

BIRLA CORPORATION LIMITED

Registered Office:

9/1, R.N. Mukherjee Road, Kolkata - 700 001

SCHEME OF AMALGAMATION

BETWEEN

TALAVADI CEMENTS LIMITED

AND

BIRLA CORPORATION LIMITED

AND

**THEIR RESPECTIVE SHAREHOLDERS
UNDER SECTIONS 391 TO 394 AND OTHER RELEVANT
PROVISIONS OF THE COMPANIES ACT, 1956**

IN THE HIGH COURT OF CALCUTTA
ORIGINAL JURISDICTION
COMPANY APPLICATION NO. 522 OF 2013

IN THE MATTER OF Companies Act, 1956;

And

IN THE MATTER OF Section 391(1), 393 and 394 of
the Companies Act, 1956;

And

IN THE MATTER OF :

TALAVADI CEMENTS LIMITED, a company
incorporated under the provisions of the Companies
Act, 1956 and having its registered office at 9/1,
R. N. Mukherjee Road, Kolkata - 700 001.

... TRANSFEROR COMPANY

And

IN THE MATTER OF :

BIRLA CORPORATION LIMITED, a company
incorporated under the provisions of the Companies
Act, 1956 and having its registered office at 9/1,
R. N. Mukherjee Road, Kolkata - 700 001.

... TRANSFEREE COMPANY

IN THE MATTER OF :

TALAVADI CEMENTS LIMITED
BIRLA CORPORATION LIMITED

... APPLICANTS

SCHEME OF AMALGAMATION

BETWEEN

TALAVADI CEMENTS LIMITED

AND

BIRLA CORPORATION LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS
UNDER SECTIONS 391 TO 394 AND OTHER RELEVANT
PROVISIONS OF THE COMPANIES ACT, 1956

Serial No.	Contents	Page No.
1.	Notice of Court Convened Meeting of Equity Shareholders of Birla Corporation Limited proposed to be held at Kalpataru Uttam Mancha, 10/1/1, Monohar Pukur Road, Kolkata - 700 026, on Tuesday, the 8th day of April, 2014 at 11:00 a.m.	02-04
2.	Explanatory Statements under Section 393 of the Companies Act, 1956	05-16
3.	Scheme of Amalgamation under Sections 391 to 394 read with other applicable provisions of the Companies Act, 1956 between Talavadi Cements Limited and Birla Corporation Limited and their respective shareholders	17-27
4.	Copy of the Observation Letters both dated 26th September, 2013 issued by BSE Limited and National Stock Exchange of India Limited, respectively	28-29
5.	Copy of the Complaints Report dated 4th September, 2013	30-33
6.	Form of Proxy	35
7.	Attendance Slip	39

**IN THE HIGH COURT OF CALCUTTA
ORIGINAL JURISDICTION
COMPANY APPLICATION NO. 522 OF 2013**

IN THE MATTER OF Companies Act, 1956;

And

IN THE MATTER OF Section 391(1), 393 and 394 of the
Companies Act, 1956;

And

IN THE MATTER OF **TALAVADI CEMENTS LIMITED**, a company
incorporated under the provisions of the Companies Act, 1956
and having its registered office at 9/1, R. N. Mukherjee Road,
Kolkata - 700 001.

... TRANSFEROR COMPANY

And

IN THE MATTER OF **BIRLA CORPORATION LIMITED**, a company
incorporated under the provisions of the Companies Act, 1956
and having its registered office at 9/1, R. N. Mukherjee Road,
Kolkata - 700 001.

... TRANSFEREE COMPANY

IN THE MATTER OF :

TALAVADI CEMENTS LIMITED ... No. 1
BIRLA CORPORATION LIMITED ... No. 2
... APPLICANTS

NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF
BIRLA CORPORATION LIMITED, THE APPLICANT COMPANY

To,

The Equity Shareholder(s) of Birla Corporation Limited being Applicant Company No. 2 ("**the Applicant Company**").

TAKE NOTICE that by an Order made on 6th January, 2014, read with Orders dt. 14th February, 2014 and 10th March, 2014 the Hon'ble High Court at Calcutta has directed that a Meeting of the equity shareholders of the Applicant Company No. 2 be held at Kalpataru Uttam Mancha, 10/1/1, Monohar Pukur Road, Kolkata - 700 026, on Tuesday, the 8th day of April, 2014 at 11:00 a.m., for the purpose of considering, and if thought fit, approving, with or without modification, the Scheme of Amalgamation between Talavadi Cements Limited and Birla Corporation Limited and their respective shareholders (the "**Scheme**").

TAKE FURTHER NOTICE that in pursuance of the said Order, a meeting of the equity shareholders of the Applicant Company No. 2 will be held at Kalpataru Uttam Mancha, 10/1/1, Monohar Pukur Road, Kolkata - 700 026, on Tuesday, the 8th day of April, 2014 at 11:00 a.m., when you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you in case of body corporate, a duly certified to be true copy of board resolution to act as such authorised representative is deposited at the Registered Office of the Applicant Company No. 2 at 9/1, R.N. Mukherjee Road, Kolkata - 700 001, not later than 48 hours before the scheduled time of the commencement of the said meeting.

The Hon'ble High Court at Calcutta has appointed Shri Sondwip Mukherjee, Advocate failing which Shri Amit Gupta, Advocate, shall be the Chairperson of the said meeting of the Equity Shareholders of the Applicant Company No. 2.

A copy of the Scheme, the Explanatory Statement under Section 393 of the Companies Act, 1956, the observation letters issued by the BSE Limited and National Stock Exchange of India Limited to the Applicant No. 2 (the Transferee Company), the complaints report, the form of proxy and an attendance slip are enclosed.

Dated this 13th day of March, 2014

Sd/-
[SONDWIP MUKHERJEE]
Chairman Appointed for the Meeting

Drawn by :

Fox & Mandal,
Advocates,
12, Old Post Office Street,
Kolkata - 700 001

Settled by :

S. Das Sarkar
27/02/2014
Assistant Registrar (Company),
High Court, OS
Calcutta

Registered Office :

Birla Corporation Limited
9/1, R.N. Mukherjee Road,
Kolkata - 700 001

Re-settled by :

Kaushik Adhikary
13/03/2014
Assistant Registrar (Company),
High Court, OS
Calcutta

Notes :

1. All alterations made in the form of proxy should be initialed.
2. **A member entitled to attend and vote at the above Meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member. Proxies, in order to be effective, must be received by the Company not less than 48 hours before the commencement of the Meeting.**
3. Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting.

Encl: As above

CA No. 522 of 2013
IN THE HIGH COURT AT CALCUTTA
ORIGINAL JURISDICTION

IN THE MATTER OF Companies Act, 1956

And

IN THE MATTER OF Section 391(1),
393 and 394 of The Companies Act.

And

IN THE MATTER OF :
Talavadi Cements Limited

... Transferor Company

And

IN THE MATTER OF :
Birla Corporation Limited

... Transferee Company

IN THE MATTER OF :
Talavadi Cements Limited
Birla Corporation Limited

... Applicants

Notice convening meeting of shareholders

Fox & Mandal,
Advocates,
12, Old Post Office Street,
Kolkata.

**IN THE HIGH COURT OF CALCUTTA
ORIGINAL JURISDICTION
COMPANY APPLICATION NO. 522 OF 2013**

IN THE MATTER OF Companies Act, 1956;

And

IN THE MATTER OF Section 391(1), 393 and 394 of the
Companies Act, 1956;

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IN THE MATTER OF **TALAVADI CEMENTS LIMITED**, a company
incorporated under the provisions of the Companies Act, 1956
and having its registered office at 9/1, R. N. Mukherjee Road,
Kolkata - 700 001.

... **TRANSFEROR COMPANY**

And

IN THE MATTER OF **BIRLA CORPORATION LIMITED**, a company
incorporated under the provisions of the Companies Act, 1956
and having its registered office at 9/1, R. N. Mukherjee Road,
Kolkata - 700 001.

... **TRANSFeree COMPANY**

IN THE MATTER OF :

TALAVADI CEMENTS LIMITED

BIRLA CORPORATION LIMITED

... **APPLICANTS**

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956

1. Pursuant to the Order dated the 6th January, 2014 passed by the Hon'ble High Court of Calcutta, in the Company Application referred to above modified by Orders dated 14/02/14 and 10/03/14, meeting of the equity shareholders of Birla Corporation Limited ("**Applicant Company No. 2**" or "**Transferee Company**" or "**Amalgamated Company**") is proposed to be convened and held for the purpose of considering and, if thought fit, approving with or without modifications, the Scheme of Amalgamation between Talavadi Cements Limited ("**Transferor Company**" or "**Amalgamating Company**") and the Applicant Company No. 2 and their respective shareholders ("**Scheme**") under Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 (the "**Act**"). A certified copy of the said order is available for inspection up to 1 (One) day prior to the date of the meeting at the Registered Office of the Applicant Company No. 2 at 9/1, R.N. Mukherjee Road, Kolkata - 700 001 between 11.00 a.m. to 1.00 p.m. on any working day except Saturdays and Sundays.
2. A copy of the Scheme setting out the details of the terms and conditions on which the Scheme is proposed is enclosed.

BACKGROUND OF THE APPLICANT COMPANY NO. 2 :

3. The Applicant Company No. 2 a Company within the meaning of the Companies Act, 1956 was incorporated as a Public Limited Company as The Birla Jute Manufacturing Company Limited on 25th August, 1919 under the Indian Companies Act, 1913. Subsequently, its name was changed to Birla Jute & Industries Limited on 7th February, 1983. The name of the Company was again changed to Birla Corp Limited on 31st March, 1997. On 27th October, 1998, the name of Birla Corp Limited was further changed to Birla Corporation Limited. The Company has its registered office in the State of West Bengal.

