



Hindustan Unilever Limited

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 382 OF 2011**

IN THE MATTER of the Companies Act, 1956;

AND

IN THE MATTER of Sections 391 to 394 of the Companies Act, 1956;

AND

IN THE MATTER of Hindustan Unilever Limited;

AND

IN THE MATTER of Scheme of Arrangement between Hindustan Unilever Limited, Unilever India Exports Limited and their respective Shareholders and Creditors for the transfer of certain assets, liabilities and properties of FMCG Exports Business Division of Hindustan Unilever Limited to Unilever India Exports Limited.

Hindustan Unilever Limited, a Company incorporated under the Indian Companies Act, VII of 1913 and having its Registered Office at 165/166, Backbay Reclamation, Mumbai-400 020.

.....Applicant / Transferor Company

**NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF
HINDUSTAN UNILEVER LIMITED, THE APPLICANT COMPANY**

To,

The Equity Shareholders of the Applicant Company

TAKE NOTICE that by an Order pronounced on the 23rd day of June, 2011, in the above Company Summons for Direction, the Hon'ble High Court of Judicature at Bombay has directed that a meeting of the Equity Shareholders of the Applicant Company be convened on Thursday, the 28th day of July, 2011 at 2.00 p.m. at Birla Matushri Sabhagar, 19, Marine Lines, Mumbai - 400 020 for the purpose of considering and if thought fit, approving with or without modification(s), the Scheme of Arrangement proposed to be made between Hindustan Unilever Limited, the Applicant / Transferor Company, Unilever India Exports Limited, Transferee Company and their respective Shareholders and Creditors for the transfer of certain assets, liabilities and properties of FMCG Exports Business Division of Hindustan Unilever Limited to Unilever India Exports Limited.

TAKE FURTHER NOTICE that in pursuance of the said Order, a meeting of the Equity Shareholders of the Applicant Company will be held on Thursday, 28th July, 2011 at 2.00 p.m. at Birla Matushri Sabhagar, 19, Marine Lines, Mumbai - 400 020, at which time and place you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the said meeting either in person or by proxy provided that a proxy in the prescribed form, duly signed by you or your authorised representative is deposited at the Registered Office of the Applicant Company at 165/166, Backbay Reclamation, Mumbai - 400 020 not later than 48 hours before the commencement of meeting.

TAKE FURTHER NOTICE that in case of limited companies, societies, etc., the authorised representative should attend the meeting with a supporting resolution/power of attorney authorising him/her to attend the meeting and deposit the same at the Registered Office of the Applicant Company at least 48 hours before the commencement of meeting.

The Court has appointed Mr. Harish Manwani, Chairman of the Board of Directors of the Applicant Company, and failing him, Mr. Nitin Paranjpe, Managing Director and CEO of the Applicant Company, and failing him, Mr. Sridhar Ramamurthy, Executive Director - Finance & IT and CFO of the Applicant Company to be the Chairman of the said Meeting as aforesaid.

A copy of the proposed Scheme of Arrangement, the Statement under Section 393 of the Companies Act, 1956 and a Form of Proxy are enclosed.

(Harish Manwani)

Chairman appointed for the meeting

Dated this 27th day of June, 2011

Note: For the Proxy to be considered as valid, all alterations made in the Proxy Form should be initialled by the Member or his/her Authorised Representative.



Hindustan Unilever Limited

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 382 OF 2011**

IN THE MATTER of the Companies Act, 1956;

AND

IN THE MATTER of Sections 391 to 394 of the Companies Act, 1956;

AND

IN THE MATTER of Hindustan Unilever Limited;

AND

IN THE MATTER of Scheme of Arrangement between Hindustan Unilever Limited, Unilever India Exports Limited and their respective Shareholders and Creditors for the transfer of certain assets, liabilities and properties of FMCG Exports Business Division of Hindustan Unilever Limited to Unilever India Exports Limited.

Hindustan Unilever Limited, a Company incorporated under the Indian Companies Act, VII of 1913 and having its Registered Office at 165 / 166, Backbay Reclamation, Mumbai - 400 020.

.....Applicant / Transferor Company

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956

1. Pursuant to the Order dated 23rd June, 2011, passed by the Hon'ble High Court of Judicature at Bombay in respect of the aforesaid Company Summons for Direction, a meeting of Equity Shareholders of Hindustan Unilever Limited, the Applicant Company shall be convened on Thursday, the 28th day of July, 2011 at 2.00 p.m. at Birla Matushri Sabhagar, 19, Marine Lines, Mumbai - 400 020 for the purpose of considering and if thought fit, approving with or without modification(s), the proposed Scheme of Arrangement between Hindustan Unilever Limited, Unilever India Exports Limited and their respective Shareholders and Creditors for the transfer of certain assets, liabilities and properties of FMCG Exports Business Division of Hindustan Unilever Limited (Applicant / Transferor company) to Unilever India Exports Limited (Transferee Company). A certified copy of the said Order is available for inspection at the Registered Office of the Company at 165/166, Backbay Reclamation, Mumbai - 400 020 between 11.00 a.m. and 1.00 p.m. on any working day from 11th July, 2011 to 25th July, 2011.
2. In this statement, the Applicant Company, Hindustan Unilever Limited is hereinafter referred to as "Applicant Company" or "Transferor Company" or "HUL" and Unilever India Exports Limited is hereinafter referred to as "Transferee Company" or "UIEL."
3. The Transferor Company was incorporated on 17th October, 1933 under the provisions of the Indian Companies Act, VII of 1913 as "Lever Brothers (India) Private Limited". The name of the Company was changed to "Hindustan Lever Limited" on 1st November, 1956 and was changed to its present name on 11th June, 2007. The Registered Office of the Transferor Company is situated at 165/166, Backbay Reclamation, Mumbai - 400 020.
4. The Authorised Share Capital of the Transferor Company as on 31st March, 2011 is Rs. 2,25,00,00,000/- comprising of 2,25,00,00,000 Equity Shares of Re. 1/- each. The Issued and Subscribed Share Capital of the Transferor Company as on 31st March, 2011 is Rs. 2,21,25,90,944/- comprising of 2,21,25,90,944 Equity Shares of Re. 1/- each and the Paid up Share Capital is Rs. 2,15,94,71,968/- comprising of 2,15,94,71,968 Equity Shares of Re. 1/- each.
5. The Transferor Company, a multidivisional company, is currently engaged in diverse businesses, including manufacture, marketing, distribution and/or sale of soaps, detergents, personal care products, beverages, processed foods, etc. in domestic and export markets. For carrying on its business activities all over India, the Transferor Company has factories, units, assets and properties situated in various states of India. The objects for which the Transferor Company was established are more particularly set out in its Memorandum and Articles of Association.
6. The Transferee Company is a wholly owned subsidiary of the Applicant Company. The Transferee Company was incorporated on 26th June, 1963 under the provisions of the Companies Act, 1956 as "Indexport Private Limited". It was converted from deemed public company to a public company in the name of "Indexport Limited" vide a special resolution passed on 29th July 2005. The name of the Transferee Company then changed to its present name on 23rd August 2005. The Registered Office of the Transferee Company is situated at 165/166, Backbay Reclamation, Mumbai - 400 020. The objects for which the Transferee Company has been established are set out in its Memorandum and Articles of Association.
7. The Authorised Share Capital of the Transferee Company is Rs. 3,00,00,000/- comprising of 30,00,000 Equity Shares of Rs.10/- each and the issued, subscribed and paid up capital of the Company as on 31st March, 2011 is Rs. 2,51,00,000/- comprising of 25,10,000 Equity Shares of Rs.10/- each. The entire shareholding of the Transferee Company, being 25,10,000 Equity Shares of Rs.10/- each, is held by the Transferor Company and its subsidiary.



