

**NOTICE - SECURED CREDITORS****GRASIM INDUSTRIES LIMITED**

Registered Office : P. O. Birlagram, Nagda - 456 331, District Ujjain, Madhya Pradesh, India
Tel No : +91-7366-246760/66
CIN : L17124MP1947PLC000410
Website : www.grasim.com
E-mail : grasim.secretarial@adityabirla.com

**MEETING OF THE SECURED CREDITORS
OF****GRASIM INDUSTRIES LIMITED**

*(convened pursuant to the order dated February 26, 2021
passed by the National Company Law Tribunal, Indore Bench at Ahmedabad)*

MEETING:

Day	:	Friday
Date	:	April 16, 2021
Time	:	4.00 pm IST (1600 hours)
Mode	:	Through Video Conference/Other Audio-Visual Means

REMOTE E-VOTING:

Start Date and Time	:	Saturday, April 10, 2021 at 9.00 am IST (0900 hours)
End Date and Time	:	Thursday, April 15, 2021 at 5.00 pm IST (1700 hours)

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**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
INDORE BENCH, AT AHMEDABAD
CA (CAA) No. 1/MP/2021**

In the matter of the Companies Act, 2013;

And

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

And

In the matter of Grasim Industries Limited;

And

In the matter of Scheme of Arrangement between Grasim Industries Limited and Indorama India Private Limited and their respective shareholders and creditors;

Grasim Industries Limited, a company incorporated }
under the provisions of the Gwalior Companies Act (1 of }
Samvat 1963) and now deemed to be incorporated under }
the Companies Act, 2013 and having its registered office at }
P. O. Birlagram, Nagda - 456 331, District Ujjain, Madhya }
Pradesh, India. }

...Applicant Company
(Transferor Company)

NOTICE CONVENING THE MEETING OF THE SECURED CREDITORS OF THE APPLICANT COMPANY

To,

All the secured creditors of Grasim Industries Limited:

NOTICE is hereby given that by an order dated February 26, 2021 ("**Order**"), the Hon'ble National Company Law Tribunal, Indore Bench at Ahmedabad ("**NCLT**") has directed a meeting to be held of the secured creditors of Grasim Industries Limited ("**Applicant Company**") for the purpose of considering, and if thought fit, approving with or without modification(s), the arrangement embodied in the Scheme of Arrangement between Grasim Industries Limited and Indorama India Private Limited and their respective shareholders and creditors ("**Scheme**") pursuant to the provisions of Sections 230-232 of the Companies Act, 2013 and the other applicable provisions thereof and applicable rules thereunder.

In pursuance of the Order and as directed therein further, this Notice is hereby given that a meeting of the secured creditors of the Applicant Company will be held on Friday, April 16, 2021 at 4.00 pm (1600 hours) IST through Video Conference ("**VC**")/Other Audio-Visual Means ("**OAVM**") ("**Meeting**") in compliance with the applicable provisions of the Companies Act, 2013 ("**Companies Act**") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and the said secured creditors are requested to attend the Meeting. At the Meeting, the following resolution will be considered and if thought fit, be passed, with or without modification(s):

"RESOLVED THAT pursuant to the provisions of Sections 230 - 232 and other applicable provisions of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other rules, circulars and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable, Section 2(42C) of the Income-tax Act, 1961, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force) the Securities and Exchange Board of India Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the observation letter/No-objection letter issued by each of the BSE Limited and the National Stock Exchange of India Limited respectively, both dated February 5, 2021, and subject to the provisions of the memorandum of association and articles of association of Grasim Industries Limited ("**Company**") and subject to the approval of Hon'ble National Company Law Tribunal, Indore Bench at Ahmedabad ("**NCLT**") and subject to such other approvals, permissions and sanctions of regulatory and other authorities or tribunals, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which term shall be deemed to mean and include one or more committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the arrangement embodied in the Scheme of Arrangement between Grasim Industries

Limited and Indorama India Private Limited and their respective shareholders and creditors ("**Scheme**") the draft of which was circulated along with this Notice, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to the above resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT or tribunals while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise or meaning or interpretation of the Scheme or implementation thereof or in any matter whatsoever connected therewith, including passing of such accounting entries and /or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper."

TAKE FURTHER NOTICE that since this Meeting is held, pursuant to the Order passed by the NCLT, through VC/OAVM, physical attendance of the secured creditors has been dispensed with. Accordingly, the facility for appointment of proxies by the secured creditors will not be available for the present Meeting and hence, the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 113 of the Companies Act, authorized representatives of institutional/corporate secured creditors may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the Meeting provided that such secured creditor sends a scanned copy (PDF/JPG Format) of its board or governing body resolution/authorization etc., authorizing its representative to attend the Meeting through VC/OAVM on its behalf, vote through e-voting during the Meeting and/ or to vote through remote e-voting.

TAKE FURTHER NOTICE that

- a. in compliance with the provisions of Section 230 of the Companies Act read with any other applicable provisions of the Companies Act and the rules framed thereunder and following the operating procedure (with appropriate modifications if required) of the General Circulars No. 14/2020 dated April 8, 2020; No. 17/2020 dated April 13, 2020; No. 20/2020 dated May 5, 2020 and No. 39/2020 dated December 31, 2020 issued by the Ministry of Corporate Affairs, Government of India (collectively referred to as the "**MCA Circulars**"), the Applicant Company has provided the facility of voting by remote e-voting and e-voting at the Meeting (Insta Poll) so as to enable the secured creditors, to consider and approve the Scheme by way of the aforesaid resolution. Accordingly, voting by the secured creditors of the Applicant Company to the Scheme shall be carried out only through remote e-voting and e-voting at the Meeting (Insta Poll);
- b. in compliance with the aforesaid Order passed by NCLT, (i) the aforesaid Notice, (ii) the Scheme, (iii) the explanatory statement under Sections 230(3), 232(1) and (2) and 102 of the Companies Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other applicable provisions of Companies Act and the rules made thereunder, and (iv) the enclosures as indicated in the Index (collectively referred to as "**Particulars**"), are being sent (A) through electronic mode to those secured creditors whose e-mail IDs are registered with the Applicant Company; and (B) through registered post or speed post or courier, physically, to those secured creditors who have not registered their e-mail IDs with the Applicant Company. The aforesaid Particulars are being sent to all the secured creditors whose names appear in the record of the Applicant Company as on Thursday, December 31, 2020;
- c. the secured creditors may note that the aforesaid Particulars will be available on the Applicant Company's website www.grasim.com, websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively, and on the website of KFin Technologies Private Limited ("**KFinTech**") at <https://evoting.kfintech.com>;
- d. copies of the aforesaid Particulars can be obtained free of charge, between 10.30 a.m. to 12.30 p.m. on all working days, at the registered office of the Applicant Company, up to the date of the Meeting, at P. O. Birlagram, Nagda - 456 331, District Ujjain, Madhya Pradesh, India or from the office of its advocates, M/s. Singhi & Co., Singhi House, 1, Magnet Corporate Park, Off Sola Bridge, S. G. Highway, Ahmedabad – 380 059, Gujarat, India;
- e. the Applicant Company has extended the remote e-voting facility for its secured creditors, to enable them to cast their votes electronically. The instructions for remote e-voting and e-voting at the Meeting (Insta Poll) are appended to the Notice. The secured creditors opting to cast their votes by remote e-voting and e-voting during the Meeting (Insta Poll) through VC/ OAVM are requested to read the instructions in the Notes below carefully. In case of remote e-voting, the votes should be cast in the manner described in the instructions, from Saturday, April 10, 2021 (9.00 am IST) to Thursday, April 15, 2021 (5.00 pm IST);
- f. the NCLT has appointed Mr. N. Mohan Raj, Independent Director of the Applicant Company, and in his absence Mr. Shailendra K. Jain, Director of the Applicant Company, and in his absence Mr. Dilip Gaur, Managing Director of the Applicant Company to be the Chairman of the Meeting including for any adjournment or adjournments thereof;
- g. one independent director of the Applicant Company and the auditor (or his authorized representative who is qualified to be an auditor) of the Applicant Company shall be attending the Meeting through VC/OAVM;

- h. Mr. Ashish Garg, Practicing Company Secretary (Membership No. FCS 5181 & C.P. No. 4423) has been appointed as the scrutinizer to scrutinize the e-voting during the Meeting (Insta Poll) and remote e-voting process in a fair and transparent manner;
- i. the scrutinizer shall after the conclusion of e-voting at the Meeting (Insta Poll), first download the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and submit his combined report to the Chairman of the Meeting. The scrutinizer's decision on the validity of the votes shall be final. The results of the votes cast through remote e-voting and e-voting during the Meeting (Insta Poll) will be announced on or before close of business hours on April 17, 2021. The results, together with the scrutinizer's report, will be displayed at the registered office of the Applicant Company, on the website of the Applicant Company, www.grasim.com and on the website of KFinTech at <https://evoting.kfintech.com>, besides being communicated to BSE Limited and the National Stock Exchange of India Limited;
- j. the Scheme, if approved at the Meeting, will be subject to the subsequent approval of NCLT; and
- k. a copy of the explanatory statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other applicable provisions of Companies Act and the rules made thereunder, the Scheme and the other enclosures as indicated in the Index are enclosed herewith.