4. The Applicant Company No. 2 is a multi located conglomerate with presence in cement, jute, power and auto trim. Cement being the core business accounts for more than 90% of the total turnover. The main object of the Applicant Company No. 2 as contained in its Memorandum and Articles of Association, inter alia, includes as follows :
 - “ i. To carry on at such lands and elsewhere as may be hereafter determined by the Company the business of spinners, weavers, manufacturers, balers and pressers of jute, jute cuttings, jute rejections, hemp, cotton and any other fibrous material and the cultivation thereof, and the business of buyers, sellers and dealers of jute, jute cuttings, jute rejections, hemp, cotton and any other fibrous material, oil seeds and any other seeds and produce and of goods or merchandise made thereof and to transact all manufacturing or curing and preparing processes and mercantile business that may be necessary or expedient and to purchase and vend the raw material and manufactured articles.*
 - ii. To carry on, in all its branches, the business of producers, manufacturers, purchasers, refiners, importers, exporters, sellers of and dealers in cement, alumine cement, portland cement, lime and limestone, kanker, plasters, artificial stone and materials of every kind used in the manufacture thereof, whiting, clay, gravel, sand, sacks, bricks, tiles, building materials of all kinds, and all materials analogous to or connected therewith and the business of miners, metallurgists, builders, contractors and to purchase and vend all materials raw, processed or otherwise and all articles in any way connected with the aforesaid business.”*
5. The details of the authorised, issued, subscribed and paid-up share capital of the Applicant Company are set out in Clause 2.2 of the Scheme. The equity shares of the Applicant Company No. 2 are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"), (collectively, the "Stock Exchanges").

BACKGROUND OF THE TRANSFEROR COMPANY :

6. The Transferor Company, a Public Limited Company, within the meaning of the Companies Act, 1956, was incorporated on 23rd March, 1995. The Company has its registered office in the State of West Bengal.
7. The equity shares of the Transferor Company are not listed on any Stock Exchange in India.
8. The Transferor Company is a 98% subsidiary of the Transferee Company. Transferee Company holds 5880400 equity shares of the Transferor Company of Rs.10/- each. The balance 119600 shares are held by public shareholders.
9. The Transferor Company owns and operates a Fly ash extraction plant situated at Unchahar (U.P.) and meets the Fly ash requirement of the cement plants of the Applicant Company No. 2 by way of lifting Fly ash from NTPC, Unchahar. The main objects as contained in its Memorandum and Articles of Association, inter alia, includes as follows:
 - “ i. To produce, manufacture, purchase, refine, prepare, process, import, export, sell and generally to deal in cement, Portland cement, grind lime and limestone, clinker and in connection therewith to acquire, erect, construct, establish, operate and maintain cement factories, limestone quarries and work shops.*
 - ii. To acquire, purchase, take on lease or hire purchase, possess, own either solely or jointly with others, either absolutely or conditionally any deposit of limestone quarries.*
 - iii. To work, exploit, remove, mine, dugout limestone to be used or consumed in the production of cement.”*
10. The details of the authorised, issued, subscribed and paid-up share capital of the Transferor Company are set out in Clause 2.1 of the Scheme.

BACKGROUND OF THE SCHEME:

11. The Scheme provides for :
 - (a) the amalgamation of the Transferor Company with the Applicant Company No. 2 pursuant to Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 and issuance of new equity shares by the Applicant Company No. 2 to the equity shareholders of the Transferor Company in consideration for the amalgamation as set out in the Scheme and the cancellation of the existing equity shares of the Transferor Company held by the Applicant Company No. 2;
 - (b) transfer of undertaking (as set out in the Scheme) of the Transferor Company including all the assets and liabilities to the Applicant Company No. 2;
 - (c) dissolution of the Transferor Company without winding up, and various other matters consequential to or otherwise connected thereto in the matter provided in the Scheme.

RATIONALE FOR THE SCHEME :

12. The rationale for the Amalgamated Company proposing the proposed amalgamation is set out below :

- i) Amalgamation of Transferor Company into the Applicant Company No. 2 will help in achieving better efficiency and operational synergy.
- ii) The Government of Madhya Pradesh had recommended to the Ministry of Mines, Government of India allotment of limestone mining lease covering an area of 2,130.015 hectares in villages Bhumkahar, Ahirgaon etc. of District Satna in the State of Madhya Pradesh to the Transferor Company. The Ministry of Mines, Government of India, vide letter dated 8th January, 2012, conveyed its approval to the Government of Madhya Pradesh for grant of limestone mining lease of 2,130.015 hectares to the Transferor Company upon giving relaxation under Section 6(1)(b) of the Mines and Minerals (Development and Regulation) Act, 1957. Thereafter vide its order dated 29th January, 2013, the Government of Madhya Pradesh communicated its decision to the Transferor Company regarding the precise area available for grant of the mining lease and also directed the Transferor Company to submit Mining Plan duly approved by the Central Government (Indian Bureau of Mines) in respect of the said available area of 2,130.015 hectares within 6 months, so that necessary action for grant of mining lease may be taken under Rule 22(4) of the Mineral Concession Rules, 1960. However, the recommendation of allotment of mining lease has been challenged and the matter is subjudice.

The Transferor Company has submitted on 26th July, 2013 to the Mineral Resources Department, Government of Madhya Pradesh, the duly approved Mining Plan received from the Controller of Mines, Indian Bureau of Mines, Nagpur vide their letter dated 24th July, 2013.

After receiving the approved Mining Plan as above, the Mineral Resources Department of the Government of Madhya Pradesh has ultimately granted mining lease for limestone to the Transferor Company for 20 years over an area of 2,130.015 hectares in villages Bhumkahar, Ahirgaon, Bachvai etc. of District Satna in Madhya Pradesh, vide its letter dated 7th September, 2013. Depending on the outcome/status of the pending litigations, an integrated cement plant of 3 million tons per annum capacity could be set up.

The Transferor Company does not possess the financial, technical and other resources required for setting up such a large plant on its own, on an independent basis, without the support of the Applicant Company, whereas the merged entity should be in a position to meet the desired objectives.

- iii) Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of the Applicant Company by pooling up resources for common purpose;
- iv) The amalgamation will result in greater size, scale, integration and greater financial strength and flexibility for the amalgamated entity, which would in turn, result in maximizing overall shareholder value;
- v) The amalgamation will result in better control over resources, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential.

CORPORATE APPROVALS FOR THE SCHEME :

13. The proposal for the Amalgamation was placed before the Audit Committee of the Applicant Company No. 2 at its meeting held on 25th July, 2013. The Audit Committee of the Applicant Company No. 2 took into account the recommendations on the Share Exchange Ratio (as defined in the Scheme) by M/s. Ray & Ray, Chartered Accountants, Kolkata, acting as an Independent Chartered Accountant, and the Fairness Opinion Report provided by M/s. SBI Capital Markets Limited, Kolkata, acting as an Independent Merchant Banker. On the basis of the aforesaid Reports, the Audit Committee has recommended the Scheme, including the Share Exchange Ratio to the Board of Directors of the Applicant Company.
14. The Board of Directors of the Applicant Company No. 2 has taken into account the recommendations of the Audit Committee, the recommendations of the Valuation Report provided by M/s. Ray & Ray and the Fairness Opinion Report provided by M/s. SBI Capital Markets Limited in relation to the Share Exchange Ratio. Based on the aforesaid, the Board of Directors of the Applicant Company No. 2 approved the Scheme, including the Share Exchange Ratio at its meeting held on 25th July, 2013.

SALIENT FEATURES OF THE SCHEME :

15. The salient features of the Scheme are as follows :

- a) The Scheme envisages amalgamation of Transferor Company with the Applicant Company No. 2 under Section 391 to 394 and other applicable provisions, if any, of the Act.
- b) The Appointed Date is 1st April, 2013. The Scheme is conditional upon and subject to approval by the requisite majority of the shareholders of both the companies and sanction of the Scheme by the Hon'ble High Court at Calcutta under Sections 391 to 394 and other applicable provisions of the Act.
- c) With effect from the Appointed Date and upon the Scheme becoming effective all the undertaking (along with the assets and properties, all liabilities including secured and unsecured debts, contingent liability, duties and obligations whatsoever relating thereto) shall pursuant to the provisions contained in the Sections 391 to 394 of the Act and all other applicable provisions, if any, of the Act and without any further act, deed, matter or thing be and the same shall stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company on a going concern basis as provided under Clause 4. of the Scheme.
- d) With effect from the appointed date and upon the Scheme becoming effective all licences, permits, quotas, approvals, leases including mining leases, mining allotments, rights to the grant of mining leases, permission, registration, incentives, sales tax deferrals and benefits, unavailed tax and cenvat credits, mining rights and all other benefits and privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company shall stand transferred to and vested in or be available to the Transferee Company.
- e) With effect from the effective date and subject to the provisions of the same all contracts, deeds, bonds, agreements, schemes, arrangements, assurances, licences, leases, permits, approvals, rights and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or have effect immediately before the effective date, shall continue in full force and effect on or against or in favour of, as the case may be, the Transferee Company and be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been party or beneficiary or obligee thereto.
- f) On and from the appointed date all suits, actions and legal proceedings by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and/or enforced as desired by the Transferee Company and on and from the Effective Date, shall be continued and/or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the Transferee Company.
- g) Upon Amalgamation of Transferor Company with the Applicant Company No. 2, the Transferee Company shall subject to the provisions of clause 10.2 of the scheme without any further application, act, instrument or deed, issue and allot to the equity shareholders of the Transferor Company, whose names are registered in the Register of Members of the Transferor Company or his/her/its legal heirs, executors or administrators or, as the case may be, in the ratio of 1 equity share of the face value of Rs.10/- (Rupees Ten only) each of the Transferee Company with rights attached thereto as mentioned in this Scheme for every 25 (twenty five) equity shares of the face value of Rs.10/- (Rupees Ten only) each credited as fully paid-up held on the Record Date by such equity shareholders or their respective legal heirs, executors or administrators or, as the case may be, successors in the Transferor Company.
- h) Upon the Scheme becoming effective without any further application, act or deed, inter se shareholding of the Transferor Company and the Transferee Company in each other shall stand cancelled and there would be no issuance of shares by the Transferee Company in relation to such shares.
- i) The Transferee Company, soon after issue and allotment of shares to the shareholders of the Transferor Company in accordance with this Scheme, shall make an application to the BSE and NSE for listing of the additional issued shares in the Transferee Company at the said Stock Exchanges.
- j) Increase in the authorised share capital of the Applicant Company No. 2 by the addition of the authorised share capital of the Transferor Company as provided in Clause 10.5 of the Scheme shall be effective as an integral part of the Scheme and no further resolutions under Sections 16, 31, 94 or any other applicable provisions of the Companies Act, 1956 would be required.