8. Upon the proposed Scheme of Arrangement coming into effect, the Transferee Company will carry on the business of the "Demerged Business Undertaking" (as defined in clause 1.5 of the Scheme of Arrangement), comprising of business activity of FMCG Exports Business Division carried on by HUL including the immoveable properties and manufacturing and/or allied activities of the Units located at Kandla, Pune, Cochin, Etah and Kidderpore, more particularly described in the Scheme, on a going concern basis.
9. The Board of Directors of Transferor Company are of the opinion that the transfer and vesting of the FMCG Exports Business Division by the Transferor Company into the Transferee Company is in the interest of all concerned, including the shareholders, creditors and employees and the general public, as it would help the Company to fully exploit the opportunity in the export market and will provide focus, flexibility and speed to the business.
10. The salient features of the Scheme are as under:
(All the clauses and sub-clauses referred herein below are references to the respective clauses in the Scheme)
 - (i) The Scheme of Arrangement is presented for the transfer of certain assets, liabilities and properties of FMCG Exports Business Division of HUL into UIEL pursuant to the relevant provisions of the Companies Act, 1956 with effect from the Appointed Date.
 - (ii) The book value of the Demerged Business Undertaking as defined under clause 1.5 of the Scheme and proposed to be transferred to the Transferee Company is Rs. 70.12 crores (approx.). In consideration of transfer of the Demerged Business Undertaking by the Transferor Company to the Transferee Company, the Transferee Company, shall inter alia, issue equity shares to the Transferor Company equivalent to the book value of the Demerged Business Undertaking pursuant to Sections 391 and 394 and other relevant provisions of the Companies Act, 1956 as more particularly described in Clause 5 of the Scheme.
 - (iii) The Scheme also makes provisions for various other matters consequential or related thereto and otherwise integrally connected therewith.
 - (iv) The Transferor Company (by its Board of Directors) and the Transferee Company (by its Board of Directors) either by themselves or through a Committee appointed by them in this behalf, may, in their full and absolute discretion, make and/or assent to any alteration or modification to the Scheme, including but not limited to those which the Court and/or any other Authority may deem fit to approve or impose.
 - (v) Any issue as to whether a specified asset or liability pertains to or does not pertain to or whether it arises out of the activities or operations of the Demerged Business Undertaking shall be decided by mutual agreement between the Boards Directors of the Transferor Company and the Transferee Company, either by themselves or through a Committee appointed by them in this behalf, on the basis of evidence that they may deem relevant for the purpose (including the books and records of Transferor Company).
 - (vi) The Scheme shall be operative from the Appointed Date being 1st April, 2011.
 - (vii) The Scheme is and shall be conditional upon and subject to the approval by the requisite majority of the Shareholders of the Transferor Company, Creditors of the Transferor Company and the Shareholders and Creditors of the Transferee Company and the sanctioning of the Scheme by the High Court / National Company Law Tribunal, whether with any modifications or amendments as the High Court / National Company Law Tribunal may deem fit or otherwise and filing of the certified copies of the Order of the High Court/ National Company Law Tribunal with the Registrar of Companies, Maharashtra.
 - (viii) In the event of the Scheme failing to take effect by 31st March, 2012 or by such later date as may be agreed by the respective Board of Directors of the Transferor Company and the Transferee Company, the Scheme shall become null and void and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such case, the Transferor Company shall bear all related costs.
 - (ix) In the event of non-fulfillment of any or all obligations under the Scheme of any Company towards the other Company, inter se or to other 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.
 - (x) If any part of the 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 Committee appointed by them in their 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 the Scheme.
 - (xi) All past, present and future costs, charges, taxes including duties such as stamp duty, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in connection with the Scheme and matters incidental thereto shall be borne by the Transferor Company.
11. There is no likelihood that any unsecured creditor of the Transferor Company would be prejudiced as a result of the proposed Scheme of Arrangement being passed. The latest Audited Accounts for the financial year ended 31st March, 2011 of the Transferor Company indicate that it is in a sound and solvent position and will be able to meet liabilities as they arise in the course of the business.



Hindustan Unilever Limited

12. The rights and interests of the members and the creditors of the Companies will not prejudicially be affected by the Scheme.
13. No investigation proceedings have been instituted or are pending under Sections 235 and 251 of the Companies Act, 1956 in respect of the Transferor Company and the Transferee Company.
14. The Scheme is not, in any manner, intended to have any beneficial effect on the interests, if any, of the Directors of the Transferor Company, except in their capacity as shareholders.
15. In terms of Clause 24(f) of the Listing Agreement, the Transferor Company has, vide its letters dated 3rd June, 2011, informed the proposed Scheme of Arrangement to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited for approval of respective exchanges. The Bombay Stock Exchange Limited and National Stock Exchange of India Limited have vide their letters dated 16th June, 2011 and 13th June, 2011 respectively, granted the in-principle approval for the above Scheme of Arrangement.
16. There will be no change in the shareholding pattern of the Transferor Company consequent to this Scheme of Arrangement.
17. a) The Directors of the Transferor Company have no interest in the Scheme, except as shareholders in general, the extent of which will appear from the Register of Directors' Shareholding maintained by the Companies, which are as follows :

Name of the Director	No. of Shares of Re.1/- each held in Hindustan Unilever Limited	No. of shares of Rs. 10/- each held in Unilever India Exports Limited
Harish Manwani	22,130	NIL
Nitin Paranjpe	63,891	NIL
Sridhar Ramamurthy	11,910	1 *
D. S. Parekh	38,250	NIL
A. Narayan	NIL	NIL
S. Ramadorai	35	NIL
R. A. Mashelkar	NIL	NIL
Gopal Vittal	9,405	NIL
Pradeep Banerjee	23,187	NIL

* Jointly with Hindustan Unilever Limited

- b) The Directors of the Transferee Company have no interest in the proposed Scheme except as shareholders in general, the extent of which will appear from the Register of Directors' Shareholding maintained by the Companies, which are as follows:

Name of the Director	No. of shares of Rs. 10/- each held in Unilever India Exports Limited	No. of shares of Re. 1/- each held in Hindustan Unilever Limited
Sridhar Ramamurthy	1 *	11,910
Hemant Bakshi	Nil	15,126
Leena Nair	1 *	15,945
S. C. Srinivasan	Nil	6,754

* Jointly with Hindustan Unilever Limited

Members are requested to read the entire text of the Scheme to get better acquainted with the provisions of the Scheme.