N. Mohan Raj

Chairman appointed for the Meeting

Dated this March 8, 2021

Registered office: P. O. Birlagram, Nagda - 456 331,
District Ujjain, Madhya Pradesh, India.

Notes:

1. **General instructions for accessing and participating in the Meeting through VC/OAVM Facility and voting through electronic means including remote e-voting**
 - (a) Pursuant to the Order passed by the NCLT, Meeting of the secured creditors of the Applicant Company will be held through VC/ OAVM following the operating procedures (with appropriate modifications if required) set out in the MCA Circulars.
 - (b) Since, the Meeting is being held pursuant to Order passed by the NCLT, through VC/OAVM, physical attendance of the secured creditors has been dispensed with. Accordingly, the facility for appointment of proxies by the secured creditors will not be available for the Meeting. However, in pursuance of Section 113 of the Companies Act, authorized representatives of institutional/corporate secured creditors may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the Meeting provided that such secured creditor sends a scanned copy (PDF/JPG Format) of its board or governing body resolution/authorization etc., authorizing its representative to attend the Meeting through VC/OAVM on its behalf, vote through e-voting during the Meeting (Insta Poll) and/or to vote through remote e-voting, on its behalf.
 - (c) The proceedings of this Meeting would be deemed to have been conducted at the registered office of the Applicant Company located at Grasim Staff Club, Birlagram, Nagda - 456 331, Dist. Ujjain (Madhya Pradesh), India.
 - (d) The quorum of the Meeting of the secured creditors of the Applicant Company shall be 2 (Two) secured creditors of the Applicant Company. The secured creditors attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act.
 - (e) The aforesaid Particulars are being sent (i) through electronic mode to those secured creditors whose e-mail IDs are registered with the Applicant Company; and (ii) through registered post or speed post or courier, physically, to those secured creditors who have not registered their e-mail IDs with the Applicant Company. The aforesaid Particulars are being sent to all the secured creditors whose names appear in the records of the Applicant Company as on Thursday, December 31, 2020.

- (f) KFinTech, the Applicant Company's Registrar and Transfer Agent, will provide the facility for voting by the secured creditors through remote e-voting, for participation in the Meeting through VC/OAVM and e-voting during the Meeting (Insta Poll).
- (g) All the documents referred to in the accompanying explanatory statement, shall be available for inspection through electronic mode during the proceedings of the Meeting. Secured creditors seeking to inspect copies of the said documents may send an email at grasim.secretarial@adityabirla.com. Further, all the documents referred to in the accompanying explanatory statement shall also be open for inspection by the secured creditors at the registered office of the Applicant Company between 10.30 a.m. to 12.30 p.m. on all working days up to the date of the Meeting. A recorded transcript of the Meeting shall also be made available in electronic form on the website of the Applicant Company.
- (h) The Notice convening the Meeting will be published through advertisement in (i) Indian Express (All editions) in English language; and (ii) translation thereof in Nai Dunia (Indore edition) in Hindi language.
- (i) The Scheme shall be considered approved by the secured creditors of the Applicant Company if the resolution mentioned in the Notice has been approved by majority of persons representing three-fourth in value of the secured creditors voting at the Meeting through VC/OAVM or by remote e-voting, in terms of the provisions of Sections 230 – 232 of the Companies Act.
- (j) Since the Meeting will be held through VC/OAVM in accordance with the Order passed by NCLT and the operating procedures (with appropriate modifications if required) set out in the MCA Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

2. Procedure for joining the Meeting through VC/OAVM

- (a) The Applicant Company will provide VC/OAVM facility to its secured creditors for participating in the Meeting. The secured creditors will be able to attend the Meeting through VC/OAVM or view the live webcast of the Meeting at <https://emeetings.kfintech.com> by using their remote e-voting login credentials and selecting the 'EVENT' for the Meeting.
- (b) The secured creditors are requested to follow the procedure given below:
 - i. Launch internet browser (chrome/firefox/safari) by typing the URL: <https://emeetings.kfintech.com>;
 - ii. Enter the login credentials (i.e., User ID and password for e-voting);
 - iii. After logging in, click on 'Video Conference' option; and
 - iv. Then click on camera icon appearing against NCLT EVENT of Grasim Industries Limited, to attend the Meeting.
- (c) The secured creditors may join the Meeting through laptops, smartphones, tablets or iPads for better experience. Further, the secured creditors will be required to use internet with a good speed to avoid any disturbance during the Meeting. Secured creditors will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Mozilla Firefox.

Please note that the participants connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches. Secured creditors will be required to grant access to the web-cam to enable two-way video conferencing.
- (d) Facility to join the Meeting will be opened thirty minutes before the scheduled time of the Meeting and will be kept open throughout the proceedings of the Meeting.
- (e) The facility of participation at the Meeting through VC/OAVM will be made available on first-come-first-served basis.
- (f) The secured creditors who would like to express their views or ask questions during the Meeting may register themselves as speakers by logging on to <https://emeetings.kfintech.com> and clicking on the 'Speaker Registration' option available on the screen after log in. The speaker registration will be open from Monday, April 12, 2021 (9.00 am IST) to Wednesday, April 14, 2021 (5.00 pm IST). Only those secured creditors who are registered as speakers will be allowed to express their views or ask questions.

Secured creditors seeking any information with regard to the matter to be considered at the Meeting, are requested to write to the Applicant Company on or before Wednesday, April 14, 2021 through email on grasim.secretarial@adityabirla.com. The same will be replied by the Applicant Company suitably.

Alternatively, the secured creditors may also visit <https://emeetings.kfintech.com> and click on the tab 'Post Your Queries' and post their queries/ views/questions in the window provided, by mentioning their name, the name of the secured creditor, email ID and mobile number. The window will be closed on Wednesday, April 14, 2021 (5.00 pm IST).

The Chairman, at its discretion reserves the right to restrict the number of questions and number of Speakers, depending upon availability of time as appropriate for smooth conduct of the Meeting.

- (g) Secured creditors who need assistance before or during the Meeting, may contact KFinTech at evoting@kfintech.com or call on toll free numbers 1800-345-4001.
- (h) Institutional/corporate secured creditors are required to send a scanned copy (PDF/JPG Format) of its board or governing body resolution/authorization etc., authorizing its representative to attend the Meeting through VC/OAVM on its behalf, vote through e-voting during the Meeting (Insta Poll) and/ or to vote through remote e-voting. The scanned image of the abovementioned documents should be in the name format 'Corporate Name_EVENT NO.' The said resolution/authorization shall be sent to the scrutinizer by email ID through its registered email ID to scrutinizer.grasim@adityabirla.com with a copy marked to evoting@kfintech.com and grasim.secretarial@adityabirla.com, before the Meeting or before the remote e-voting, as the case may be.

3. Instructions for remote e-voting and e-voting at the meeting (Insta Poll)

- (a) In compliance with the operating procedures (with appropriate modifications if required) set out in the applicable provisions of the Companies Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the MCA Circulars, as amended, the Applicant Company is pleased to provide to its secured creditors facility to exercise their right to vote on the resolution proposed to be considered at the Meeting by electronic means and the business would be transacted through e-voting services arranged by KFinTech. The secured creditors may cast their votes remotely, using an electronic voting system ("remote e-voting") on the dates mentioned herein below.
- (b) Those secured creditors, who will be present in the Meeting through VC/OAVM facility and have not cast their vote on the resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting facility during the Meeting (Insta Poll).
- (c) The secured creditors who have cast their vote by remote e-voting prior to the Meeting may also join the Meeting through VC/OAVM, but shall not be entitled to cast their vote again. A secured creditor can opt for only single mode of voting per EVENT, i.e., through remote e-voting or e-voting at the Meeting (Insta Poll). If a secured creditor casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as 'INVALID'.
- (d) The remote e-voting period commences on Saturday, April 10, 2021 (9.00 am IST) and ends on Thursday, April 15, 2021 (5.00 pm IST). The remote e-voting module will be disabled by KFinTech for voting thereafter. Once the vote on a resolution is cast by the secured creditor, he/it will not be allowed to change it subsequently. During this period, secured creditor of the Applicant Company, as on Thursday, December 31, 2020, i.e., Cut-Off Date, may cast their vote by remote e-voting. A person who is not a secured creditor as on the Cut-Off Date should treat this Notice for information purpose only.