- k) All costs, charges and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with this Scheme, and of and incidental to the completion of the amalgamation of the Transferor Company in pursuance of the Scheme shall, except as specifically provided herein, be borne and paid by the Transferee Company.
16. **The equity shareholders are requested to read the entire text of the Scheme, annexed to this Notice, to get better acquainted with the provisions thereof. As stated above, the aforesaid are only salient features thereof.**
17. No one will be prejudiced if the Scheme of Amalgamation is sanctioned.
18. Pursuant to the Scheme, the equity shares of the Applicant Company No. 2 that are proposed to be issued to the shareholders of the Transferor Company in the prescribed Share Exchange Ratio are to be listed on the same Stock Exchanges on which the equity shares of the Applicant Company No. 2 are listed, i.e. the BSE and the NSE.
19. The Applicant Company No. 2 had *vide* its letters, both dated 8th August, 2013, applied to the Stock Exchanges for their no objection to the Applicant to file Scheme with the Hon'ble High Court for sanction. The Stock Exchanges vide their letters, both dated 26th September, 2013 gave their No Objection / approval to the Applicant Company No. 2 to file the Scheme with the Hon'ble High Court for sanction. A copy of the observation letters issued by each of the Stock Exchanges is enclosed.
20. As required by the circular number CIR/CFD/DIL/5/2013 dated 4th February, 2013 read with circular number CIR/CFD/DIL/8/2013 dated 21st May, 2013, both issued by the Securities and Exchange Board of India ("**SEBI Circular**"), the Applicant Company No. 2 has filed the Complaints Report (indicating NIL complaints) with the Stock Exchanges on 4th September, 2013. A copy of the Complaints Report is enclosed.
21. Approval of majority of public shareholders of the Applicant Company No. 2 (by way of voting through postal ballot and e-voting) as required under SEBI Circular is not applicable.
22. Proceedings under Sections 235, 237, 247, 250, 397, 398 and 402 of the Companies Act, 1956 filed by some of the shareholders of the Transferee Company are pending adjudication before the Company Law Board, New Delhi Bench and a proceeding for winding up under Sections 433, 434 and 438 of the Companies Act, 1956 filed by one of the ex-employees of the Transferee Company is pending adjudication before the Hon'ble High Court as disclosed in the Supplementary Affidavit of Shri B.R. Nahar, affirmed on 07/03/2014.
23. The details of the present directors of the Applicant Company No. 2 are as follows :

S. No.	Name	Date of Birth	Position
01.	Shri Harsh V. Lodha	13.02.1967	Chairman
02.	Shri P. Majumdar	15.08.1944	Whole-time Director designated as Chief Management Advisor
03.	Shri V. Swarup	16.09.1948	Director
04.	Shri A. Bordia	10.09.1944	Director
05.	Shri B.B. Tandon	30.06.1941	Director
06.	Shri D.N. Ghosh	06.08.1928	Director
07.	Shri D. Nayyar	26.09.1946	Director
08.	Shri B.R. Nahar	14.06.1951	Managing Director

24. None of the Directors and the Key Managerial Personnel (as defined under Companies Act, 2013) and their Relatives have any interest in the Scheme of Amalgamation between the Applicant Company No. 2 and Transferor Company except as shareholders in general of the respective companies, the extent of which is as stated below :

- a) The extent of the shareholding of the Directors and Key Managerial Personnel (KMP) of Applicant Company No. 2 as on 31st December, 2013 is as under :

Name of Director/KMP	Shareholding in the Applicant Company	Shareholding in Transferor Company
Mr. Harsh Vardhan Lodha	1260*	Nil
Mr. Pracheta Majumdar	500*	Nil
Mr. Vikram Swarup	500*	Nil
Mr. Anand Bordia	500*	Nil
Mr. B. B. Tandon	500*	Nil
Mr. D.N. Ghosh	500*	Nil
Mr. Deepak Nayyar	500*	Nil
Mr. B. R. Nahar	500*	Nil
Mr. A. Saraogi (Chief Financial Officer)	100	Nil
Mr. G. Sharma (Company Secretary)	Nil	100

* Shares held jointly with other shareholders.

- b) The extent of the shareholding of the Directors of the Transferor Company (Talavadi Cements Limited) as on 31st December, 2013 is as under:

<u>Name of Director</u>	<u>Shareholding in the Applicant Company</u>	<u>Shareholding in Transferor Company</u>
Shri B.R. Nahar	500*	Nil
Shri G. Jayaraman	Nil	Nil
Shri P.S. Marwah	Nil	Nil

* Shares held jointly with other shareholders.

None of the relatives of any Directors and the Key Managerial Personnel holds any shares in the Applicant Company No. 2 and Transferor Company except that the relatives of Shri G. Sharma holds 3011 shares in the Applicant Company:

Shri B. R. Nahar is the only common Director in the Transferor Company and Applicant Company.

25. The pre and post restructuring share capital structure of the Applicant Company No. 2 is as provided at Annexure I.
26. An equity shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him. Such proxy need not be a member of the Applicant Company. The instrument appointing the proxy should however be deposited at the registered office of the Applicant Company No. 2 not later than 48 (Forty Eight) hours prior to the commencement of the meeting.
27. The following documents will be open for inspection by the equity shareholders of the Applicant Company No. 2 up to 1 (One) day prior to the date of the meeting at the Registered Office of the Applicant Company No. 2 between 11.00 a.m. and 1.00 p.m. on any working day except Saturdays and Sundays:
 - (a) Papers and proceedings including Supplementary Affidavits in Company Application No. 522 of 2013 including certified copy of the Orders of the Hon'ble High Court of Calcutta in the said Company Application directing the convening and holding of the meeting of the equity shareholders of the Applicant Company.
 - (b) Proposed Scheme of Amalgamation.
 - (c) Memorandum and Articles of Association of the Applicant Company No. 2 and Transferor Company.

- (d) Annual Report and Audited Accounts of the Applicant Company No. 2 for the Financial Year ended 31st March, 2013.
- (e) Annual Report and Audited Accounts of the Transferor Company for the Financial Year ended 31st March, 2013.
- (f) Copy of the unaudited Financial Results of the Applicant Company No. 2 for the quarter ended 30th June, 2013 and 30th September, 2013.
- (g) Copy of the unaudited Financial Results of the Transferor Company for the quarter ended 30th June, 2013 and 30th September, 2013.
- (h) Copy of the Valuation Report dated 20th July, 2013 issued by M/s. Ray & Ray, Chartered Accountants, Kolkata.
- (i) Copy of the Fairness Opinion Report dated 23rd July, 2013 issued by M/s. SBI Capital Markets Limited.
- (j) Copy of the Complaints Report dated 4th September, 2013.
- (k) Copy of the Observation letters dated 26th September, 2013 issued by the BSE and NSE.

A copy of the Scheme of Amalgamation, the Observation letters issued by the BSE and NSE, the Complaints Report, the Explanatory Statement and Form of Proxy may also be obtained from the Registered Office of the Applicant Company No. 2 or at the office of their Advocate M/s. Fox & Mandal, 12, Old Post Office Street, Kolkata - 700 001 during ordinary business hours on any working day (except Saturdays and Sundays) upto 1 (One) day prior to the date of the meeting.

Dated this 13th day of March, 2014

Sd/-
[SONDWIP MUKHERJEE]
Chairman Appointed for the Meeting

Drawn by :

Fox & Mandal,
Advocates,
12, Old Post Office Street,
Kolkata - 700 001

Settled by :

S. Das Sarkar
27/02/2014
Assistant Registrar (Company),
High Court, OS
Calcutta

Registered Office :

Birla Corporation Limited
9/1, R.N. Mukherjee Road,
Kolkata - 700 001

Re-settled by :

Kaushik Adhikary
13/03/2014
Assistant Registrar (Company),
High Court, OS
Calcutta

Annexure I

Pre Amalgamation Shareholding of the Company (as on 31st December, 2013)
Post Amalgamation shareholding of the Company (as on 31st December, 2013).