Dated this 27th day of June, 2011

(Harish Manwani)

Chairman appointed for the meeting

Annexure : Scheme of Arrangement.

The following documents will be open for inspection at the Registered Office of the Transferor Company between 11.00 a.m. and 1.00 p.m. on any working day of the Transferor Company from **11th July, 2011 to 25th July, 2011**.

1. The Memorandum and Articles of Association of Hindustan Unilever Limited.
2. The Memorandum and Articles of Association of Unilever India Exports Limited.
3. The Balance Sheet and Profit & Loss Account of Hindustan Unilever Limited for the year ended 31st March, 2011.
4. The Balance Sheet and Profit & Loss Account of Unilever India Exports Limited for the year ended 31st March, 2011.
5. Certified copies of order dated 23rd June, 2011 passed by the High Court of Judicature at Bombay in Company Summons for Direction no. 382 of 2011.
6. "No-objection" letter received from the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.



Hindustan Unilever Limited

SCHEME OF ARRANGEMENT BETWEEN

HINDUSTAN UNILEVER LIMITED

.. TRANSFEROR COMPANY

AND

UNILEVER INDIA EXPORTS LIMITED

.. TRANSFEREE COMPANY

AND

THEIR RESPECTIVE SHAREHOLDERS

BACKGROUND:

- A. Hindustan Unilever Limited ("HUL"), particulars in respect of which are provided in Sub-Clause 1.4, is a multidivisional company engaged in diverse businesses, including manufacture, marketing, distribution and/or sale of soaps, detergents, personal care products, beverages, processed foods, etc. in domestic and export markets. For carrying on its business activities all over India, the Transferor Company has factories, units, assets and properties situated in various states of India.
- B. The Board of Directors of HUL are of the opinion that the transfer and vesting of the certain assets, liabilities and properties of FMCG Exports Business Division ("Demerged Business Undertaking" as defined hereinbelow) of HUL into its subsidiary, Unilever India Exports Limited ("UIEL") by way of demerger, is in the interest of all concerned, including the shareholders, creditors and employees and the general public as it shall fully exploit the opportunity in the export market and provide necessary focus, flexibility and speed to the business.
- C. It is in this background that this Scheme of Arrangement is presented for the demerger of certain assets, liabilities and properties of FMCG Exports Business Division of HUL into UIEL pursuant to the relevant provisions of the Companies Act, 1956. This Scheme of Arrangement (hereinafter referred to as the "Scheme") provides for the transfer of Demerged Business Undertaking of the Transferor Company to the Transferee Company on the Appointed Date. In consideration of transfer and demerger of the Demerged Business Undertaking as aforesaid by the Transferor Company to the Transferee Company as provided in this Scheme, the Transferee Company shall inter alia, issue equity shares to the Transferor Company, pursuant to Sections 391 and 394 and other relevant provisions of the Act as more particularly described in Clause 5 of the Scheme.

1. DEFINITIONS

- 1.1 **"Act" or "the Act"** means the Companies Act, 1956 including any statutory modifications, re-enactments or amendments thereof for the time being in force.
- 1.2 **"Appointed Date"** means the 1st day of April 2011.
- 1.3 **"Bombay High Court"** means the High Court of Judicature at Bombay to which this Scheme of Arrangement in its present form is submitted for sanctioning under Sections 391 to 394 of the Act.
- 1.4 **"Transferor Company"** means HUL, a Company incorporated under the Indian Companies Act, VII of 1913 and having its registered office at 165/166, Backbay Reclamation, Mumbai 400 020.
- 1.5 **"Demerged Business Undertaking"** means the FMCG Exports Business Division of HUL comprising of all the business activity of exports being carried on by HUL on a going concern basis and including the immoveable properties and manufacturing and/or allied activities of the following Units, as on the Appointed Date:
 - Unit I located at Kandla (more particularly described in Schedule A);
 - Unit II located at Pune (more particularly described in Schedule A);
 - Unit III located at Cochin (more particularly described in Schedule A);
 - Unit IV located at Etah (more particularly described in Schedule A);
 - Unit V located at Kidderpore (more particularly described in Schedule A)
 - and otherwise shall with respect to these subdivisions include (without limitation):
- 1.5.1 All assets wherever situated, whether moveable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible, present or contingent and including land, buildings, residential properties (more particularly described in the Schedule of this Scheme), offices, all the power generation plants, plant and machinery including capital work-in-progress, warehouses, godowns, depots, power lines, vehicles, other fixed assets but without being limited to factory licenses, investments, leases, tenancy rights, premises, hire purchase and lease arrangements, computers, office equipment, furniture, telephones, telexes, facsimile connections, communication facilities, electrical and other installations, inventories, current assets (except sundry debtors given and appearing in the books of the Transferor Company as on the Appointed Date), loans and advances, deposits, receivables, funds, cash, bank balances, accounts and all other rights, benefits



of all agreements, subsidies, grants, incentives, bills of exchange, letters of intent and loans and advances appearing in the books of accounts of HUL pertaining to or relatable to the FMCG Exports Business Division.