4. The process and manner for remote e-voting is as under:

A. In case a secured creditor receives an email from KFinTech (for secured creditors whose email addresses are registered with the Applicant Company):

- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com>.
- ii. Enter the login credentials (i.e., User ID and Password) which has been informed to you along with the Notice.
- iii. After entering these details appropriately, click on 'LOGIN'.
- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password should comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the 'EVENT', i.e., Grasim Industries Limited.
- vii. On the voting page, enter the value of the debt amount as per the records of the Applicant Company (which represents the number of votes) as on the Cut-Off Date under 'FOR/AGAINST' or, alternatively, you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total value of the debt amount as mentioned hereinabove. You may also choose the option 'ABSTAIN'. If you do not indicate either 'FOR' or 'AGAINST' it will be treated as 'ABSTAIN' and the value of the debt amount will not be counted under either head.
- viii. You may then cast your vote by selecting an appropriate option and click on 'Submit'.
- ix. A confirmation box will be displayed. Click 'OK' to confirm else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, you can login any number of times till you have voted on the Resolution.

B. In case a secured creditor has not registered his email address with the Applicant Company:

- (i) Such Secured Creditors are requested to register/update their email ID with Applicant Company by sending requests at grasim.secretarial@adityabirla.com, with a self-attested copy of their PAN card.
- (ii) Upon registration, the secured creditors will receive an email from KFinTech which includes details of e-Voting Event Number (EVENT), User ID and Password.
- (iii) Please follow all steps from Note. No. 4 A. (i) to (ix) above to cast the vote by electronic means.

C. In case a secured creditor receives printed copy of Notice and accompanying documents by Post / Courier :

- (a) Your User ID and password is given along with this Notice.
- (b) Follow the instructions from Note. No. 4 A. (i) to (ix) above to cast the vote by electronic means.

D. The secured creditors who do not have their User ID and Password for e-voting or have forgotten their User ID and Password may retrieve the same by following the procedure given in the e-voting instructions as mentioned above. After due verification, the Applicant Company / KFinTech will send your login credentials to you.

E. Other Instructions

- i. The voting rights of the secured creditors shall be in proportion to the value of their debts as per the records of the Applicant Company as on the cut off date i.e. December 31, 2020;
- ii. A person, whose name is recorded in the list of the secured creditors of the Applicant Company as on the cut-off date i.e. December 31, 2020, only shall be entitled to avail the facility of remote e-voting or for participation and e-voting at the Meeting (Insta Poll).
- iii. Secured Creditors who need assistance before or during the Meeting, may contact KFinTech at evoting@kfintech.com or call on toll free numbers 1800-345-4001.
- iv. In case of any queries, please visit Help and FAQs section available at KFinTech website <https://evoting.kfintech.com>. For any grievances related to e-voting, please contact Mr. Ganesh Patro, Senior Manager, KFin Technologies Private Limited, Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032 at evoting@kfintech.com, Toll Free No: 1800-345-4001.

5. Information and instructions for e-voting facility at the meeting (Insta Poll)

- (a) Facility to cast vote through e-voting at the Meeting (Insta Poll) will be made available on the video conference screen and will be activated once the e-voting is announced at the Meeting.
- (b) Those secured creditors, who will be present in the Meeting through VC/OAVM facility and have not cast their vote on the resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting facility during the Meeting.
- (c) The procedure for e-voting during the Meeting (Insta Poll) is same as the instructions mentioned above for remote e-voting since the Meeting is being held through VC/OAVM. The e-voting window shall be activated upon instructions of the Chairman of the Meeting during the Meeting. E-voting during the Meeting (Insta Poll) is integrated with the VC/OAVM platform and no separate login is required for the same.

Encl : As above

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
INDORE BENCH, AT AHMEDABAD
CA (CAA) No. 1/MP/2021**

In the matter of the Companies Act, 2013;

And

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

And

In the matter of Grasim Industries Limited;

And

In the matter of Scheme of Arrangement between Grasim Industries Limited and Indorama India Private Limited and their respective shareholders and creditors;

Grasim Industries Limited , a company incorporated } under the provisions of the Gwalior Companies Act } (1 of Samvat 1963) and now deemed to be incorporated } under the Companies Act, 2013 and having its registered } office at P. O. Birlagram, Nagda - 456 331, District Ujjain, } Madhya Pradesh, India. }	...Applicant Company (Transferor Company)
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**EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1) AND (2) AND 102 OF THE COMPANIES ACT, 2013
READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016**

1. Pursuant to the Order dated February 26, 2021 passed by the Hon'ble National Company Law Tribunal, Indore Bench at Ahmedabad ("**NCLT**"), in CA (CAA) No. 1/MP/2021 ("**Order**"), a meeting of the secured creditors of Grasim Industries Limited (hereinafter referred to as the "**Applicant Company**" or the "**Transferor Company**" as the context may admit) is being convened through Video Conference ("**VC**")/Other Audio-Visual Means ("**OAVM**"), on Friday, April 16, 2021 at 4.00 pm (1600 hours), for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme of Arrangement between the Transferor Company and Indorama India Private Limited (hereinafter referred to as the "**Transferee Company**") and their respective shareholders and creditors under Sections 230-232 of the Companies Act, 2013 (hereinafter referred to as the "**Act**"), and other applicable provisions of the Act, read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**Scheme**"). The Transferor Company and the Transferee Company are together referred to as the "**Companies**" or "**Parties**", as the context may admit. A copy of the Scheme, which has been, *inter alios*, approved by the Audit Committee, Committee of Independent Directors and the Board of Directors of the Applicant Company at their respective meetings, all held on November 12, 2020, is enclosed as **Annexure 1**. Capitalised terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless otherwise stated.
2. The Scheme *inter alia* provides for transfer of the Transferor Company's business of manufacture, trading and sale of *inter alia* urea, customised fertilisers, agri-inputs, crop protection, plant and soil health products and specialty fertilisers as a going concern, by way of a Slump Sale, to the Transferee Company for a lump sum cash consideration, and various other matters consequential to or otherwise integrally connected with the above pursuant to the provisions of Sections 230 - 232 of the Act, and any other provisions of the Act, as applicable (including any statutory modification(s) or re-enactment thereof), for the time being in force.
3. In terms of the Order, the quorum for the said meeting shall be 2 (two). Secured creditors attending the meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. Further in terms of the Order, NCLT, has appointed Mr. N. Mohan Raj, Independent Director of the Applicant Company, and in his absence Mr. Shailendra K. Jain, Director of the Applicant Company, and in his absence Mr. Dilip Gaur, Managing Director of the Applicant Company to be the Chairman of the said meeting of the Applicant Company including for any adjournment or adjournments thereof.
5. This statement is being furnished as required under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**Rules**").

6. As stated earlier, NCLT by its Order has, inter alia, directed that a meeting of the secured creditors of the Applicant Company shall be convened through VC/OAVM, on Friday, April 16, 2021 at 4.00 pm (1600 hours) for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme (“**Meeting**”). Secured creditors would be entitled to vote either through remote e-voting or e-voting at the Meeting (Insta Poll).
7. In accordance with the provisions of Sections 230 – 232 of the Act, the Scheme shall be acted upon only if a majority in number representing three fourths in value of the secured creditors, of the Applicant Company, voting through remote e-voting and e-voting at the Meeting (Insta Poll), agree to the Scheme.
8. In terms of the Order, if the entries in the records/registers of the Applicant Company in relation to the number or value, as the case may be, of the secured creditors are disputed, the Chairman of the Meeting shall determine the number or value, as the case may be, for the purposes of the said Meeting, subject to the orders of NCLT in the petition seeking sanction of the Scheme.