ANNEXURE - I

**PRE-AMALGAMATION SHAREHOLDING PATTERN OF BIRLA CORPORATION LIMITED (TRANSFeree COMPANY)
AS ON 31ST DECEMBER, 2013**

Category Code	Category of Shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)
(A)	Shareholding of Promoter and Promoter Group²					
(1)	Indian					
(a)	Individuals/ Hindu Undivided Family	1	1260	0	0.00	0.00
(b)	Central Government/ State Government(s)	0	0	0	0.00	0.00
(c)	Bodies Corporate	28	37379183	37252484	48.54	48.54
(d)	Financial/ Institutions/ Banks	0	0	0	0.00	0.00
(e)	Any Other					
	a) Society	7	11053748	10796008	14.35	14.35
	Sub-Total (A)(1)	36	48434191	48048492	62.90	62.90
(2)	Foreign					
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0.00
(d)	Any other (Specify)	0	0	0	0.00	0.00
	Sub-Total (A)(2)	0	0	0	0.00	0.00
	Total Shareholding of Promoter and Promoter Group (A) =(A)(1)+(A)(2)	36	48434191	48048492	62.90	62.90
(B)	Public Shareholding³					
(1)	Institutions					
(a)	Mutual Funds/UTI	24	8446104	8443627	10.97	10.97
(b)	Financial/ Institutions/ Banks	30	23951	6850	0.03	0.03
(c)	Central Government/ State Government(s)	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0.00
(e)	Insurance Companies	5	3950737	3950237	5.13	5.13
(f)	Foreign Institutional Investors	36	3596857	3596757	4.67	4.67
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00
(h)	Any Other	0	0	0	0.00	0.00
	Sub-Total (B)(1)	95	16017649	15997471	20.80	20.80
(2)	Non-Institutions					
(a)	Bodies Corporate	512	7781337	7770229	10.10	10.10
(b)	Individuals -					
	i. Individual shareholders holding nominal share capital up to Rs. 1 lakh	20020	2689561	2053909	3.49	3.49
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	21	1305031	1243303	1.69	1.69

Category Code (I)	Category of Shareholder (II)	Number of shareholders (III)	Total number of shares (IV)	Number of shares held in dematerialized form (V)	Total shareholding as a percentage of total number of shares	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)
(c)	Any Other					
	a) Non Resident Individual	270	126262	94177	0.16	0.16
	b) Trust & Foundations	4	651316	651316	0.85	0.85
	Sub-Total (B)(2)	20827	12553507	11812934	16.30	16.30
	Total Public Shareholding					
	(B) =(B)(1)+(B)(2)	20922	28571156	27810405	37.10	37.10
	TOTAL (A)+(B)	20958	77005347	75858897	100.00	100.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued	----- NOT APPLICABLE -----				
1	Promoter and Promoter Group	-	-	-	-	-
2	Public	-	-	-	-	-
	Sub-Total (C)	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	20958	77005347	75858897	100.00	100.00

Note : None of the shares belonging to the Promoter and Promoter Group category are under pledge.

**POST-AMALGAMATION SHAREHOLDING PATTERN OF BIRLA CORPORATION LIMITED
(TRANSFeree COMPANY) AS ON 31ST DECEMBER, 2013**

Category Code (I)	Category of Shareholder (II)	Number of shareholders (III)	Total number of shares (IV)	Number of shares held in dematerialized form (V)	Total shareholding as a percentage of total number of shares	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)
(A)	Shareholding of Promoter and Promoter Group²					
(1)	Indian					
(a)	Individuals/ Hindu Undivided Family	1	1260	0	0.00	0.00
(b)	Central Government/ State Government(s)	0	0	0	0.00	0.00
(c)	Bodies Corporate	28	37379183	37252484	48.54	48.54
(d)	Financial/ Institutions/ Banks	0	0	0	0.00	0.00
(e)	Any Other					
	a) Society	7	11053748	10796008	14.35	14.35
	Sub-Total (A)(1)	36	48434191	48048492	62.89	62.89
(2)	Foreign					
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0.00
(d)	Any other (Specify)	0	0	0	0.00	0.00
	Sub-Total (A)(2)	0	0	0	0.00	0.00
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	36	48434191	48048492	62.89	62.89

Category Code	Category of Shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares	
					As a percentage of (A+B)	As a percentage of (A+B+C)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)
(B)	Public Shareholding³					
(1)	Institutions					
(a)	Mutual Funds/UTI	24	8446104	8443627	10.97	10.97
(b)	Financial/ Institutions/ Banks	30	23951	6850	0.03	0.03
(c)	Central Government/ State Government(s)	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0.00
(e)	Insurance Companies	5	3950737	3950237	5.13	5.13
(f)	Foreign Institutional Investors	36	3596857	3596757	4.67	4.67
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00
(h)	Any Other	0	0	0	0.00	0.00
	Sub-Total (B)(1)	95	16017649	15997471	20.80	20.80
(2)	Non-Institutions					
(a)	Bodies Corporate	512	7781337	7770229	10.10	10.10
(b)	Individuals -					
	i. Individual shareholders holding nominal share capital up to Rs. 1 lakh	20208	2694345	2053909	3.50	3.50
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	21	1305031	1243303	1.69	1.69
(c)	Any Other					
	a) Non Resident Individual	270	126262	94177	0.16	0.16
	b) Trust & Foundations	4	651316	651316	0.85	0.85
	Sub-Total (B)(2)	21015	12558291	11812934	16.31	16.31
	Total Public Shareholding					
	(B) =(B)(1)+(B)(2)	21110	28575940	27810405	37.11	37.11
	TOTAL (A)+(B)	21146	77010131	75858897	100.00	100.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued	----- NOT APPLICABLE -----				
1	Promoter and Promoter Group	-	-	-	-	-
2	Public	-	-	-	-	-
	Sub-Total (C)	-	-	-	-	-
	GRAND TOTAL (A)+(B) +(C)	21146	77010131	75858897	100.00	100.00

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**CA No. 522 of 2013
IN THE HIGH COURT AT CALCUTTA
ORIGINAL JURISDICTION**

IN THE MATTER OF Companies Act, 1956;

And

IN THE MATTER OF Section 391(1),
393 and 394 of The Companies Act.

And

IN THE MATTER OF :
Talavadi Cements Limited

... Transferor Company

And

IN THE MATTER OF :
Birla Corporation Limited

... Transferee Company

IN THE MATTER OF :
Talavadi Cements Limited
Birla Corporation Limited

... Applicants

Statement under Section 393 of the Companies Act, 1956

Fox & Mandal,
Advocates,
12, Old Post Office Street,
Kolkata.

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

OF

Talavadi Cements Limited
9/1, R. N. Mukherjee Road, Kolkata - 700 001
(in short the "**Transferor Company**")

WITH

Birla Corporation Limited
9/1, R. N. Mukherjee Road, Kolkata - 700 001
(in short the "**Transferee Company**")

GENERAL

A. Description of Companies:

1. Talavadi Cements Limited ("**TCL**" / "**Transferor Company**"), a Public Limited Company, within the meaning of the Companies Act, 1956, was incorporated on 23rd March, 1995. It owns and operates a fly ash extraction plant situated at Unchahar, U.P. and meets the fly ash requirement of the cement plants of Birla Corporation Limited by way of lifting fly ash from NTPC, Unchahar. Its registered office is situated in the State of West Bengal.
2. Birla Corporation Limited ("**BCL**" / "**Transferee Company**"), a Company within the meaning of the Companies Act, 1956 was incorporated as a Public Limited Company as The Birla Jute Manufacturing Company Limited on 25th August, 1919 under the Indian Companies Act, 1913. Subsequently, its name was changed to Birla Jute & Industries Limited on 7th February, 1983. The name of the Company was again changed to Birla Corp Limited on 31st March, 1997. On 27th October, 1998, the name of Birla Corp Limited was further changed to Birla Corporation Limited. The Company has its registered office in the State of West Bengal. The Company is a multi-location conglomerate with presence in cement, jute, power and auto trim. Cement being the core business accounts for more than 90% of the total turnover of the Company.
3. This Scheme of Amalgamation provides for the amalgamation of the Transferor Company with the Transferee Company pursuant to Sections 391 to 394 and other relevant provisions of the Companies Act, 1956.

B. Rationale of the Scheme :

The amalgamation of the Transferor Company with the Transferee Company would inter alia have the following benefits :

- a) The Transferor Company is a 98% subsidiary of the Transferee Company and its Fly Ash Extraction Plant at Unchahar, Uttar Pradesh is fully dedicated to meet the fly ash requirements of the cement plants of the Transferee Company. Merger of TCL into BCL will help in achieving better efficiency and operational synergy.

The Madhya Pradesh Government had recommended to the Union Ministry of Mines, allotment of limestone mining lease of about 2,130 hectares in Satna District in the State of Madhya Pradesh to TCL. The Madhya Pradesh State Government vide its order dated 29th January, 2013 has communicated its decision to TCL regarding the precise area to be granted under the mining lease and has also directed the company to submit mining plan within a period of 6 months duly approved by the Central Government under Rule 22(4) of the Mineral Concession Rules, 1960 for taking further necessary action for grant of mining lease. Draft mining plan has already been submitted and necessary action is being taken for submission of final mining plan with the State Government. However, mining lease allotment has been challenged and the matter is subjudice. Depending on the outcome/status of the pending litigations, an integrated cement plant of 3 million tons per annum capacity could be set up.

- b) TCL does not possess the financial, technical and other resources required for setting up such a large plant, whereas the merged entity should be in a position to meet the desired objectives.
- c) Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of BCL by pooling up resources for common purpose;
- d) The amalgamation will help in achieving optimum advantages and also to achieve greater efficiency and synergy in operations by combining the activities of the Transferor Company with the Transferee Company;
- e) The amalgamation will result in greater size, scale, integration and greater financial strength and flexibility for the amalgamated entity, which would in turn, result in maximizing overall shareholder value;

- f) The synergies that exist between the entities in terms of services and resources can be put to the best advantage of all stakeholders;
- g) The amalgamation will result in better control over resources, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential;
- h) The merged entity will be able to make larger investments for growth and the amalgamation shall facilitate further resource raising.

In view of the aforesaid, the Board of Directors of the Transferor Company as well as the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Company with the Transferee Company in order to benefit the stakeholders of both companies. Accordingly, the Board of Directors of both the companies have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertaking and business of the Transferor Company to the Transferee Company pursuant to the provisions of Sections 391 to Section 394 of the Companies Act, 1956.

C. Parts of the Scheme :

This Scheme of Amalgamation is divided into the following parts:

- i. Part I deals with definitions of the terms used in this Scheme of Amalgamation and sets out the share capital of the Transferor Company and the Transferee Company.
- ii. Part II deals with the transfer of the Undertaking (as hereinafter defined) of the Transferor Company to the Transferee Company;
- iii. Part III deals with the issue of new equity shares by the Transferee Company to the equity shareholders of the Transferor Company;
- iv. Part IV deals with the accounting treatments for the amalgamation in the books of the Transferee Company and declaration of dividends;
- v. Part V deals with the dissolution of Transferor Company and general terms and conditions applicable to this Scheme of Amalgamation and other matters consequential and integrally connected thereto.