- 1.5.2 All liabilities present and future pertaining to the FMCG Exports Business Division For the purpose of this Scheme, it is clarified that liabilities pertaining to the FMCG Exports Business Division shall include:
 - (i) The liabilities which arise out of the activities or operations of the FMCG Exports Business Division;
 - (ii) The specific loans or borrowings raised, incurred and utilized solely for the activities or operations of the FMCG Exports Business Division; and
- 1.5.3 Without prejudice to the generality of the provisions of Sub-Clause 1.5.1 and Sub-Clause 1.5.2, the FMCG Exports Business Division shall include all rights and licenses, all assignments and grants thereof, benefits of agreements, contracts and arrangements, powers, authorities, industrial and other licenses, municipal permissions, registrations, quotas, permits, allotments, approvals, export/import licenses, sanctions, remissions, special reservations, holidays, incentives, tax/duty concessions/exemptions and other authorizations, benefits, entitlements and incentives of any nature whatsoever including sales tax remissions and custom/excise duty exemption certificates, benefits and incentives under various promotional schemes of Foreign Trade Policy such as Advance Licence, Export Promotion Capital Goods (EPCG), Duty Entitlement Pass Book (DEPB), Drawback, Focus Market, Focus products, Vishesh Kirishi Gram Udyog Yojana (VKGUY) Exports status holder privileges, Agri-infrastructure, EOU and SEZ schemes etc, consents, privileges, liberties, advantages, easements and all the right, title, interests, benefits, entitlement and advantages and all other rights and claims of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by HUL and / or to which HUL is entitled to in connection with or pertaining to or relatable to the FMCG Exports Business Division of whatsoever kind, nature or description held, applied for or as may be obtained thereafter and all respective books of accounts, papers, documents and records relating to the FMCG Exports Business Division, and all earnest money and/or deposits including security deposits paid by HUL in connection with or relating to the FMCG Exports Business Division.
- 1.5.4 All permanent employees of HUL employed in the FMCG Exports Business Division as on the Effective Date who are substantially engaged in FMCG Exports Business Division.

It is intended that the definition of Demerged Business Undertaking under this Sub-Clause would enable the transfer of all property, assets, liabilities, rights, obligations, entitlements and benefits of the Demerged Business Undertaking to UIEL pursuant to this Scheme, without any further act or deed.

Further, the Board of Directors of HUL are hereby authorized to exercise their full and absolute discretion and thereby may assent to any modification(s) or amendment(s) to amend the definition of the Demerged Business Undertaking at anytime after the Effective Date in a manner considered suitable or necessary for the benefit of the Transferor Company and the Transferee Company and its shareholders, stakeholders, employees, etc.

- 1.6 **"Effective Date"** means the date on which the true copy of the order passed by the High Court / National Company Law Tribunal and duly authenticated by the Company Registrar sanctioning the Scheme is filed with the Registrar of Companies of Mumbai by HUL and UIEL, being not earlier than the Appointed Date. Any references in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall mean the "Effective Date".
- 1.7 **"Remaining Business"** means all the businesses of HUL other than those being transferred to UIEL under and pursuant to this Scheme.
- 1.8 **"Transferee Company"** means UIEL, a company registered under the Companies Act, 1956 having its registered office at 165/166, Backbay Reclamation, Mumbai 400 020.
- 1.9 **"Scheme" or "the Scheme" or "this Scheme"** means this Scheme of Arrangement in its present form, together with all the schedules and annexures, which shall form part of this Scheme of Arrangement and shall be submitted to the High Court / National Company Law Tribunal / or with any modification(s) made under Clause 15 of this Scheme or with such other modifications/amendments as the High Court / National Company Law Tribunal may direct.
- 1.10 All terms and words 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 applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

2. OPERATIVE DATE

The provisions of this Scheme shall be operational and functional with effect from the Appointed Date.

**3. SHARE CAPITAL**

3.1 The authorized, issued, subscribed and paid up share capital of the Transferor Company as on 31st March, 2011 is as under:

	(Amount in Rs.)
<u>Authorized capital</u>	
2,25,00,00,000 Equity Shares of Re. 1 each	Rs.2,25,00,00,000
<u>Issued capital</u>	
2,21,25,90,944 Equity Shares of Re. 1 each	Rs.2,21,25,90,944
<u>Subscribed and fully paid-up capital</u>	
2,15,94,71,968 Equity Shares of Re. 1 each	Rs.2,15,94,71,968

3.2 The authorized, issued, subscribed and paid up share capital of the Transferee Company as on 31st March, 2011 is as under:

	(Amount in Rs.)
<u>Authorized capital</u>	
30,00,000 Equity Shares of Rs. 10 each	Rs.3,00,00,000
<u>Issued, subscribed and fully paid-up</u>	
25,10,000 Equity Shares of Rs. 10 each	Rs.2,51,00,000

4. TRANSFER AND VESTING OF THE DEMERGED BUSINESS UNDERTAKING

4.1 With effect from the Appointed Date, the Demerged Business Undertaking shall pursuant to the provisions of Sections 391 to 394 of the Act and all other applicable provisions of applicable laws, rules and regulations for the time being in force, without any further act or deed, stand transferred to and be vested, as a going concern, into the Transferee Company together with all the estate and interest of the Transferor Company therein, subject however, to all charges, liens, lis pendens, mortgages and encumbrances, if any, affecting the same or any part thereof. The transfer and vesting of the Demerged Business Undertaking shall be effected as follows:-

4.1.1 In the event that the Boards of Directors of the Transferor Company and the Transferee Company so desire, in respect of such of the assets of the Demerged Business Undertaking as are moveable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall, be transferred by the Transferor Company to the Transferee Company as provided in Sub-Clause 4.2.

4.1.2 In respect of any assets, other than those referred to in Sub-Clause 4.1.1 above, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company pursuant to the Scheme coming into effect.

4.2 In the event that the Boards of Directors of the Transferor Company and the Transferee Company so jointly decide as provided in Sub-Clause 4.1, the transfer and vesting of movable assets shall be effected as follows:

4.2.1 All the movable assets forming part of or comprised in the Demerged Business Undertaking or assets otherwise capable of transfer by manual delivery or by endorsement and delivery, including cash in hand shall be physically handed over by manual delivery to the Transferee Company to the end and intent that the property therein passes to the Transferee Company on such delivery, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company accordingly.

4.2.2 In respect of movable assets, other than those specified in Sub-Clause 4.2.1 (excluding sundry debtors), outstanding loans and advances, if any, recoverable in cash or in kind or value to be received, bank balances and deposits, if any, the Transferee Company shall give notice in such form as it may deem fit and proper to each party, or deposittee of the Transferee Company as the case may be, that pursuant to the Scheme coming into effect, the said loan, advances, etc. be paid or made good or held on account of the Transferee Company as the person entitled thereto, to the end and intent that the right of the Transferor Company to recover or realise the same stands extinguished, and that such rights to recover or realize the same shall vest in the Transferee Company. The Transferee Company may, if required, give notice in such form as it may deem fit and proper to each person, or deposittee that pursuant to the Scheme coming into effect, the said person, or deposittee should pay the loan or advance or make good the same or hold the same to the account of the Transferee Company and that the right of the Transferee Company to recover or realise the same is in substitution of the right of the Transferor Company. With respect to the Sundry Debtors, pursuant to the Scheme coming into effect, the said debt



appearing in the books of the Transferor Company till the Appointed Date be paid or made good or held on account of the Transferor Company as the person entitled thereto, to the end and intent that the right of the Transferor Company to recover or realise the same stands continued and existing, and that such rights to recover or realise the same shall remain to vest in the Transferor Company.