Particulars of the Transferor Company

9. The Transferor Company, a public limited company, was incorporated on August 25, 1947 as Gwalior Rayon Silk Manufacturing (Weaving) Co. Ltd., a company limited by shares, under the provisions of the Gwalior Companies Act (1 of Samvat 1963). Its name was changed to Grasim Industries Limited on July 22, 1986. The Transferor Company is now governed by the Act. The Corporate Identification Number of Transferor Company is L17124MP1947PLC000410. The Permanent Account Number of the Transferor Company is AAACG4464B. The equity shares of the Transferor Company are listed on BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”) and its global depository receipts are listed on the Luxembourg Stock Exchange.
10. The Registered Office of the Transferor Company is situated at P. O. Birlagram, Nagda - 456 331, District Ujjain, Madhya Pradesh, India. There has been no change in the registered office address of the Transferor Company in last five (5) years. The e-mail address of the Transferor Company is grasim.secretarial@adityabirla.com.
11. The objects for which the Transferor Company has been established are set out in its Memorandum of Association. Some of the relevant objects of the Transferor Company are as follows:

“*Clause 3.*

3.(a) *To carry on all or any of the following business, namely: manufactures of artificial silk fibres, yarns and fabrics, other varieties of synthetic fibres and yarns fabrics such as, nylons etc., cotton spinners and doublers, flax, hemp, jute spinners linen and cloth manufacturers, flax, hemp, jute and wool merchants, wool combers, worsted spinners, woollen spinners, yarn merchants, worsted stuff manufacturers, bleachers and dyers and makers of citriol, bleaching, dyeing materials and raw materials and chemicals required in the production of synthetic fibres and yarns.*

(b) *To purchase, comb, prepare, spin, dye and deal in artificial silk and other synthetic fibres and yarns, cotton, flax, hemp, jute, wool, silk and any fibrous substances.*

(c) *To weave, knit and otherwise manufacture, buy and sell and deal in artificial silk and other synthetic fibres and yarns, linen, cloth and other goods and fabrics, whether textile, felted, netted or looped.”*

“4.E. *To manufacture, buy, sell, exchange, alter improve, manipulate, prepare for market, and otherwise deal in all kinds of plant, machinery, apparatus, tools, utensils, substances, materials and thing necessary or convenient for carrying on any of the above specified businesses or proceedings, or usually dealt in by persons engaged in the like.”*

“4.G. *To carry on business of manufacturers, importers, exporters of and dealers in Rayon Machinery, ancillary plants, accessories, tools, appliances and apparatus thereto and also to carry on business of manufactures, importers, exporters of and dealers in machinery together with accessories, tolls, appliances, apparatus and spare parts thereto, used in producing Rayon and other fibres and in particular Continuous Filament, Staple Fibre and Acetate.*

4.H. *To carry on business of manufactures, importers, exporters of and dealers in machinery together with accessories, equipment’s, tools, appliances, apparatus and spare parts used for manufacturer of chemicals and in particular chemicals required in Rayon Industry including Caustic Soda, Sulphuric Acid and Carbon Bisulphide.”*

“4.L *To manufacture, produce refine, process, formulate, mix or prepare, mine or otherwise acquire, buy, sell, exchange, distributes, trade, deal in, import and export any and all kinds of chemicals, including heavy chemicals of all grades and organic and inorganic chemicals, food processing aids or food processing chemicals, fertilisers, linden, pesticides, manures their mixtures and formulation and any and all Classes and kinds of chemicals,*

sources, chemical auxiliaries and analytical chemicals, mixtures, natural and synthetic and other derivatives and compounds and by-products thereof and any and all kinds of products of which any of the foregoing constitutes any ingredient or in the production of which any of the foregoing is used, including acids, alkalies, fertilisers and agricultural and industrial chemicals of all kinds and industrial and other preparation of, or products arising from or required in the manufacturing, refining of any kind of fertiliser, their mixture and formulation.”

“31. And generally to do and perform all such other acts and things as may in the opinion of the Directors or the Managing Agents of the Company for the time being be incidental or conducive to the attainment of the above objects or any of them.”

“31.C. To carry on the business of manufacturers of and dealers in chemicals of any nature and kind whatsoever and as wholesale and retail chemists, druggists, analytical and pharmaceutical chemists, dry salters, oil and colour men, importers, exporters, and manufacturers of and dealers in heavy chemicals, alkalis, acids, drugs, tanins, essences, pharmaceutical, sizing, medicinal, chemicals, industrial and other preparations and articles of any nature and kind whatsoever, mineral and other waters, soaps, cements, oils, fats, paints, varnishes, drugs, dyestuffs, chemicals, paints and colour grinders, makers of any proprietary articles of all kinds and of electrical, chemical, photographic, surgical and scientific apparatus and materials and to manufacturer, refine, manipulate, import and deal in salts and marine materials and other derivatives, bye-products and compounds, of any nature and kind whatsoever.

31.D. To carry on the business of manufacturers of and dealers in all kinds and classes of pulp including sulphite and sulphate wood pulp, mechanical pulp and soda pulp and papers including transparent, vellum, writing, printing, glazed, absorbent, newsprinting, wrapping, tissue, cover, blotting, filter, bank or bond, badami, brown, buff or coloured cloth-lined, azurelaid, cream laid, grease or water proof hand-made parchment drawing craft, carbon, envelope and boxes and straw duplicates and triplicates boards and all kinds of articles in the manufacture of which in any form pulp paper or board is used and also to deal in any manufacture of artificial leather and plastics of all varieties, grades and colour and any other articles, and things of a character similar or analogous to the foregoing or any of them or connected therewith.”

Clause 4.L of the object clause was amended pursuant to the approval of the members obtained at the Annual General Meeting held on September 14, 2020.

Further, the object clause of the Transferor Company has also been amended pursuant to the resolution passed by the members of the Transferor Company, at the meeting of the equity shareholders convened on April 6, 2017 pursuant to final order dated February 6, 2017 as rectified vide order dated February 14, 2017 passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench to include the following clauses:

“Clause 3(3)

- (e) *To carry on the business of manufacturing, buying, selling, marketing, trading, importing, exporting, distributing, processing, exchanging, converting, altering, twisting or otherwise handling or dealing in cellulose, viscose rayon yarns and fibres, synthetic fibres and yarns, staple fibre yarns and such other fibres or fibrous materials, transparent paper and auxiliary chemical products, allied products, by-products or substances or substitutes for all or any of them or yarn or yarns for textile or other use as the company may deem necessary expedient or practicable.*
- (f) *To carry on the business of manufacturing, buying, selling, marketing, trading, importing, exporting, distributing, processing, exchanging, converting, altering, twisting or otherwise handling or dealing in insulators, fertilizers and chemicals of all types, and their by-products and derivatives (including raw materials, value added products) and mixtures thereof.*
- (g) *To manufacture and deal in all kinds of cotton, linen, silk, worsted and woollen goods and goods made of jute, hemp, flax, cellulosic fibres, metallic fibres, glass fibres, protein fibres, rubber fibres, rayons, polyesters, all kinds of synthetic polymers and other fibres or fibrous substances, natural or otherwise; to purchase cotton or all other fibrous materials either in the raw or manufactured state, to grin, comb, prepare, spin, double, twist, wind, bleach, dye, finish and do other processes, connected with or incidental to the general manufacture of the same; to manufacture and deal in all kinds of yarn and thread including covered elastic thread and covered rubber thread from any or all of the said fibres or fibrous substances, required for any of the purposes or weaving, sewing, knitting, embroidery, tapestry, hosiery, texturizing and all other special purposes in which any or all such yarns and threads could be used, to weave or otherwise manufacture, buy and sell and deal in all kinds of fabric whether textile, filter, knitted, looped, bonded or otherwise made out of the said yarns or fibres; to manufacture and deal as a wholesaler, retailer, distributor, exporter, broker, trader, agent, franchisee etc. in all kinds of garments, dresses, hosiery etc. made from out of the said yarns, fibres and fabrics for every kind of use; to make vitriol, bleaching and dyeing materials; to operate as dyers, printers, bleachers, finishers*

and dressers; to purchase material for and to purchase or manufacture blocks, spools, bobbins, cones, boxes, tickets, labels, wrappers, show cards, machines, tools and other appliances required in and connected with the said business; and to trade in, deal in, sell and dispose of the articles purchased and manufactured by the Company and to carry on any other operations and activities of whatsoever kind and nature in relation or incidental to hereinabove.