PART - I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS :

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

- a. 'Act' means the Companies Act, 1956 or any statutory amendment(s) or re-enactment thereto, from time to time.
- b. 'Appointed Date' for the purpose of the Scheme means the date beginning with the business hours on the 1st day of April, 2013.
- c. 'Board of Directors' or 'Board' means the board of directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted committee thereof.
- d. 'Effective Date' means the last of the dates on which all the conditions and matters referred to in Clause 23 of Part V hereof have been fulfilled and the Orders of the High Court sanctioning the Scheme are filed with the Registrar of Companies by the Transferor Company and the Transferee Company. References in this Scheme to the date of 'coming into effect of this Scheme' or 'effectiveness of the Scheme' shall mean the Effective Date.
- e. 'High Court' means the Hon'ble High Court at Calcutta having jurisdiction in relation to the Transferor Company and Transferee Company, as the context may admit and shall, if applicable, include the National Company Law Tribunal, as the context may require;
- f. 'Record Date' means the date to be fixed by the Board of Directors of the Transferee Company for determining names of the equity shareholders of the Transferor Company, who shall be entitled to shares of the Transferee Company upon coming into effect of this Scheme as specified under Clause 10 of this Scheme;
- g. 'Scheme' means this Scheme of Amalgamation in its present form or with any modifications approved or directed by the Hon'ble High Court at Calcutta.

- h. 'Transferee Company' or "BCL" means Birla Corporation Limited, a limited company under the Companies Act, 1956 and having its registered office at 9/1, R. N. Mukherjee Road, Kolkata - 700 001.
- i. 'Transferor Company' or "TCL" means Talavadi Cements Limited, a limited company under the Companies Act, 1956 and having its registered office at 9/1, R. N. Mukherjee Road, Kolkata - 700 001.
- j. 'Undertaking' means the whole of the undertaking and entire business of the Transferor Company as a going concern, including (without limitation):
 - (a) All the assets and properties (whether movable and immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company, including, without being limited to all its plant & machinery, buildings and structures, offices, office equipments, accessories, power lines, deposits, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units), cash balances including with banks, loans, advances, contingent rights or benefits, receivables, earnest moneys, advances or deposits paid by the Transferor Company, mining leases, allotment, right and interest of the Transferor Company to/in the allotment of limestone mining lease, financial assets, lease and hire purchase contracts, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantee, reversions, powers, municipal permissions, authorities, allotments, approvals, consents, licences, registrations, contracts, engagements, arrangements, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of, or enjoyed by the Transferor Company including licenses, fixed and other assets, trade and service names, liberties, patents, trade marks, designs, copyrights and other intellectual property rights of any nature whatsoever, import licences, quotas, permits, concessions, subsidies, approvals, authorisations, right to use and avail of telephones, telexes, facsimile connections, land installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets and properties and all agreements and all other interests held on trust, registrations, contracts, engagements, arrangements of all kinds, privileges and all other rights including sales tax deferrals, title, interests, other benefits (including tax benefits), easements, arrangements of all kind, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to that of the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company;
 - (b) All secured and unsecured debts, liabilities (including contingent liabilities), duties and obligations of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised, incurred or utilized;
 - (c) All agreements, rights, contracts, entitlements, permits, licences, approvals, authorities, concessions, consents, quota rights, fuel linkages, engagements, arrangements, authorities, allotments, security arrangements, benefits of any guarantee, reversions, powers and all other approvals of every kind, nature, description whatsoever relating to the Transferor Company's business activities and operations;
 - (d) All intellectual property rights, records, files, papers, computer programmes, manuals, catalogues, sales material, list of clients, other client information and all other records and documents relating to the Transferor Company's business activities and operations;

All terms not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Depositories Act, 1996 and other applicable laws, rules, regulations and bye laws, as may be applicable or any statutory amendment(s) or re-enactment thereof, from time to time.

2. SHARE CAPITAL :

2.1 Transferor Company :

As per the last audited balance sheet for the year ended March 31, 2013 the authorised share capital of the Transferor Company is Rs.6,00,00,000/- (Rupees Six Crores only) divided into 60,00,000 Equity Shares of Rs.10/- each and issued, subscribed and paid up share capital is Rs.6,00,00,000/- (Rupees Six Crores Only) divided into 60,00,000 Equity Shares of Rs.10/- each fully paid up.

2.2 Transferee Company :

As per the last audited balance sheet for the year ended March 31, 2013 the authorised share capital of the Transferee Company is Rs.100,00,00,000/- (Rupees One Hundred Crores only) divided into 9,00,00,000 Equity Shares of Rs.10/- each and 10,00,000 Preference Shares of Rs.100/- each and issued, subscribed and paid up share capital is Rs.77,00,53,470 (Rupees Seventy Seven Crores Fifty Three Thousand Four Hundred and Seventy only) divided into 7,70,05,347 Equity Shares of Rs.10/- each fully paid up.

3. DATE WHEN THE SCHEME COMES INTO OPERATION :

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

PART - II

TRANSFER OF UNDERTAKING

4. TRANSFER OF UNDERTAKING :

4.1 **General :**

Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Undertaking of the Transferor Company shall, pursuant to the sanction of this Scheme by the High Court and pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in the Scheme.

4.2 **Transfer of Assests :**

4.2.1 Without prejudice to the generality of clause 4.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date :

- (a) All assets and properties comprised in the Undertaking of whatsoever nature and wheresoever situate, shall, under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act or deed be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the assets and properties of the Transferee Company PROVIDED that the Board of Directors of the Transferee Company shall be entitled, at their discretion and as may be advised or considered fit, expedient or necessary, to determine the classification/reclassification and treatment of any or all of the assets transferred to and vested in the Transferee Company pursuant to this Scheme.
- (b) Without prejudice to the provisions of sub-clause (a) above in respect of such of the assets and properties of the Transferor Company, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Company and shall, upon such transfer, become the assets and properties of the Transferee Company as an integral part of the Undertaking without requiring any deed or instrument or conveyance for the same.
- (c) In respect of the movables other than those dealt with in sub-clause (b) above including sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be recovered, bank balances, investments, earnest money and deposits with any Government, quasi-government, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (although the Transferee Company may if it so deems appropriate, give notice in such form as it may deem fit and proper, to each person, debtors or depositor, as the case may be, that the said debt, loan, advance, balance or deposit stand transferred and vested in the Transferee Company).
- (d) All licenses, permits, quotas, approvals, leases including mining leases, mining allotments, rights to the grant of mining leases, permissions, registrations, incentives, sales tax deferrals and benefits, unavailed tax and cenvat credits, if any, subsidies, concessions, grants, rights, including mining rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date, shall under the provisions of Section 391 to 394 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or deemed to be transferred to and vested in or be available to the Transferee Company so as to become as and from the Appointed Date, licences, permits, quotas, approvals, permissions, registrations, incentives, sales tax deferrals and benefits, unavailed tax and cenvat credits subsidies, concessions, grants, rights, claims, leases including mining leases, allotments, rights including mining rights, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

4.2.2 All assets and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets and properties, which are acquired by the Transferor Company on or after the Appointed

Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company and shall under the provisions of Sections 391 to 394 and all other applicable provisions if any of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Section 391 to 394 of the Act, provided however that no onerous asset shall have been acquired by the Transferor Company after the Appointed Date without the prior written consent of the Transferee Company.

- 4.2.3 The holders of shares of Transferor Company and Transferee Company shall, save as otherwise provided under this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends from the respective companies of which they are members till the Effective Date.

4.3 Transfer of Liabilities :

- 4.3.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date all liabilities relating to and comprised in the Undertaking including all secured and unsecured debts, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and however arising, raised or incurred or utilized for business activities and operations along with any charge, encumbrances, lien or security thereon (hereinafter referred to as “**Liabilities**”) shall, pursuant to the sanction of this Scheme by the High Court and under the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, and the same shall be assumed by the Transferee Company to the extent they are outstanding on the Effective Date so as to become as from the Appointed Date, the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company and the Transferee Company shall meet, discharge and satisfy the same and further that it shall not be necessary to obtain the consent of any third party or other person who is party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this clause.
- 4.3.2 All debts, liabilities, duties and obligations of the Transferor Company shall, as on the Appointed Date, whether or not provided in the books of the Transferor Company, and all debts and loans raised and used, and duties, liabilities and obligations incurred or which arise or accrue to the Transferor Company on or after the Appointed Date till the Effective Date shall be deemed to be and shall become the debts, loans raised and used, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.
- 4.3.3 Where any such debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company.
- 4.3.4 All loans raised and utilized and all liabilities, duties and obligations incurred or undertaken by the Transferor Company after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 391 to 394 of the Act, without any further act, instrument or deed be and stand transferred to or vested in or deemed to have been transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.3.5 Loans, advances, debts and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at an time in future become due between the Transferor Company and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any such inter-company loans, advances and other obligations with effect from the Appointed Date.
- 4.3.6 The Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Company which shall vest in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be obliged to create any further, or additional security therefor after the amalgamation has become effective or otherwise.

4.4 Inter-se Transactions :

Without prejudice to the provisions of clause 4.1 to 4.4, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.

5. CONTRACTS, DEEDS ETC. :

- a. Upon the coming into effect of this Scheme and subject to the provisions hereof, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances, licences, leases, permits, approvals, rights and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, the Transferee Company and be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been party or beneficiary or obligee thereto or thereunder.
- b. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which any of the Transferor Company is a party or any writings that may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.
- c. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of any of the Transferor Company shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall be entitled to receive relevant approvals from the concerned Government Authorities as may be necessary in its name.