- 4.3 With effect from the Appointed Date, the immovable property (more particularly described in the Schedule of this Scheme) relating to the Demerged Business Undertaking, and any documents of title/rights and easements in relation thereto shall be vested in and transferred to and/or be deemed to have been vested in and stand transferred to and shall belong to the Transferee Company. From the Appointed Date, the Transferee Company shall in relation to the properties of the Demerged Business Undertaking transferred to the Transferee Company under this Scheme, be liable for ground rent, municipal taxes and any other applicable cess, duties, levies, taxes and the like. The mutation of the title to the said immovable properties shall be made and duly recorded by the appropriate authorities pursuant to the Scheme, in accordance with the terms hereof without any further act or deed whatsoever, in favour of the Transferee Company.
- 4.4 Upon the coming into effect of this Scheme, all debts, liabilities, loans and obligations including export obligations undertaken under various Authorisations of Foreign Trade Policy incurred, duties or obligations of any kind, nature or description (including contingent liabilities) of the Transferor Company (as on the Appointed Date) relating to the Demerged Business Undertaking including general and multipurpose borrowings shall, without any further act or deed, stand transferred to and vested in and be deemed to be transferred to and vested in the Transferee Company to the extent that they are outstanding as on the Effective Date and on the same terms and conditions as applicable to the Transferor Company, and shall become the debts, liabilities, loans, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.4.1 Where any of the debts, liabilities, loans and obligations incurred, duties and obligations of the Transferor Company as on the Appointed Date deemed to be transferred to and vested in the Transferee Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.4.2 All debts, liabilities, loans and obligations incurred, duties and obligations of the Transferor Company for the operations of the Demerged Business Undertaking after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been incurred for and on behalf of the Transferee Company in which the Demerged Business Undertaking shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also without any further act or deed, stand transferred to and vested in and be deemed to be transferred to and vested in the Transferee Company and shall become the debts, liabilities, loans, duties and obligations of the Transferee Company which shall meet discharge and satisfy the same. Provided however that, no debts, liabilities, loans, duties and obligations shall have been assumed by the Transferor Company in relation to the Demerged Business Undertaking after the Appointed Date without the prior written consent of the Transferee Company.
- 4.5 The Demerger and the transfer and vesting of the assets comprised in the Demerged Business Undertaking to and in the Transferee Company under this Scheme shall be subject to the mortgages and charges, if any, affecting the same as hereinafter provided.
- 4.5.1 The existing securities, mortgages, charges, encumbrances or liens (the "Encumbrances") if any created by the Transferor Company after the Appointed Date, in terms of this Scheme, over the assets comprised in the Demerged Business Undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme, shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company.
- 4.5.2 In so far as any Encumbrances over the assets comprised in the Demerged Business Undertaking are security for liabilities of the Remaining Business retained with the Transferor Company and in so far as any Encumbrances over the assets comprised in the Remaining Business retained with the Transferor Company are security for liabilities of the Demerged Business Undertaking, the same shall, on the Effective Date, without any further act, instrument or deed be modified to the extent that all such assets shall stand released and discharged from the obligations and security relating to the same and the Encumbrances shall only extend to and continue to operate against the assets retained with the Transferor Company and shall cease to operate against any of the assets transferred to the Transferee Company in terms of this Scheme. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.



- 4.5.3 In so far as any Encumbrances over the assets comprised in the Remaining Business retained with the Transferor Company are security for liabilities of the Demerged Business Undertaking, it is clarified that the Transferee Company shall create adequate security equivalent to the value of the security over the assets of the Remaining Business in respect of the liabilities of the Demerged Business Undertaking and such security shall extend to and operate over the assets of the Demerged Business Undertaking that are being transferred to the Transferee Company pursuant to this Scheme.
- 4.5.4 Without prejudice to the provisions of Sub-Clauses 4.5, 4.5.1, 4.5.2 and 4.5.3 and upon the effectiveness of this Scheme, the Transferor Company and the Transferee Company shall execute necessary instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the relevant Registrar of Companies under the Act to give formal effect to the above provisions, if required.
- 4.5.5 It is expressly provided that, save as mentioned in this Scheme, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.
- 4.6 Subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of Sub-Clauses 4.5, 4.5.1, 4.5.2, 4.5.3 and 4.5.4 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document.
- 4.7 With effect from the Appointed Date, all permits, quotas, rights, allotments, claims, entitlements, incentives, tenancies and privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Demerged Business Undertaking to the benefit of which the Demerged Business Undertaking is and /or be eligible and which are subsisting or having effect immediately before the Appointed Date, shall be and remain in full force and effect in favour of the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a beneficiary or obligee thereto.
- 4.8 With effect from the Appointed Date, any statutory and export / import related licenses, permissions, allotments, approvals and/or consents and all licenses held by the Transferor Company required to carry on operations of the Demerged Business Undertaking shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities or any other person concerned therewith in favour of the Transferee Company. The benefit of all statutory and regulatory permissions, factory licenses, environmental approvals and consents including the statutory and export / import related licenses, permissions or approvals or allotments or consents required to carry on the operations of the Demerged Business Undertaking shall vest in and become available to the Transferee Company pursuant to the Scheme coming into effect. Any no-objection certificates, licenses, permissions, consents, approvals, authorizations, registrations or statutory rights as are jointly held by the Demerged Business Undertaking and any other division of the Transferor Company shall be deemed to constitute separate licenses, permissions, no-objection certificates, consents, approvals, authorities, registrations or statutory rights and the relevant or concerned statutory authorities and licensors shall endorse and/or mutate or record the separation, upon the filing of the Scheme as sanctioned with such authorities and licensors after the same becomes effective, so as to facilitate the continuation of operations of the Demerged Business Undertaking in the Transferee Company without any let or hindrance from the Effective Date.
- 4.9 The entitlement to various benefits under incentive schemes and policies in relation to the Demerged Business Undertaking shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in the Transferee Company together with all benefits, entitlements, claims and incentives of any nature whatsoever. Such entitlements shall include (but shall not be limited to) sales tax concessions and incentives in relation to the Demerged Business Undertaking to be claimed by the Transferee Company with effect from the Appointed Date as if the Transferee Company was originally entitled to all such benefits under such incentive scheme and/or policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits under such incentive schemes were made available to the Transferor Company.
- 4.10 Since each of the permissions, approvals, allotments, consents, sanctions, remissions, special reservations, sales tax remissions, holidays, incentives, tax / duty concessions / exemptions and other authorizations relating to the Demerged Business Undertaking, shall stand transferred under this Scheme to the Transferee Company, the Transferee Company shall file the relevant intimations, if any, for the record of the statutory authorities who shall take them on file, pursuant to the Scheme coming into effect.
- 4.11 It is clarified that all the taxes and duties payable by the Transferor Company, relating to the Demerged Business Undertaking, from the Appointed Date for all purposes, be treated as the tax liabilities or refunds and claims of the



Transferee Company. Accordingly, upon the Scheme becoming effective, the Transferor Company is expressly permitted to revise and the Transferee Company is expressly permitted to file their respective sales tax / value added tax returns, excise returns, service tax returns and other tax returns, and to claim refunds / credits, pursuant to the provisions of this Scheme.