- (h) *To promote, design, construct, establish, operate, lease, maintain electricity generating station(s) and to carry on all or any of the business of procures, procurers, generators, energy storage systems, suppliers, sellers, distributors, transformers, converters, transmitters, producers, manufacturers, processors, developers, lessors, stores, licensors and license carriers, importers and exporters of, and dealers in, electricity, power and/or energy produced or generated by wind, solar, hydro, thermal, atomic, nuclear, biomass, coal, lignite, gas, ocean energy, geothermal or any other form and any products or by-products derived there from and any products or by-products derived therefrom including steam, water, oil, gas, wind, vapour, fly ashes and any other business connected with electricity, power, energy, heat, solar, wind, hydro wave, tidal, geothermal, biological and nuclear either for self-consumption or otherwise and to install in any premises or plant and to operate, use, inspect, maintain, service, repair, replace, refurbish and remove meters or other devices for assessing the quality and/or quality of suppliers of electricity, gas and other substances and forms of energy and for other purposes connected with such suppliers and to do anything that an electricity generator, electricity supplier or electricity transmitter is empowered, enabled or required to do under or by virtue of, or under license or under any Power Purchase Agreement(s) (PPAs) with government agency(ies) and/or authority(ies), non-government agency(ies) and/or authority(ies), private party(ies), and/or any other agency(ies) and/or authority(ies) public and/or private or exemption granted under any enactment or statutory instrument.*
- (i) *To carry on business of designing, engineering, manufacturing, producing, processing, generating, accumulating, distributing, operating, testing, transferring, preserving, trading in, hedging and to sell, supply electricity power or any other energy from conventional/non-conventional/Renewable energy sources on a commercial basis and to design, construct, lay down, establish, operate, and maintain power, energy generating stations including buildings, structures, works, transmission lines, substation bay equipment, machineries, equipment, cables, and to undertake or carry on the business of managing, owning, controlling, erecting, commissioning, operating, running, leasing or transferring to third person(s), power plants, plants based on conventional or non-conventional energy sources, solar energy plants, wind energy plants, mechanical, electrical, hydel, tidal, wave energy, thermal, oil, gas, air, sea energy, diesel oil, heavy furnace oil, naphtha, bio-mass, bio-gas, coal, fuel cell, civil engineering works and similar projects and supply of electricity to participating industries, State Electricity Boards, and other boards for industrial, commercial, domestic, public and other purpose and also to provide regular services for repairing and maintenance of all distribution and supply lines and renewal energy sources, waste treatment plants of all kinds and equipment thereof in India and outside India and also manufacturing, procuring, dealing in all ancillary products like transformer, battery, cable, structural steel, civil work, inverter etc., required for or capable of being used in connection with above industry.*
- (j) *To carry on the business of researching, designing, developing, manufacturing, processing, generating, accumulating, representing, distributing, stocking, transferring, marketing, selling, servicing, supplying, engineering, contracting, erecting, commissioning, merchandising, managing, maintaining, leasing, utilizing and renting as developers, researchers, engineers, manufacturers, producers, consultants, importers, exporters, buyers, sellers, assemblers, hirers, repairers, dealers, distributors, stockiest, wholesalers, retailers, jobbers, traders, agents, brokers, representatives, collaborators, partners and advisors for all, any and every kind and types of plants, systems, equipment, items, devices, products, machines, parts, components, spares, hardware, assemblies and sub-assemblies related to generation, use, application and utilization of renewable energy resources like solar, wind, tidal, bio-mass, geothermal natural gas, hydrogen, methane of all, any and every kind and type including photovoltaic cells, and modules, Concentrated Solar Power, Fuel cells, windmills, wave motion generators, biogas distribution and utilizing systems with battery storage, transformers, inverters, charge controllers, instrumentation and auto-switching, water heaters and steam generators, incinerators, organic and inorganic waste management systems, boilers, vacuum tubes, radiators, water coolers, lighting products, energy collectors, energy accumulators, energy pumps, heat pumps, water distillation and desalination plants and systems, refrigeration plants and cold storage plants and systems, air heating, air cooling and air conditioning plants and systems, heat exchangers, insulating systems, including insulating materials, evaporators, condensers and absorption systems, absorption, adsorption and desiccant coolers, chillers and systems, air circulating, air suction and delivery fans and systems, air filtration systems, solar light pipes, guides and vents, renewable energy control instrumentation and systems, humidification and dehumidification plants and systems, renewable energy based household, consumer, educational and novelty products.*
- (k) *To carry on business of planning, establishing, developing, manufacturing, buying, selling, supplying, operating, managing, advising and providing services of every description and kind including but not limited to*

telecommunication towers, telecommunication systems and related infrastructure, systems and mechanical, electrical and electronic machinery, equipment, apparatus and devices, including surveying the site for feasibility, engineering, construction, erection, installation, commissioning, alteration, repair, takeover of the site for complete operation, and generating, producing, refining, receiving, improving, buying, selling, reselling, acquiring, using, transmitting, accumulating, employing, distributing, developing, handling, managing, advising, supplying, maintenance, providing energy management services through diversified conventional or non-conventional power sources, general housekeeping, caretaker services, security, site optimization, supply of hydrogen and other incidental products, and all other related, concerned and consequential services as required in this respect, whether covered hereinabove or not, including arrangement and provision of any of the abovementioned services by any other party(ies) on hire, rental, commission based or any other system and to carry on the above services in India and/or abroad for and on behalf of the Company as well as for others and to apply for and obtain registration as required.

- (l) To carry on business of engineering, procurement, construction, general engineers, mechanical engineers, process engineers, civil engineers, general mechanical and civil contractors for power plant, solar plant, and to enter into contracts and joint ventures in relation to and to erect, construct, supervise, maintain, alter, repair, pull down and restore, either alone or jointly with other companies or persons, works of all descriptions, including plants of all descriptions, factories, mills, refineries, pipelines, gas works, electrical works, power plants, water works, water treatment plants and to undertake turnkey projects of every description and to undertake the supervision of any plant or factory and to invest in or acquire interest in companies carrying on the above business.”

Further, the object clause of the Transferor Company has also been amended pursuant to the approval of the members obtained at the Extraordinary General Meeting held on February 22, 2021 to include the following clauses:

“Clause 3(3)

- (m) To carry on the business as manufacturers, dealers, sellers, traders, importers, exporters in:

Paints, coatings, industrial coatings, powder coatings, auto-OEM coatings, wallpapers, specialty chemicals, white and colored cements and waterproofing materials, compounds, etc. of all types and all kinds, including their all kinds of formulation but not limited to emulsions, synthetic resins, polymers, rutile (titanium dioxide), monomer, surfactants, dispersing agents, biocides, driers, colorants, lacquers, enamels, textures, wood and metal finish, paints, varnishes, oils, distempers, alkyd resins, polyurethane resin, acrylics resins, melamine resins, epoxy resins, latex, all types of putty, dry colors, minerals, disinfectants, turpentine, all types of painting brushes, tools, implements etc. for painting jobs, paint / color mixing machines and/or tinting machines and its variants / equipment etc. and / or any other item or items that can be manufactured on own or through contract manufacturing or traded or is auxiliary in connection with the aforesaid business.

- (n) To carry on the business as manufacturers, dealers, traders, sellers, importers, exporters in: -

- A. All types of plastics, lattices and formulations, thereof including all kinds of rubber and plastics, products and goods;
- B. Styrene, butadiene and similar monomers, ethylene, alcohol, petroleum fractions and other chemical substances of all kinds, to manufacture compounds, synthetic and other substances, basic, intermediate or otherwise from chemical substances of all kinds;
- C. All kinds of plastic materials, polystyrene, vinyl chloride, polyvinyl chloride, methyl metha acrylate, butyl acrylate, ethyl hexa acrylate, hydroxy ethyl metha acrylate, polyethylene, polyoleines, vinyl acetate and copolymers of one or more of the above and/or other products, acrylics and polyesters, polycarbonate and polyethers, epoxy resins and compositions, silicon resins and compositions, P-F, U-F and other thermosetting resins and molding compositions, nylons, Rilsan and similar thermoplastics and molding compositions including refabricated sections and shapes, cellulosic plastics and other thermosetting and thermoplastic materials (of synthetic or natural origin), allied types of reagents, weedicides, pesticides, fungicides, and lakes, dyes, toners, perfumes and flavouring chemicals, rubber chemicals, plastic and resinous materials, adhesive and sealant compositions, plasticizers, surface active agents, coating resins, solvents, marine chemicals, synthetic fibres, and all types of Industrial chemicals, hormones, trace elements, etc;
- D. Petrochemical, industrial and other preparations and articles of any nature and kind whatsoever, waxes natural and synthetic, industrial solvents and pasting agents, antioxidants, accelerators, reinforcing agents, silica compounds, softeners, and special chemical substances, plasticizers and extenders, dyestuffs and intermediates, etc;

