proposed Scheme, if assented by majority of Shareholders representing three-fourth of the value, by way of Postal Ballot, remote e-voting and voting by Poll at the Meeting shall be considered as passed on the date of the Meeting i.e. Monday, May 8, 2017.

E-VOTING: The Company is pleased to provide e-voting as an alternative for the Members of the Company to enable them to cast their votes electronically instead of through physical Postal Ballot Form. E-voting is optional. In case a Member has voted through e-voting facility, he/she need not send a physical Postal Ballot Form. In case a Member votes through e-voting facility as well as sends his/her vote through physical vote, vote cast through e-voting shall only be considered and the voting through physical Postal Ballot Form shall not be considered by the Scrutinizer. Members are requested to refer to the Notice and notes thereto, for detailed instructions with respect to e-voting.