- 4.1.2 Notwithstanding anything contained in this Scheme, the transfer and vesting of the Demerged Business Undertaking shall take place in accordance with Clauses 4.1 to 4.11 hereinabove unless the method stands modified and amended by the Board of Directors of HUL and UIEL.

5. ISSUE OF SHARES

- 5.1 Upon coming into effect of the Scheme, and in consideration for the transfer of and vesting of the Demerged Business Undertaking in the Transferee Company, the Transferee Company shall, without any further act or deed, issue and allot equity shares to the extent indicated below, to the Transferor Company in the following proportion viz.:

"4,65,000(four lakh sixty five thousand) fully paid up equity share of Rs. 10/- each of the Transferee Company shall be issued and allotted (hereinafter referred to as "**New Equity Shares**") at a share premium of Rs. 1500/- per share."

- 5.2 Such equity shares to be issued and allotted by the Transferee Company in terms of Clause 5.1 aforesaid shall rank pari passu in all respects with the existing equity shares, if any, of the Transferee Company.

6. ACCOUNTING TREATMENT IN THE BOOKS OF THE DEMERGED COMPANY

- 6.1 With effect from the Appointed Date, the accounts representing the assets and liabilities of the Demerged Business Undertaking shall stand closed on transfer to the Transferee Company. In so far as the accounts representing general or multipurpose borrowings are concerned, they shall stand reduced by the amounts transferred to the Transferee Company in accordance with the provisions of this Scheme.

7. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEE COMPANY

- 7.1 With effect from the Appointed Date:

- 7.1.1 The Transferee Company shall record the assets and liabilities of the Demerged Business Undertaking vested in it in accordance with Clause 4, at their respective values, as appearing in the books of account of the Transferor Company at the close of the business of the day immediately preceding the Appointed Date.
- 7.1.2 The Transferee Company shall credit the aggregate face value of the New Equity Shares of the Transferee Company and premium thereon issued by it to the Transferor Company pursuant to this Scheme to the Share Capital Account and Share Premium Account respectively in its books of accounts

8 CONDUCT OF BUSINESS OF THE DEMERGED BUSINESS UNDERTAKING

- 8.1 During the period between the Appointed Date and the Effective Date:

- 8.1.1 The Transferor Company shall carry on and be deemed to have carried on its business and activities in relation to the Demerged Business Undertaking, and shall hold and deal with all assets and properties and stand possessed of all rights, title, interest and authorities of the Demerged Business Undertaking, for and on account of and in trust for the Transferee Company.
- 8.1.2 The Transferor Company shall not (without the prior, written consent of the Transferee Company) alienate, charge or otherwise deal with or dispose of the Demerged Business Undertaking or any part thereof except in the usual course of business or pursuant to any pre-existing obligation undertaken prior to the Appointed Date.
- 8.1.3 The Transferor Company shall carry on the business of the Demerged Business Undertaking with reasonable diligence and prudence, in the ordinary course of business.

- 8.2 The Transferor Company shall be entitled, pending the sanction of the Scheme by the High Court / National Company Law Tribunal, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to own and carry on the business of the Demerged Business Undertaking.

- 8.3 With effect from the Effective Date, the Transferee Company shall commence and carry on and shall be authorized to carry on the businesses carried on by the Demerged Business Undertaking of the Transferor Company.

9 EMPLOYEES OF THE DEMERGED BUSINESS UNDERTAKING

- 9.1 All permanent employees of the Demerged Business Undertaking who are substantially engaged in or in relation to the Demerged Business Undertaking, in service on the Effective Date shall be deemed to have become the employees



of the Transferee Company without any interruption or break in their service as a result of the transfer and vesting of the Demerged Business Undertaking to the Transferee Company. The terms and conditions of their employment with the Transferee Company with effect from the Effective Date shall not be less favourable than those applicable to them with reference to the Demerged Business Undertaking on the Effective Date.

- 9.2 The existing Provident Fund, Gratuity Fund, Superannuation Fund or any other Fund for the transferred employees of the Demerged Business Undertaking in terms of this Scheme shall be continued for the benefit of such employees on the same terms and conditions. With effect from the Effective Date, the Transferee Company shall make the necessary contribution for such employees taken over by the Transferee Company until the Transferee Company constitutes its own Provident Fund, Gratuity Fund, Superannuation Fund or any other Fund and obtain necessary approval for the same. Upon the Scheme being effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever related to the administration or operation of such Fund or in relation to the obligations to make a contribution to the said Funds in accordance with the provisions of the Fund or according to the terms provided in the respective Fund Deeds or other documents. The Transferee Company undertakes all the duties and obligations and assumes all the rights and powers of the Transferor Company, upon the Scheme being effective, in relation to aforesaid Funds of the Transferor Company in relation to the Demerged Business Undertaking. The services of the staff, workmen and other employees of the Demerged Business Undertaking will be treated as having been continuous for the purposes of the aforesaid Funds or provisions of any Funds for employees. The Transferor Company shall indemnify the Transferee Company against any costs, claims, liabilities and expenses arising out of or in connection with such amounts relating to the period upto and including the Effective Date.
- 9.3 The Transferee Company undertakes to continue to abide by any agreement(s)/settlement(s) entered into with any trade unions / permanent employees by the Transferor Company in relation to the Demerged Business Undertaking. The Transferee Company agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, the past services of such permanent employees with the Transferor Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.

10 LEGAL AND OTHER PROCEEDINGS

- 10.1 Upon the Scheme becoming effective, all legal and other proceedings, including before any statutory or quasi-judicial authority or tribunal of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Demerged Business Undertaking, shall be continued and enforced by or against the Transferee Company only, to the exclusion of the Transferor Company in the manner and to the same extent as would have been continued and enforced by or against the Transferor Company. On and from the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings in relation to the Demerged Business Undertaking.
- 10.2 In the event that the legal proceedings referred to above, require the Transferor Company and the Transferee Company to be jointly treated as parties thereto, the Transferee Company shall be added as party to such proceedings and shall prosecute or defend such proceedings in co-operation with the Transferor Company. In the event of any difference or difficulty in determining whether any specific legal or other proceeding relates to the Demerged Business Undertaking or not, the decision of the Board of Directors of the Transferor Company as to whether such proceeding relates to the Demerged Business Undertaking or not, shall be conclusive evidence of the relationship with Demerged Business Undertaking.
- 10.3 After the Appointed Date, in case the proceedings referred to in Sub-Clause 10.1 cannot be transferred for any reason, the Transferor Company shall defend the same at the cost of the Transferee Company, and the Transferee Company shall reimburse, indemnify and hold harmless the Transferor Company against all liabilities and obligations incurred by the Transferor Company in respect thereof.