- E. All kinds of pigments, pigment emulsions, binder materials, thickeners, chemicals, dyes and manures;
- F. Biochemical, industrial and other preparations and articles, dyes, chemicals, acids, alkalis, colors, glues, gums, pasters, organic or mineral intermediates, compositions, paint and color grinders, preparatory articles of all kinds, laboratory reagents, and to carry on the business of chemists and oil and colormen;
- G. All types of containers (included but not limited to metallic and plastic containers), receptacles, boxes, cartons, cages, bins, tubes, crates, packing cases, cans, ball strapping systems and bags and fittings therefore, of every kind for holding, keeping, storing, shipping and handling the products which the Company is entitled to manufacture or deal in or any of them.
- (o) To carry on the business of home improvement, all types of painting services, water-proofing and chemical treatment services, and decor for interior and exterior furnishers & decorators including all types of services – direct or online, through self, partners, associates, contracts, etc., and other related services for home, offices, factories or any other building/wall.
- (p) To manufacture, process, produce, prepare, make, sell, service, contract (both service and material, etc.), purchase, store, import, export, trade, market, all types of items/products of exterior and interior decoration/ furnishing, wallpaper, wall cladding, textures, all types of building materials and/or linked services including flooring materials which includes tiles, wooden flooring, flooring laminates, industrial flooring, carpets, rugs, all types of roofing materials, shingles, insulation materials, construction chemicals, water proofing, prefabricated building materials and other building material and architectural work.”

Except as stated above, there has been no change in the object clause of the Transferor Company in the last 5 years.

12. There has been no change in the name of the Transferor Company during the last 5 years.
13. The Transferor Company is currently engaged, *inter alia*, in the business of manufacture, trading and sale of urea, customized fertilizers, agri-inputs, crop protection, plant and soil health products and speciality fertilisers and has its manufacturing facilities inter alia at Jagdishpur Industrial Area, Amethi, Uttar Pradesh, 227817. The Transferor Company’s business constitutes the IGF Business (*as defined in the Scheme*) and the Other Business (*as defined in the Scheme*). Other Business, inter alia, comprises of viscose staple fibre, chlor-alkali and allied chemicals, epoxy resins and textiles.
14. The Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferor Company as on December 31, 2020 was as follows:

Particulars	Amount (INR in Crores)
Authorised share capital	
1,47,25,00,000 equity shares of INR 2 each*	294.50
11,00,000 redeemable preference shares of INR 100 each	11.00
TOTAL	305.50
Issued, subscribed and paid-up share capital	
65,79,51,004 equity shares of INR 2 each**	131.59
TOTAL	131.59

* A separate scheme of amalgamation between Grasim Premium Fabric Private Limited and the Transferor Company, which is pending approval from the jurisdictional National Company Law Tribunal as of December 31, 2020, under clause 8 provides for increase in authorized equity share capital of the Transferor Company to 206,25,00,000 equity shares of INR 2 each, upon the scheme becoming effective with effect from the appointed date. The appointed date is defined in such scheme to mean April 1, 2019 or such other date as the board of directors of Grasim Premium Fabric Private Limited or the Transferor Company or the jurisdictional National Company Law Tribunal may decide.

** The issued and paid-up share capital includes 3,92,52,522 equity shares represented by 3,92,52,522 global depository receipts as on December 31, 2020.

The Transferor Company has outstanding employee stock options under its existing stock options scheme, the exercise of which may result in an increase in the issued and paid-up share capital of the Transferor Company.

No shares of the Transferor Company are being issued, transferred or cancelled pursuant to the Scheme. Therefore, effectiveness of the Scheme will not result in any direct change in capital structure of the Transferor Company.

Particulars of the Transferee Company

15. The Transferee Company was incorporated on September 26, 2017, as a private limited company, with the Registrar of Companies, West Bengal, under the provisions of the Act, in the name of IRC Agrochemicals Private Limited. Its name was changed to Indorama India Private Limited on February 18, 2020. The Corporate Identification Number of the Transferee Company is U74999WB2017FTC222920. The Permanent Account Number of the Transferee Company is AAECI6388L. Except as stated above, there has been no change in the name of the Transferee Company in the last 5 years.
16. The Transferee Company was incorporated as a private limited company in the name of IRC Agrochemicals Private Limited having its registered office at Emerald House, 4th Floor, 1B, Old Post Office Street, Kolkata, West Bengal, India, 700 001. Later, with effect from July 13, 2018, the registered office of the Transferee Company was shifted to P. S. Srijan Tech Park, DN – 52, Unit No. A & B, 14th Floor, Sector V, Salt Lake, Kolkata, West Bengal – 700 091, and thereafter, with effect from February 7, 2020, the registered office of the Transferee Company was further shifted to Ecocentre, EM -4, 12th Floor, Unit No. ECSL 1201, Sector V, Salt Lake, Kolkata – 700 091, West Bengal, India. The e-mail address of the Transferee Company is indorama.secretarial@indorama.co. Except as stated above, there has been no change in the registered address of the Transferee Company in the last 5 years.
17. The objects for which the Transferee Company has been established are set out in its Memorandum of Association. The main objects of the Transferee Company are as follows:

“III.

(A)

1. To carry on the business of manufacture, imports, exports, distributors, dealers, and agents in agro chemical products, seeds, pesticides, speciality fertilizers and other fertilizers such as MOP and DAP and NPK, SSP, Gypsum, Sulphuric Acid, Phosphoric Acid etc.
2. To carry on the business of manufacturing, trading, refining and preparing all classes and kinds of fertilizers and all classes and kinds of chemicals including other preparations arising from or required in the manufacture of any kind of fertilizers and chemicals and to carry on any operation or processes of mixing, granulating different chemicals or fertilizers.
3. To buy, sell, import, export, treat in and deal in any kind of chemicals, fertilizers or other things which the company is authorized to manufacture and any raw materials required for the manufacturing of any chemicals or fertilizers or other things which this company is authorized to manufacture.”

There has been no change in the main object clause of the Transferee Company since its incorporation.

18. The Transferee Company is engaged, *inter alia*, in the business of manufacture, trading and sale of phosphatic fertilizers, speciality fertilizers and chemicals and has its manufacturing facilities at Haldia, West Bengal.
19. The Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferee Company as on December 31, 2020 was as follows:

Particulars	Amount (INR in Crores)
Authorised Capital	
100,00,00,000 equity shares of INR 10 each	1,000
Total	1,000
Issued, Subscribed and Paid-up Share Capital	
29,99,51,427 equity shares of INR 10 each#	299.95
Total	299.95

As on December 31, 2020, 29,99,51,426 shares are held by Indorama Holdings BV and one share is held by Mr. Rajeev Kshetrapal.

A separate scheme of arrangement between the Transferee Company and Indorama Industries Limited for transfer of spandex business unit of Indorama Industries Limited to the Transferee Company is pending approval from the National Company Law Tribunal, Kolkata as of December 31, 2020. Clause 15 of the said scheme provides for issuance of 90,62,140 fully paid up equity shares of INR 10 each by the Transferee Company to certain equity shareholders of Indorama Industries Limited, upon the scheme becoming effective with effect from the appointed date. The appointed date is defined in such scheme to mean October 01, 2019 or such other date as may be fixed or approved by the National Company Law Tribunal or any other appropriate authority.

No shares of the Transferee Company are being issued, transferred or cancelled pursuant to the Scheme. Therefore, effectiveness of the Scheme will not result in any direct change in capital structure of the Transferee Company.

Rationale for the Scheme

20. The rationale for the Scheme is as under:

- (a) The Transferor Company is desirous of transferring and the Transferee Company is desirous of purchasing, the IGF Business (*as defined in the Scheme*) undertaking of the Transferor Company, i.e. the Divestment Business Undertaking, as a “going concern” on a Slump Sale basis and in consideration for a lump sum consideration, and the Parties (*as defined in the Scheme*) have accordingly agreed to effect the said transfer on the agreed terms and conditions as set out in the Scheme or otherwise mutually agreed in writing between the Parties.
- (b) The transfer of the Divestment Business Undertaking pursuant to the Scheme would inter alia result in the following benefits:

In case of the Transferor Company:

- (i) Further enabling the Transferor Company to pursue growth opportunities in its core business(es) with increased focus and more optimized utilization of its capital and resources; and
- (ii) Unlocking value for the Transferor Company with overall improvement in working capital cycle due to release of blocked funds from long receivable cycle in IGF Business.