6. LEGAL PROCEEDINGS :

On and from the Appointed Date, all suits, actions and legal proceedings by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and/or enforced as desired by the Transferee Company and on and from the Effective Date, shall be continued and/or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the Transferee Company.

7. CONDUCT OF BUSINESS :

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

- a) The Transferor Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of the Undertaking on account of, and for the benefit of and in trust for, the Transferee Company.
- b) All profits or incomes accruing or arising to the Transferor Company, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profit and income) by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrues as the profits or incomes or as the case may be, expenditure or losses (including taxes) of the Transferee Company.
- c) All taxes (including income tax, sales tax, excise duty, customs duty, service tax and VAT) paid or payable by the Transferor Company in respect of the operations and/or the profits of their respective businesses before the Appointed Date, shall be on account of the Transferor Company and, in so far as it relates to the tax payment (including, without limitation, sales tax, excise duty, custom duty, income tax, service tax and VAT) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of their respective businesses after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings be dealt accordingly.
- d) Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.

7.2 With effect from the first of the dates of filing of this Scheme with the High Court and up to and including the Effective Date :

- a) The Transferor Company shall preserve and carry on its business and activities with reasonable diligence and business prudence and shall not undertake any financial commitments of any nature whatsoever, borrow any amounts nor incur any liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its subsidiaries or group companies or any third party or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking or any part thereof save and except in each case in the following circumstances:
 - (i) if the same is in its ordinary course of business as carried on by it as on date of filing this Scheme with the High Court; or
 - (ii) if the same is permitted by this Scheme; or
 - (iii) if written consent of the Transferee Company has been obtained.
- b) The Transferor Company shall not take, enter into, perform or undertake, as applicable (i) any material decision in relation to its business and affairs and operations (ii) any agreement or transaction (other than an agreement or transaction in ordinary course of the Transferor Company's business); and (iii) such other matters as the Transferee Company may notify from time to time; without the prior written consent of the Transferee Company.

8. SAVING OF CONCLUDED TRANSACTIONS :

Subject to the terms of this Scheme, the transfer and the vesting of the Undertaking of the Transferor Company under Clause 4 of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

PART - III

ISSUE OF EQUITY SHARES BY TRANSFEE COMPANY

9. The provisions of this Part III shall operate notwithstanding anything to the contrary in any other instrument, deed or writing.

10.1 Issue of new equity shares by Transferee Company

10.1.1 Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Undertaking of the Transferor Company in the Transferee Company in terms of this Scheme, the Transferee Company shall, subject to the provisions of clause 10.2 without any further application, act, instrument or deed, issue and allot to the equity shareholders of the Transferor Company, whose names are registered in the Register of Members of the Transferor Company on the Record Date (to be fixed by the Board of Directors of the Transferee Company) or his/her/its legal heirs, executors or administrators or, as the case may be, successors, equity shares of Rs.10/- (Rupees Ten only) each, credited as fully paid up of the Transferee Company, in the ratio of 1 (one) equity share of the face value of Rs.10/- (Rupees Ten only) each of the Transferee Company with rights attached thereto as mentioned in this Scheme for every 25 (twenty five) equity shares of the face value of Rs.10/- (Rupees Ten only) each credited as fully paid-up held on the Record Date by such equity shareholders or their respective legal heirs, executors or administrators or, as the case may be, successors in the Transferor Company.

10.1.2 Where new equity shares of the Transferee Company are to be allotted to heirs, executors or administrators or, as the case may be, to successors of deceased equity shareholders of the Transferor Company, the concerned heirs, executors, administrators or successors shall be obliged to produce evidence of title satisfactory to the Board of Directors of the Transferee Company.

10.1.3 The ratio in which equity shares of the Transferee Company are to be issued and allotted to the shareholders of the Transferor Company is herein referred to as the 'Share Exchange Ratio'. In the event the Transferee Company restructures its equity share capital by way of share split/ consolidation/issue of bonus shares during the pendency of the Scheme, the Share Exchange Ratio shall be adjusted accordingly to take into account the effect of such corporate actions.

- 10.2 Notwithstanding the provisions of clause 10.1 above the inter se shareholding of Transferor Company and the Transferee Company in each other shall stand cancelled upon the Scheme becoming effective without any further application, act or deed and there would be no issuance of shares by the Transferee Company in relation to such shares.

- 10.3 Approval of this Scheme by the shareholders of the Transferee Company by requisite majority under Section 391 of the Act shall also amount to passing of a special resolution by the shareholders of the Transferee Company under Section 81(1A) of the Act for issue and allotment of shares to the shareholders of the Transferor Company under this Scheme and for this purpose no separate resolution under Section 81(1A) of the act shall be required to be passed by the shareholders of the Transferee Company.

10.4 The shares of the Transferee Company are listed in the BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE'). The Transferee Company, soon after issue and allotment of shares to the shareholders of the Transferor Company in accordance with this Scheme, shall make an application to the BSE and NSE for listing of the additional issued shares in the Transferee Company at the said Stock Exchanges.

10.5 Increase in authorised, issued, subscribed and paid up capital of Transferee Company

Upon the Scheme coming into effect, the authorised equity share capital of the Transferee Company in terms of its Memorandum of Association and Articles of Association shall automatically stand enhanced without any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees payable to Registrar of Companies, by an amount of Rs.6,00,00,000/- (Rupees six crores only), and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Section 16, Section 31, Section 94 or any other applicable provisions of the Act, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Company on its authorised share capital shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorised equity share capital and accordingly, the Transferee Company shall not be required to pay any fees / stamp duty on the authorised share capital so increased.

Accordingly in terms of this Scheme, the authorised equity share capital of the Transferee Company shall stand enhanced to an amount of Rs.96,00,00,000/- (Rupees ninety six crores only) divided into nine crores sixty lacs equity shares of Rs.10/- each.

Upon the Scheme becoming effective, the issued, subscribed and paid up capital of the Transferee Company shall stand suitably increased consequent upon the issuance of new equity shares in accordance with clause 10.1 above.

10.6 General provisions :

(a) Issue of shares in physical form :

In so far as the issue of new equity shares by the Transferee Company pursuant to Clause 10.1 above is concerned, each of the shareholders of the Transferor Company holding shares in physical form on the record date shall have the right, to receive, the new equity shares of the Transferee Company in physical form, in lieu of shares in the Transferor Company in accordance with the terms hereof. The physical share certificates representing the equity shares of the Transferor Company shall stand automatically and irrevocably cancelled on the issue of new equity shares by the Transferee Company in terms of clause 10.1 above.

(b) Pending share transfer, etc. :

In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors of the Transferor Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, if considered practically and legally feasible, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or transferee of equity shares in the Transferor Company, after the effectiveness of this Scheme;

(c) New Equity Shares subject to same terms :

The new equity shares issued and allotted by the Transferee Company in terms of this Scheme shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall inter-se rank pari passu in all respects with the then existing equity shares of the Transferee Company, including in respect of dividend, if any, that may be declared by the Transferee Company on or after the Effective Date:

(d) Obtaining of approvals :

For the purpose of issue of equity shares to the shareholders of the Transferor Company, the Transferee Company shall, if and to the extent required, apply for and obtain the required statutory approvals and approvals of other concerned regulatory authorities for the issue and allotment by the Transferee Company of such equity share.

(e) Fractional Entitlement :

No fractional certificates, entitlements or credits shall be issued or given by the Transferee Company in respect of the fractional entitlements, if any, to which the shareholders of the Transferor Company are entitled on the issue and allotment of equity shares by the Transferee Company in accordance with this Scheme. The Board of Directors of the Transferee Company shall instead consolidate all such fractional entitlements to which the shareholders of the Transferor Company may be entitled on

issue and allotment of the equity shares of the Transferee Company as aforesaid and shall, without any further application, act, instrument or deed, issue and allot such fractional entitlements directly to an individual trustee or a board of trustees or a corporate trustee (the '**Trustee**'), who shall hold such fractional entitlements with all additions or accretions thereto in trust for the benefit of the respective shareholders to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such fractional entitlements at such price or prices and at such time or times as the Trustee may in its sole discretion decide and on such sale pay to the Transferee Company the net sale proceeds thereof and any additions and accretions thereto, whereupon the Transferee Company shall, subject to applicable withholding tax, if any, distribute such sale proceeds to the concerned shareholder(s) of the Transferor Company in proportion to their respective fractional entitlements.

PART - IV

ACCOUNTING TREATMENT AND DECLARATION OF DIVIDENDS

11. ACCOUNTING TREATMENT :

- (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date for the purpose of accounting for and dealing with the value of the Assets and Liabilities in the books of the Transferee Company, a Statement of Account as on the Appointed Date shall be prepared on the basis of the Books of Accounts of the Transferor Company as audited by the Auditors in respect of the Assets and Liabilities of the Transferor Company to be transferred pursuant to the Scheme, for incorporating in the Books of Account of the Transferee Company. Such Statement of Account shall be drawn up taking the Assets and Liabilities at the values appearing in the Books of Account of the Transferor Company as on the Appointed Date. The Reserves and Surplus in the books of the Transferor Company shall also be transferred and continue to be maintained in their existing form in the books of the Transferee Company. The difference between the values of the assets and liabilities of the Transferor Company as recorded and incorporated by the Transferee Company in its Books of Account, as reduced by the aggregate face value of the Equity Shares allotted by the Transferee Company, will be adjusted with the reserves and surplus and will be incorporated in the Books of Account of the Transferee Company as part of its Capital Reserves or dealt with in any other manner, as prescribed by Accounting Standards.
- (b) As considered appropriate for the purpose of reflecting the book value of the Assets and Liabilities of the Transferor Company and the Transferee Company in the books of the Transferee Company on the Appointed Date, suitable effect may be given including, but not restricted to elimination of inter-company transactions and balances between the Transferor Company and the Transferee Company and/or application of uniform accounting policies and methods.
- (c) To the extent that there are inter company loans, deposits, debenture holding or any other balances as between the Transferor Company and Transferee Company, the obligation in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets and liabilities as the case may be. For the removal of doubt, it is clarified that in view of the above, there would be no accrual of interest or other charges in respect of any such inter-company loan, deposit or balances, with effect from the Appointed Date.