11 CONTRACTS, DEEDS, ETC.

- 11.1 Notwithstanding anything contrary contained in this Scheme, any and all existing contracts, deeds, bonds, export / import related licenses, insurance policies, agreements and other instruments if any, of whatsoever nature relating to the Demerged Business Undertaking and to which the Transferor Company is party and subsisting or having effect on the Effective Date, shall be in full force and effect in favour of the Transferee Company and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto, without any further act or deed.
- 11.2 The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. The



Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

- 11.3 Even after this Scheme becomes effective, the Transferee Company shall, as its own right, be entitled to realize all monies and complete and enforce all pending contracts, obligations and transactions in respect of the Demerged Business Undertaking in the name of the Transferor Company, in so far as may be necessary, until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally accepted by the third parties.

12 SAVING OF CONCLUDED TRANSACTIONS

- 12.1 The transfer and vesting of the properties, liabilities and obligations of the Demerged Business Undertaking pursuant to this Scheme shall not affect any transactions or proceedings already completed by the Transferor Company on or before the Appointed Date to the end and intent that, the Transferee Company accepts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company in relation to the Demerged Business Undertaking which shall vest in the Transferee Company in terms of this Scheme as acts, deeds and things made, done and executed by and on behalf of the Transferee Company.

13 REMAINING BUSINESS

- 13.1 The Remaining Business shall continue to belong to and be vested in and be continued to be owned and managed by the Transferor Company. All legal or other proceedings by or against the Transferor Company under any statute, whether pending on the Appointed Date or which may be instituted in future whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business (including those relating to any property, right, power, liability, obligation or duties of the Transferor Company in respect of the Remaining Business) shall be continued and enforced by or against the Transferor Company.
- 13.2 With effect from the Appointed Date and upto and including the Effective Date:
- 13.2.1 the Transferor Company shall be deemed to have been carrying on all business and activities relating to the Remaining Business for and on its own behalf; and
- 13.2.2 all profits and cash accruing to the Transferor Company thereon or losses arising or incurred by it relating to the Remaining Business shall, for all purposes, be treated as the profits / cash or losses, as the case may be, of the Transferor Company.

14 APPLICATION TO HIGH COURT/ NATIONAL COMPANY LAW TRIBUNAL

- 14.1 The Transferor Company and the Transferee Company shall with all reasonable dispatch make all necessary applications under Sections 391 to 394 of the Act and other applicable provisions of the Act to the High Court/ National Company Law Tribunal for seeking approval of the Scheme.

15 MODIFICATIONS AND OTHER ISSUES RELATING TO THE SCHEME

- 15.1 The Transferor Company (by its Directors or its Committee thereof) and the Transferee Company (by its Directors or its Committee thereof) in their full and absolute discretion may assent to any modification(s) or amendment(s) in this Scheme which the High Court / National Company Law Tribunal or such other appropriate authority and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme.
- 15.2 The Transferor Company (by its Directors or its Committee thereof) and the Transferee Company (by its Directors or its Committee thereof) are hereby authorized to give assent to any modification(s) or amendment(s) in the Scheme which may be considered necessary or desirable for any reason whatsoever and without prejudice to the generality of the foregoing, any modification to the Scheme involving withdrawal of any of the parties to the Scheme at any time and for any reason whatsoever, the implementation of the Scheme shall not get adversely affected as a result of acceptance of any such modification by the Board of Directors or its Committee thereof of the Transferor Company or by the Board of Directors or its Committee thereof of the Transferee Company, who are hereby authorised to take such steps and to do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubt, difficulties or questions howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.
- 15.3 If any question that may arise as to whether a specified asset or liability pertains to or does not pertain to the Transferor Business Undertaking or whether it arises out of the activities or operations of the Demerged Business



Undertaking shall be decided by mutual agreement between the Boards of Directors of the Transferor Company and the Transferee Company on the basis of evidence that they may deem relevant for the purpose (including the books and records of Transferor Company).

- 15.4 In case any doubt or difference or issue shall arise between the parties hereto or any of their shareholders, creditors, employees and / or persons entitled to or claiming any right to any New Equity Shares in the Transferee Company, or to the construction thereof or as to any account, valuation or apportionment to be taken or made of any asset or liability transferred to the Transferee Company or as to anything else contained in or relating to or arising out of this Scheme, the same shall be decided jointly by the Boards of Directors of the Transferor Company and the Transferee Company, whose decision shall be final and binding on all concerned.

16 CONDITIONALITY OF THE SCHEME

- 16.1 This Scheme is and shall be conditional upon and subject to the approval by the requisite majorities of the shareholders and creditors of the Transferor Company and the shareholders and creditors of the Transferee Company and the sanctioning of this Scheme by the High Court/ National Company Law Tribunal, whether with any modifications or amendments as the High Court/ National Company Law Tribunal may deem fit or otherwise.

17 REVOCATION AND SEVERABILITY

- 17.1 In the event of any of the said sanctions and approvals referred to in Clause 16 not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the High Court/ National Company Law Tribunal or such other appropriate authority and/or order or orders not being passed as aforesaid before March 31, 2012 or such other date as may be mutually agreed upon by the respective Boards of Directors of the Transferor Company and the Transferee Company who are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s), this Scheme shall stand revoked, cancelled and be of no effect.
- 17.2 In the event of revocation under Sub-Clause 17.1, no rights and liabilities whatsoever shall accrue to or be incurred inter se to the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, the Transferor Company shall bear all costs.
- 17.3 If any part of this Scheme hereof is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the Scheme, as will best preserve for the parties the benefits and obligations of the Scheme, including but not limited to such part.
- 17.4 The Boards of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if the Boards of Directors are of view that the coming into effect of the Scheme could have adverse implications on the Transferor Company and/ or the Transferee Company.

18 COSTS, CHARGES & EXPENSES

- 18.1 All past, present and future costs, charges, taxes including duties such as stamp duty, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in connection with this Scheme and matters incidental thereto shall be borne by the Transferor Company.