In case of the Transferee Company:

- (i) Creation of value for shareholders by acquiring Divestment Business Undertaking, which is a ready-to-use assets, and reducing time to markets; and
- (ii) Allowing the expansion of the range of the products offered by the Transferee Company and its Affiliates in India.

Relationship among Companies who are parties to the Scheme

21. The Transferor Company is part of the Aditya Birla Group. The Transferee Company is a subsidiary of Indorama Holdings B.V.. The Transferor Company and Transferee Company are not related to each other.
22. None of the promoters, directors, key managerial personnel or managers, if any, of the Transferor Company has any shareholding interest in the Transferee Company which is above two per cent of the paid-up share capital of the Transferee Company.

Corporate Approvals

23. The draft Scheme along with the Valuation Report dated November 12, 2020 issued by Drushti R. Desai, Registered Valuer (Registration No. IBBI/RV/06/2019/10666) (“**Valuation Report**”), in respect of the proposed Scheme, were placed before the Audit Committee of the Transferor Company at its meeting held on November 12, 2020. A Fairness Opinion on the valuation by Kotak Mahindra Capital Company Limited, a Securities and Exchange Board of India (“**SEBI**”) registered Merchant Banker (bearing registration number INM000008704) (“**Fairness Opinion**”), was also submitted to the Transferor Company’s Audit Committee. A copy of the Valuation Report is enclosed as **Annexure 2**. The Valuation Report is also open for inspection at the registered office of the Transferor Company. A copy of the Fairness Opinion is enclosed as **Annexure 3**. The Audit Committee of the Transferor Company based on the aforesaid documents amongst others, recommended the Scheme to the Board of Directors of the Transferor Company by its report.
24. The aforesaid draft Scheme, the Valuation Report, the Fairness Opinion, amongst others, were also placed before the Committee of Independent Directors of the Transferor Company at its meeting held on November 12, 2020. The Committee of Independent Directors of the Transferor Company, based on the aforesaid reports and documents, was of the opinion that the Scheme is not detrimental to the shareholders of the Transferor Company, and recommended the Scheme to the Board of Directors of the Transferor Company by its report.
25. The Scheme, along with the aforesaid Valuation Report and other relevant documents, was placed before the Board of Directors of the Transferor Company at its meeting held on November 12, 2020. The aforesaid Fairness Opinion issued by Kotak Mahindra Capital Company Limited was also submitted to the Transferor Company’s Board of Directors. Based on the reports submitted by the Audit Committee and the Committee of Independent Directors of the Transferor Company recommending the draft Scheme, the Board of Directors of the Transferor Company approved the Scheme at its meeting held on November 12, 2020. The meeting of the Board of Directors of the Transferor Company, held on November 12, 2020, was attended by 12 (twelve) directors through audio visual means (namely, Mr. Kumar Mangalam Birla; Mrs. Rajashree Birla; Dr. Santrupt Misra; Mr. Shailendra K. Jain; Mr. Arun Thiagarajan;

Dr. Thomas M. Connelly, Jr.; Ms. Anita Ramachandran; Mr. O. P. Rungta; Mr. N. Mohan Raj; Mr. Vipin Anand; Mr. Dilip Gaur; and Mr. Cyril Shroff). Mr. Cyril Shroff, being the legal advisor to the Scheme abstained from voting. None of the directors of the Transferor Company who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the directors who attended and voted at the meeting.

26. Separately, the draft Scheme was placed before the Audit Committee of the Transferee Company at its meeting held on November 21, 2020. The Audit Committee of the Transferee Company recommended the Scheme to the Board of Directors of the Transferee Company.
27. Further, based on the report submitted by the Audit Committee of the Transferee Company recommending the draft Scheme, the Board of Directors of the Transferee Company approved the Scheme at its meeting held on November 21, 2020. The meeting of the Board of Directors of the Transferee Company, held on November 21, 2020, was attended by 3 (three) directors through audio visual means (namely, Mr. Ashvini Hiran, Mr. Vishwajit Kumar Sinha and Mr. Anurag Aggarwal). None of the directors of the Transferee Company who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the directors who attended and voted at the meeting.

Approvals and actions taken in relation to the Scheme

28. BSE was appointed as the Designated Stock Exchange by the Transferor Company for the purpose of co-ordinating with the SEBI for obtaining approval of SEBI in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
29. As required by the SEBI Circular, the Transferor Company had filed its no complaints report with BSE and NSE, both dated January 22, 2021. These reports indicate that the Transferor Company received no complaints from the equity shareholders with respect to the Scheme. A copy of the no complaints report submitted by the Transferor Company, both dated January 22, 2021, to BSE and NSE, respectively, are enclosed as **Annexure 4 and Annexure 5**.
30. The Transferor Company received no adverse observations/no-objection letter regarding the Scheme from BSE and NSE, respectively, each dated February 5, 2021, conveying their no adverse observations/no-objection for filing the Scheme with NCLT pursuant to the letter dated February 5, 2021 addressed by SEBI to BSE and NSE, which, inter alia, stated the following:
 - *“Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchanges, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.”*
 - *“Company shall duly comply with various provisions of the Circular.”*
 - *“Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the Company is obliged to bring the observations to the notice of NCLT.”*
 - *“It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”*

Copies of the no adverse observations/no-objection letters, both dated February 5, 2021, received from BSE and NSE, respectively, are enclosed as **Annexures 6 and 7**.

31. The IGF Divestment Committee of the Board of Directors of the Transferor Company at its meeting held on February 9, 2021 and the Transferee Company by its letter dated February 9, 2021, approved minor clarificatory revisions in Clause 5.1.3 of the Scheme. Thereafter, the Transferor Company by two e-mails, both dated February 9, 2021, informed BSE and NSE about the aforesaid minor clarificatory revisions in Clause 5.1.3 of the Scheme. The Scheme at Annexure 1 carries the aforesaid minor clarificatory revisions.
32. The Transferee Company has filed the necessary notification form with the Competition Commission of India (“CCI”) on December 11, 2020, disclosing the details of the proposed combination under the provisions of Section 6(2) of the Competition Act, 2002. Pursuant to the aforesaid filing, the CCI by its order dated January 28, 2021 has, inter alia, approved the proposed combination under Section 31(1) of the Competition Act, 2002.

The Transferor Company/ Transferee Company would obtain the respective necessary approvals/sanctions/no objection(s) from the regulatory or other Governmental Authorities in respect of the Scheme in accordance with law, if so required.

33. CA (CAA) No. 1/MP/2021 along with the annexures thereto (which includes the Scheme) was filed by the Transferor Company with the NCLT, on February 10, 2021. Similarly, the Transferee Company filed C.A.(CAA) No.28/KB/2021

along with annexures thereto (which includes the Scheme) with the Hon'ble National Company Law Tribunal, Bench at Kolkata, on the February 17, 2021.