12. DECLARATION OF DIVIDEND :

- 12.1 For the avoidance of doubts it is hereby clarified that nothing in this Scheme shall prevent the Transferee Company from declaring and paying dividends, whether interim or final, to its equity shareholders as on the respective record date for the purpose of dividend and the shareholders of the Transferor Company shall not be entitled to dividends, if any, declared by the Transferee Company prior to the Effective Date.
- 12.2 It is clarified that the aforesaid provision in respect of declaration of dividend, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of Directors of the Transferee Company and subject to, wherever necessary, the approval of the shareholders of the Transferee Company, only.

PART - V

DISSOLUTION OF TRANSFEROR COMPANY AND GENERAL TERMS AND CONDITIONS

13. DISSOLUTION OF TRANSFEROR COMPANY :

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

14. VALIDITY OF EXISTING RESOLUTIONS ETC. :

Upon the coming into effect of this Scheme, resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

15. PROCEEDINGS BEFORE THE HIGH COURT :

- (a) On the Scheme being agreed by all the equity shareholders of the respective Transferor Company and the Transferee Company, with the consent of the said shareholders, the Transferor Company and the Transferee Company shall make applications to the High Court of Calcutta under Section 391 of the said Act seeking orders for dispensing of convening and holding of the meetings of its equity shareholders and/or other stakeholders and/or the Transferor Company and the Transferee Company shall make applications for convening and holding of the meetings of its equity shareholders to be called, held and conducted in such manner as the High Court may direct and to consider and if thought fit to approve, with or without modification, this Scheme.
- (b) On this Scheme being agreed by members of the Transferor Company and of the Transferee Company, the Transferor Company and the Transferee Company shall apply to the High Court of Calcutta respectively for sanctioning the Scheme of Amalgamation under Sections 391 and 394 of the Companies Act, 1956 and for such other Order, or Orders, as the Court may deem fit for carrying this Scheme into effect and for dissolution of the Transferor Company without winding up.
- (c) Any such application shall, upon constitution of the National Company Law Tribunal under Section 10FB of the Act, be made and/or pursued before the National Company Law Tribunal, if so required. In such event references in this Scheme to the Hon'ble High Court at Calcutta shall be construed as references to the National Company Law Tribunal as the context may require.
- (d) It is hereby clarified that submissions of the Scheme to the Court and to any authorities for their respective approvals is without prejudice to all rights, interest, titles and defenses that Transferor Company and Transferee Company have or may have under or pursuant to all applicable laws.
- (e) The Transferor Company and Transferee Company shall also take such other steps as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.

16. MODIFICATION OF SCHEME :

The Transferor Company and the Transferee Company (by their respective Board of Directors or such other person or persons, as the respective Boards of Directors may authorise) are empowered and authorized to assent from time to time to any modifications or amendments or substitutions of this Scheme or of any conditions or limitations therein which the High Court and/or any authorities under law may deem fit to approve or direct.

17. FILING OF APPLICATIONS :

The Transferor Company and the Transferee Company shall with all reasonable despatch, make and file all applications and petitions under Sections 391 to 394 and other applicable provisions of the Act before the High Court, and shall apply for such approval as may be required under the law.

18. APPROVALS :

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

19. TAX RETURNS & TDS :

19.1 Upon the coming into effect of the Scheme, all the taxes paid (including TDS) by the Transferor Company from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same. It is specifically declared that Transferee Company shall be entitled to claim credit for taxes and duties paid pertaining to the Transferor Company notwithstanding that the certificate, challan or other documents for payment of such taxes and duties are in the name of Transferor Company.

19.2 On the Scheme becoming effective, the Transferee Company shall be entitled to file/ revise its income tax returns, TDS Returns, VAT and Service Tax Returns and other statutory returns, if required, and shall have the right to claim refunds, depreciation

benefits, advance tax credits, minimum alternative tax credit etc., if any, as also the income tax returns filed by the Transferor Company so far as is necessitated on account of the Scheme becoming effective with effect from 1st April, 2013, being the Appointed Date under the Scheme.

19.3. The amalgamation of Transferor Company with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of Section 2(1B) of the Income Tax Act, 1961.

20. SCHEME CONDITIONAL UPON :

This Scheme is specifically conditional upon and subject to :

- (a) the approval of and agreement to the Scheme by requisite majority of the respective classes of members of Transferor Company and the Transferee Company as may be directed by the High Court of Calcutta on the applications made for directions under Section 391 of the said Act;
 - (b) the sanction of the High Court of Calcutta being obtained under Sections 391 and 394 of the said Act in favour of the Transferor Company and the Transferee Company and to the necessary Order or Orders under Section 394 of the said Act, being obtained.
 - (c) any other sanction or approval of the Appropriate Authorities concerned, as may be considered necessary and appropriate by the respective Boards of Directors of the Transferor Company and the Transferee Company, being obtained and granted in respect of any of the matters for which such sanction or approval is required.
 - (d) The certified copies of the orders of the High Court sanctioning this Scheme being filed with the Registrar of Companies, West Bengal.
21. In the event of any of the said sanctions and approvals not being obtained and/or the scheme not being sanctioned by the High Court and/or the Order or Orders not being passed, as aforesaid, the Scheme of Amalgamation shall become null and void and each party shall bear and pay its respective costs, charges and expenses for and/or in connection with the Scheme.
 22. In the event of non-fulfillment of any or all obligations under the Scheme by any Company towards the other Company, inter-se or to third parties and non-performance of which will put the other Company under any obligation, then such Company will indemnify the other Company in respect of all costs/interests, etc.
 23. If any part of this Scheme is found to be unworkable for any reason whatsoever, in the sole discretion of the Transferor Company and the Transferee Company either by the Board of Directors or through the persons authorized by them in this behalf, the same shall not, subject to the decision of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.
 24. In the event that any conditions imposed by the Court are found unacceptable for any reason whatsoever by Transferor or Transferee Company, then Transferor Company and/or Transferee Company shall be entitled to withdraw the Scheme in which event no rights and liabilities whatsoever shall accrue to or be incurred inter se to or by the parties or any of them.
 25. Even after this Scheme becomes operative, the Transferee Company shall be entitled to operate all Bank Accounts relating to the Transferor Company and realise all monies and complete and enforce all pending contracts and transactions in the name of the Transferor Company in so far as may be necessary until the transfer of rights and obligations of Transferor Company to Transferee Company under this Scheme is formally accepted by the parties concerned.
 26. On the approval of the Scheme by the members of Transferor Company and Transferee Company pursuant to Section 391 of the Act, it shall be deemed that the said members have also accorded all relevant consents under provisions of the Act to the extent the same may be considered applicable.
 27. All costs, charges and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with this Scheme, and of and incidental to the completion of the amalgamation of the Transferor Company in pursuance of the Scheme shall, except as specifically provided herein, be borne and paid by the Transferee Company.

Ref: DCS/AMAL/RT/24(f)/267/2013-14

September 26, 2013

The Company Secretary
Birla Corporation Limited.
Birla Building 9/1 R N Mukherjee Road,
Kolkata, West Bengal 700001.

Dear Sir;

Sub: Observation letter regarding the Scheme of Amalgamation of Talavadi Cements Limited with the company.

We refer to your draft Scheme of Arrangement under Sections 391 to 394 of the Companies Act, 1956 involving Scheme of Amalgamation of Talavadi Cements Limited with the company.

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

As required under SEBI Circular No.CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No.CIR/CFD/DIL/8/2013 dated May 21, 2013; SEBI vide the e-mail dated September 26, 2013 has given the following comment(s) on the draft scheme of arrangement:

- a) *"the company should ensure that the fairness opinion to be displayed from the date of receipt of this letter on the website of the listed company".*
- b) *"the company shall duly comply with various provisions of the Circular."*

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

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of arrangement.

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

Yours faithfully,


Jayesh Ashtekar
Manager


Bhuvana Sriram
Deputy Manager



NATIONAL STOCK EXCHANGE
OF INDIA LIMITED



Stock of the nation

Ref: NSE/LIST/217187-2

September 26, 2013

The Company Secretary
Birla Corporation Limited
Birla Building, 9/1, R.N. Mukherjee Road,
Kolkata – 700001.

Kind Attn.: Mr. Girish Sharma

Dear Sir,

Sub: Observation letter for Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956 of Talavadi Cements Limited with Birla Corporation Limited.

We are in receipt of the draft Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956 of Talavadi Cements Limited with Birla Corporation Limited.

We have perused the draft Scheme of Amalgamation and the related documents/details submitted by Birla Corporation Limited including the confirmation of the Company Secretary that the scheme so submitted does not in any way violate, over-ride or circumscribe the provisions of the Securities Laws or the Stock Exchange requirements.

Pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 and SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, SEBI has vide letter dated September 26, 2013, has given following comments on the draft Scheme of Amalgamation:

- "a. The "fairness opinion" submitted by the Company to be displayed on the website of the listed company alongwith various documents submitted pursuant to the Circulars and
- b. the company shall duly comply with various provisions of the Circulars."

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

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

Yours faithfully,
For National Stock Exchange of India Ltd.

Kamlesh Patel
Manager



BIRLA CORPORATION LIMITED

1, SHAKESPEARE SARANI, 2ND FLOOR, KOLKATA - 700 071
Phone : (033) 6603 3300 / 01 / 02, Fax : (033) 2288 4426
E-mail : coordinator@birlacorp.com; Website : www.birlacorporation.com

Ref.74G/

Date: 04.09.2013

The General Manager
Department of Corporate Services
BSE Limited
P.J. Towers, Dalal Street,
Mumbai - 400 001
Scrip Code : 500335

Dear Sir,

Sub: Submission of Complaints Report

Ref: Application under clause 24(f) of the Listing Agreement for the proposed scheme of Amalgamation of Talavadi Cements Limited with Birla Corporation Limited (Scrip Code - 500335).