19 INDEMNITY

- 19.1 After the Effective Date, the Transferee Company undertakes to keep harmless and indemnify and keep indemnified from time to time the Transferor Company from and against any and all debts, duties, liabilities, loans incurred, contingent liabilities and obligations of every kind, nature and description relating to the Demerged Business Undertaking including all demands, claims, suits, proceedings and the like (save and except all costs, charges and taxes referred to in Clause 18 and agreed to be borne and paid by the Transferor Company in full) which have, shall or may be made or instituted by any person, authority, Government of India, firm, company, body corporate or organisation against the Transferor Company, directly relating to the Demerged Business Undertaking and / or against any financial liability/ claim that may arise against Transferor Company by virtue of transfer and vesting of the Demerged Business Undertaking into the Transferee Company under and pursuant to this Scheme.



SCHEDULE "A"

SCHEDULE OF MANUFACTURING LOCATIONS AND IMMOVABLE PROPERTIES OF THE DEMERGED BUSINESS UNDERTAKING

Description of the Asset and Location

Unit I:

Unit located at leasehold land* at Kandla Special Economic Zone, Kandla, Gujarat with buildings and structures thereon, described as per details below

- Sector I : Survey No.177-178 admeasuring 1356 Sq Meter., Survey No.196, admeasuring 678 Sq Meter., Survey No.197 admeasuring 678 Sq Meter., Survey No.198-199 admeasuring 1356 Sq Meter. and Survey No. 200 admeasuring 3172 Sq Meter.
- Sector II : Survey No. 42-47 admeasuring 24420 Sq Meter.
- Sector III : Survey No.1/1 admeasuring 184806 Sq. Fts (Leasehold premises).
- Sector IV : Survey No. 253-257 admeasuring 80940 Sq Meter.

*Sector I, II and IV are land allotted on a long term lease basis by Development Commissioner KSEZ and Sector III is an arrangement of lease between a M/s Shreeji Exports and HUL.

Unit II:

Unit located at the leasehold premises of Nutan Warehousing Complex, Pune Saswad Road, Fursungi Pune, Maharashtra with buildings and structures thereon (EQU) admeasuring 26250 square ft. and 110350 square ft.

Unit III:

Unit located at Ernakulam and Alleppey districts of Kerala with buildings and structures thereon, described as per details below :

- Leasehold land with building & structures at (3 in 1 premix (tea) factory) Plot no 8, Cochin Special Economic Zone, Kakkand. Cochin . admeasuring 1.10 acres (4481 sq mtrs)
- Leasehold premises at Door No. 12/795A at Chandiroor, Alleppey District, admeasuring 0.61 acres(27000 sq ft.)
- Leasehold premises at Door No.VIII/52A, Aroorkuttty Ferry Road, Karinjankuzhi Aroor, admeasuring 0.57 acres(25000 sq.ft) (EQU)
- Leasehold land with building and structures at Milne Road, Willingdon Island, Cochin, Door No.VIII/1385 & 1386 admeasuring 0.91 acres(91.22 cents).
- Leasehold land with building and structures at Bristow Road, Willingdon Island, Cochin, Door No.XXIV/1460 admeasuring 1 acres(100 cents).

Unit IV:

Unit located at leasehold land at Etah with buildings and structures thereon at Survey No.252, Kasganj Road, Etah admeasuring 6.88 acres (EQU) along with the following properties :

- Rented Godowns at Kasganj Road, Etah with buildings and structures thereon, comprised in Godown No.8 (admeasuring 0.4443 acres), Godown No.9 (admeasuring 0.41322 acres), Godown No.10 (admeasuring 0.41322 acres).
- Rented Godown at GT Road, Etah with buildings and structures thereon, comprised in Godown No 4 (admeasuring 0.3423 acres) and Godown No. 5 (admeasuring 0.3423 acres)

Unit V:

Unit located at leasehold land at Kidderpore with buildings and structures thereon, described as per details below : (EQU)

- Transport Depot Road Kolkata-700 088 Plot no-D-1596, old Plot no D343/3/A admeasuring 20536 Sqft (18536 plus2000).
- Rented godown at 47, Hide Road, Kolkata-700088,
- Leasehold premises at 6, Hobokon Depot, Kolkata-700088 admeasuring 7800 Sq.ft
- Leasehold premises at Anilnagar, Budge Budge Trunk Road. Kolkata admeasuring 17185 Sq.ft



Hindustan Unilever Limited

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 382 OF 2011**

IN THE MATTER of the Companies Act, 1956;

AND

IN THE MATTER of Sections 391 to 394 of the Companies Act, 1956;

AND

IN THE MATTER of Hindustan Unilever Limited;

AND

IN THE MATTER of Scheme of Arrangement between Hindustan Unilever Limited, Unilever India Exports Limited and their respective Shareholders and Creditors for the transfer of certain assets, liabilities and properties of FMCG Exports Business Division of Hindustan Unilever Limited to Unilever India Exports Limited.

Hindustan Unilever Limited, a Company incorporated under the Indian Companies Act, VII of 1913 and having its Registered Office at 165/166, Backbay Reclamation, Mumbai - 400 020.

.....Applicant/Transferor Company

FORM OF PROXY

I/We, the undersigned, being the Equity Shareholder(s) of the above Applicant Company hereby appoint Mr./Ms..... ofand failing him/her, Mr./Ms..... ofas my/ our proxy, to act for me/us at Court Convened Meeting of the Equity Shareholders of the Applicant Company to be held on Thursday, the 28th of July, 2011 at 2.00 p.m. at Birla Matushri Sabhagar, 19, Marine Lines, Mumbai 400 020, for the purpose of considering and if thought fit, approving with or without modification(s), the Scheme of Arrangement between Hindustan Unilever Limited, Unilever India Exports Limited and their respective Shareholders and Creditors for the transfer of certain assets, liabilities and properties of FMCG Exports Business Division of Hindustan Unilever Limited (Applicant/Transferor Company) to Unilever India Exports Limited (Transferee Company) and at such meeting and at any adjournment(s) thereof, to vote, for me / us and in my/our name(s) ☐ FOR / ☐ AGAINST (*if for, tick 'FOR', if against, tick 'AGAINST', and in the latter case, strike out the words after 'the Scheme of Arrangement'*) the Scheme of Arrangement with or without modification(s) as my / our proxy may approve.

Dated thisday of, 2011.

Affix
Re.1/-
Revenue
Stamp

Name :

Signature across the stamp

Address :

Folio No. / DPID :

Client ID No. :

No. of Shares :

Notes :

1. The Proxy, to be effective, should be deposited at the Registered Office of the Applicant Company at 165/166, Backbay Reclamation, Mumbai - 400 020, not later than FORTY-EIGHT hours before the commencement of the aforesaid meeting.
2. A Proxy need not be a Member of the Company.
3. In case of multiple proxies, the latest received proxy shall be effective.
4. All alterations made in the Form of Proxy should be initialed by the Member.