Ref: Clause 24(f) of the Listing Agreement read with SEBI Circular No.CIR/CFD/DIL/5/2013 dated February 04, 2013 and Circular No.CIR.CFD/DIL/8/2013 dated May 21, 2013

This has reference to our letter no.74G dated 08.08.2013 vide which we had submitted our application under Clause 24(f) of the Listing Agreement.

In accordance with Clause 5.15 of the SEBI Circular dated 4th February, 2013 we hereby confirm that we have not received any complaint. We further confirm that our Registrar and Share Transfer Agent, M/s. MCS Limited have also not received any complaints in this regard.

We further confirm that we have not been forwarded any complaint by the BSE Limited (Designated Stock Exchange) and National Stock Exchange of India Limited in this regard.

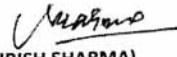
In terms of Clause 5.13 of the SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013, we enclose herewith the 'Complaints Report' indicating NIL complaints received on the Draft Scheme submitted with the application referred in the captioned matter.

The Complaints Report will also be uploaded on the website link of the Company i.e. www.birlacorporation.com/talavadi-amalgamation.html.

Hope, you will find the above in order and would proceed to take further necessary action in the matter for issue of 'Observation letter'.

Thanking you.

Yours faithfully
For BIRLA CORPORATION LIMITED


(GIRISH SHARMA)

Sr. Vice-President (Indirect Taxes)
& Company Secretary

Encl: As above



REGISTERED OFFICE : Birla Building, 5/1 R. N. Mukherjee Road, Kolkata - 700 091



BIRLA CORPORATION LIMITED

1, SHAKESPEARE SARANI, 2ND FLOOR, KOLKATA - 700 071

Phone : (033) 6603 3300 / 01 / 02. Fax : (033) 2288 4426

E-mail : coordinator@birlacorp.com; Website : www.birlacorporation.com

Complaint Report

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchanges	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

Part B

Sr. No.	Name of complainant	Date of complaint	Status(Resolved/Pending)
-----Not Applicable-----			

For BIRLA CORPORATION LIMITED



(Signature)

(GIRISH SHARMA)

Sr. Vice-President (Indirect Taxes)
& Company Secretary

Date: 04.09.2013

Place: Kolkata



BIRLA CORPORATION LIMITED

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Ref.74G/

Date: 04.09.2013

Department of Corporate Service - Listing
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
5th Floor, Bandra Kurla Complex,
Mumbai - 400 001
Symbol: BIRLACORPN

Dear Sir,

Sub: Submission of Complaints Report

Ref: Application under clause 24(f) of the Listing Agreement for the proposed scheme of Amalgamation of Talavadi Cements Limited with Birla Corporation Limited (Symbol - BIRLACORPN).

Ref: Clause 24(f) of the Listing Agreement read with SEBI Circular No.CIR/CFD/DIL/5/2013 dated February 04, 2013 and Circular No.CIR.CFD/DIL/8/2013 dated May 21, 2013

This has reference to our letter no.74G dated 08.08.2013 vide which we had submitted our application under Clause 24(f) of the Listing Agreement.

In accordance with Clause 5.15 of the SEBI Circular dated 4th February, 2013 we hereby confirm that we have not received any complaint. We further confirm that our Registrar and Share Transfer Agent, M/s. MCS Limited have also not received any complaints in this regard.

We further confirm that we have not been forwarded any complaint by the BSE Limited (Designated Stock Exchange) and National Stock Exchange of India Limited in this regard.

In terms of Clause 5.13 of the SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013, we enclose herewith the 'Complaints Report' indicating NIL complaints received on the Draft Scheme submitted with the application referred in the captioned matter.

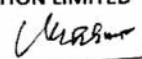
The Complaints Report will also be uploaded on the website link of the Company i.e. www.birlacorporation.com/talavadi-amalgamation.html.

Hope, you will find the above in order and would proceed to take further necessary action in the matter for issue of 'Observation letter'.

Thanking you.

Yours faithfully
For BIRLA CORPORATION LIMITED




(GIRISH SHARMA)
Sr. Vice-President (Indirect Taxes)
& Company Secretary

Encl: As above



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Complaint Report

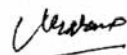
Part A

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Part B

Sr. No.	Name of complainant	Date of complaint	Status(Resolved/Pending)
-----Not Applicable-----			

For BIRLA CORPORATION LIMITED


 (GIRISH SHARMA)
 Sr. Vice-President (Indirect Taxes)
 & Company Secretary

Date: 04.09.2013
 Place: Kolkata



REGISTERED OFFICE : Birla Building, 9/1 R. N. Mukherjee Road, Kolkata - 700 001

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[TEAR HERE]

**IN THE HIGH COURT OF CALCUTTA
ORIGINAL JURISDICTION
COMPANY APPLICATION NO. 522 OF 2013**

IN THE MATTER OF Companies Act, 1956;

And

IN THE MATTER OF Section 391(1), 393 and 394 of the Companies Act, 1956;

And

IN THE MATTER OF **TALAVADI CEMENTS LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 9/1, R. N. Mukherjee Road, Kolkata - 700 001.

... **TRANSFEROR COMPANY**

And

IN THE MATTER OF **BIRLA CORPORATION LIMITED**, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 9/1, R. N. Mukherjee Road, Kolkata - 700 001.

... **TRANSFeree COMPANY**

IN THE MATTER OF :

1. **TALAVADI CEMENTS LIMITED**
2. **BIRLA CORPORATION LIMITED**

... **APPLICANTS**

FORM OF PROXY

I/We, the undersigned equity shareholder/s of Birla Corporation Limited (hereinafter referred as the Applicant Company No. 2) hereby appoint Mr./Ms. _____ of _____ and failing him/her Mr./Ms. _____ of _____ as my/our proxy, to act for me/us at the meeting of the equity shareholders of the Applicant Company No. 2 to be held at Kalpataru Uttam Mancha, 10/1/1, Monohar Pukur Road, Kolkata - 700 026, on Tuesday, the 8th day of April, 2014 at 11:00 a.m., for the purpose of considering and, if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation between Talavadi Cements Limited and Birla Corporation Limited and their respective shareholders (the "Scheme") under Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 and at such meetings and at any adjournment or adjournments thereof, to vote, for me/us and in my/our name _____ (here, 'if for', insert 'for'; 'if against insert 'against') the said Scheme, either with or without modification*, as my/our proxy may approve.

** Strike out what is not necessary*

Dated this _____ day of _____, 2014.

Name : _____

Address : _____

No. of shares held : _____
(For Demat holding)

DP ID : _____

Cl. ID : _____
(for Physical holding)

Folio No. : _____

Signature of Shareholder(s) : _____

Sole holder/First holder : _____

Second holder : _____

Third holder : _____

Signature of Proxy : _____

Affix
Re. 1/-
Revenue
Stamp

(Signature)

NOTES :

1. Alterations, if any, made in the Form of Proxy should be initialed.
2. Proxy Forms must be deposited at the Registered Office of the Applicant Company No. 2 at 9/1, R.N. Mukherjee Road, Kolkata - 700 001 not later than FORTY EIGHT hours before the scheduled time of the commencement of the said meeting.
3. In case of multiple proxies, the proxy later in time shall be accepted.

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CA No. 522 of 2013
IN THE HIGH COURT AT CALCUTTA
ORIGINAL JURISDICTION

IN THE MATTER OF Companies Act, 1956

And

IN THE MATTER OF Section 391(1),
393 and 394 of The Companies Act.

And

IN THE MATTER OF :
Talavadi Cements Limited

... Transferor Company

And

IN THE MATTER OF :
Birla Corporation Limited

... Transferee Company

IN THE MATTER OF :
Talavadi Cements Limited
Birla Corporation Limited

... Applicants

PROXY

Fox & Mandal,
Advocates,
12, Old Post Office Street,
Kolkata



[TEAR HERE]

BIRLA CORPORATION LIMITED

Regd. Office: 9/1, R.N. Mukherjee Road, Kolkata - 700 001

ATTENDANCE SLIP

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

I hereby record my presence at the meeting of the equity shareholders of the Applicant Company, convened pursuant to an Order dated 6th January, 2014 as modified by Orders dated 14/02/14 and 10/03/14 of the Hon'ble High Court at Calcutta, held at Kalpataru Uttam Mancha, 10/1/1, Monohar Pukur Road, Kolkata - 700 026, on Tuesday, the 8th day of April, 2014 at 11:00 a.m.

Name and address of the equity shareholder : _____

Folio No. : _____

DP ID No. : _____

Client ID No.* : _____

No. of Share(s) held : _____

Signature : _____

Name of the proxy holder/

Authorised representative : _____

** Applicable for shareholder(s) holding shares in dematerialised form.*

CA No. 522 of 2013
IN THE HIGH COURT AT CALCUTTA
ORIGINAL JURISDICTION

IN THE MATTER OF Companies Act, 1956

And

IN THE MATTER OF Section 391(1),
393 and 394 of The Companies Act.

And

IN THE MATTER OF :
Talavadi Cements Limited

... Transferor Company

And

IN THE MATTER OF :
Birla Corporation Limited

... Transferee Company

IN THE MATTER OF :
Talavadi Cements Limited
Birla Corporation Limited

... Applicants

Notice convening meeting of shareholders of
Applicant Company No. 2

Fox & Mandal,
Advocates,
12, Old Post Office Street,
Kolkata

BOOK-POST

If undelivered, please return to :

BIRLA CORPORATION LIMITED

Registered Office : 9/1, R.N. Mukherjee Road, Kolkata - 700 001