Salient extracts of the Scheme

34. Certain clauses of the Scheme are extracted below:

“1.1.8. “Appointed Date” means the Effective Date, or such other date as may be agreed to in writing between the Boards of the Transferor Company and the Transferee Company and approved by the Tribunals;

1.1.16. “Completion Date” means a date mutually agreed between the Parties which shall be no later than 30 (thirty) days from the later of (a) date of receipt of the later of the Tribunal Order(s) sanctioning the Scheme (or the Tribunal Order(s) for condonation of delay in or granting extension of time for filing form e-Form INC 28, if applicable); and (b) completion (or waiver, if contemplated) to the reasonable satisfaction of Transferor Company or Transferee Company, as applicable, of the last of the conditions set out in Clause 23.1.1 to 23.1.5 of this Scheme

1.1.24. “Divestment Business Undertaking” means the business, undertaking, activities, operations and properties, of whatsoever nature and kind and wheresoever situated, in each case, forming part of or necessary or advisable for the conduct of, or the activities or operations of, the IGF Business, as a going concern, and includes without limitation:

- (i) the Divestment Assets;*
- (ii) all permits, licenses, permissions, right of way, approvals, authorisations, clearances, consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, pre-qualifications, bid acceptances, concessions, subsidies, indirect tax deferrals, and exemptions and other benefits (in each case including the benefit of any applications made for the same), if any, liberties and advantages, approval for commissioning of project and other licenses or clearances granted/ issued/ given by any governmental, statutory or regulatory or local or administrative bodies, organizations or companies for the purpose of carrying on the IGF Business or in connection therewith including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that form part of the IGF Business;*
- (iii) all insurance policies pertaining to the IGF Business save and except any insurance policies generally taken for the entire business of the Transferor Company;*
- (iv) all rights to use and avail telephones, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Transferor Company forming part of the IGF Business and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company and forming part of the IGF Business;*
- (v) the Divestment Liabilities;*
- (vi) the Divestment Contracts;*
- (vii) Assumed Litigation; and*
- (viii) the Divestment Employees.*

It is clarified that the Divestment Business Undertaking shall not include the Remaining Assets, Excluded Employees and Excluded Liabilities;

1.1.32. “Effective Date” means the last of the dates on which the conditions and matters referred to in Clause 23.1 occur or have been fulfilled, obtained or waived, as applicable, in accordance with this Scheme. Reference in this Scheme to the date of “coming into effect of this Scheme” or the “Scheme becoming effective” or “effectiveness of the Scheme” shall mean the Effective Date. The Effective Date shall be the Completion Date;

1.1.48. “IGF Business” means the business of manufacture, trading and sale of urea, customised fertiliser, agri-inputs, crop protection, plant and soil health products and speciality fertilisers conducted by the Transferor Company at the Plant and otherwise;

1.1.59. "Other Business" means any business of the Transferor Company other than the IGF Business, and includes any business of Transferor Company conducted under the Grasim / ABG Name brands other than the IGF Business;

4. TRANSFER AND VESTING OF DIVESTMENT BUSINESS UNDERTAKING

- 4.1. Upon the Scheme becoming effective and with effect from the Appointed Date, the Divestment Business Undertaking in its entirety shall, pursuant to Sections 230 to 232 read with other relevant provisions of the Act and Section 2(42C) of the IT Act and without any further act, instrument, deed, matter or thing be transferred to and vested in and/ or be deemed to be and stand transferred to and vested in the Transferee Company as a 'going concern' on a Slump Sale basis, free from all Encumbrances (other than liens arising or created in the ordinary course, including any Encumbrance relating to SBA), in accordance with Section 2(42C) of the Income Tax Act, 1961 (as amended) for a lump sum consideration as set out hereinafter, subject to the provisions of this Scheme.
- 4.2. Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall carry out or perform all such formalities and compliances under various Applicable Laws or to be carried out or performed in relation to or as a consequence of the vesting of the Divestment Business Undertaking into the Transferee Company.

5. DIVESTMENT ASSETS

- 5.1. Without prejudice to the generality of Clause 4 (Transfer and Vesting of Divestment Business Undertaking) above, upon the Scheme coming into effect and with effect from the Appointed Date, the Divestment Assets shall, in accordance with the provisions of this Clause 5 in relation to the mode of transfer and vesting and pursuant to Sections 230-232 and/or other applicable provisions of the Act, stand transferred to and vested in the Transferee Company as a going concern and without any further act or deed in the following manner, unless specifically otherwise provided under the Scheme:

- 5.1.1. In relation to the Divestment Assets, which are movable in nature, and/or otherwise capable of transfer by manual or constructive delivery and/or endorsement and delivery, including cash and bank balances, the same may, upon coming into effect of this Scheme, be so transferred or deemed to be so transferred to the Transferee Company, and shall become the assets of the Transferee Company and title to the assets will be deemed to have been vested accordingly without requiring any deed or instrument of conveyance pursuant to the provisions of Sections 230-232 and/or other applicable provisions of the Act and shall upon such transfer become the property of the Transferee Company. It is clarified that the Remaining Assets shall continue to remain the assets, properties, benefits, rights, title, interests, etc., of the Transferor Company and shall not be transferred to the Transferee Company as part of the Divestment Business Undertaking. The Parties shall discuss in good faith the manner of excluding the Remaining Assets from the Divestment Business Undertaking upon the receipt of relevant Approval from any applicable Governmental Authority. Provided however that, in relation to specified properties agreed in writing between the Parties as forming part of the Remaining Assets subject to regulatory approvals, and such regulatory approval is not obtained as on the Completion Date, then such Remaining Asset shall be transferred and vested in the Transferee Company as part of the Divestment Business Undertaking in accordance with the terms of this Scheme without any additional consideration other than as contemplated in this Scheme.
- 5.1.2. Without prejudice to the generality of Clause 5.1.1, and in respect of the such movable Divestment Assets other than those dealt with in Clause 5.1.1, including but not limited to sundry debts, actionable claims, earnest monies receivables, bills, credits, loans, advances and deposits with any Governmental Authorities or any other bodies or any other person, if any, forming part of the Divestment Business Undertaking, whether recoverable in cash or in kind or for value to be received, bank balances, etc., the same shall stand transferred to and vested in the Transferee Company without any notice or other intimation to any person in pursuance of the provisions of Sections 230 to 232 read with other relevant provisions of the Act and all other applicable provisions of the Applicable Law, and that appropriate entries should be passed in its books to record the aforesaid change. The Transferee Company may, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such person, as the case may be, that the said sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits stand transferred to and vested in the Transferee Company and be paid or made good or held on account of the Transferee Company as the person entitled thereto.
- 5.1.3. The Divestment Real Estate (including land together with the buildings and structures standing thereon), whether freehold or leasehold or licenced for use, with rights, title, interests, authorities, and all documents of title, rights and easements in relation thereto including any right to use, will stand transferred to and be vested in the Transferee Company, without any further act, instrument or deed and pursuant to the provisions of Sections 230-232 and/or other applicable provisions of the Act. With effect from the Appointed Date, the

Transferee Company shall be entitled to exercise all rights and privileges and be liable to fulfil all obligations, in relation to or applicable to such immovable properties. Furthermore, the Transferee Company may, on and from the Effective Date, file applications with the Governmental Authorities for: (i) implementation of the transfer of the Divestment Real Estate to the Transferee Company; and (ii) execution of fresh lease agreements for the Divestment Real Estate in favour of the Transferee Company, if so required for administrative purposes, and the Transferor Company agrees to undertake all steps requested by the Transferee Company, at the cost of the Transferee Company (and without any liabilities to the Transferor Company), to provide assistance to the Transferee Company in relation to the aforesaid actions.

5.1.4. Without prejudice to the generality of Clause 5.1 above, Divestment Intellectual Property will stand transferred to and be vested in the Transferee Company, without any further act, instrument or deed and pursuant to the provisions of Sections 230-232 and/or other applicable provisions of the Act. The Transferor Company and the Transferee Company shall mutually agree in writing on a mechanism of dealing with the composite registrations of Divestment Intellectual Property that also include any trademark, logo, mark, design or any other intellectual property pertaining to Grasim / ABG Name that is not intended to form a part of the Divestment Intellectual Property to ensure that the Divestment Intellectual Property is assigned to the Transferee Company while the non-Divestment Intellectual Property is not inadvertently assigned to the Transferee Company and the Divestment Intellectual Property is not inadvertently retained by the Transferor Company. The Parties shall also mutually agree in writing on a mechanism for transfer of all patents comprised in the Divestment Intellectual Property.

5.1.5. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is expressly clarified that upon coming into effect of this Scheme and with effect from the Appointed Date, all permits, licenses, permissions, right of way, approvals, clearances, consents, benefits, tax incentives/ concessions, registrations, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, pre-qualifications, tenders, bid acceptances, concessions, issued to or granted to or executed in favour of the Transferor Company, and the rights and benefits under the same, in so far as they form part of the Divestment Business Undertaking, and all intellectual property and rights thereto of the Transferor Company, forming part of the Divestment Business Undertaking and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents acquired by the Transferor Company, forming part of the Divestment Business Undertaking, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of the Applicable Law, be transferred to and vested in or deemed to have transferred to or vested in the Transferee Company and the concerned licensors and grantors of such approvals, clearances, permissions, etc., shall endorse, where necessary, and record, in accordance with law, the name of the Transferee Company on such approvals, clearances, permissions so as to empower and facilitate the approval and vesting of the Divestment Business Undertaking in the Transferee Company and continuation of operations forming part of the Divestment Business Undertaking in the Transferee Company without hindrance, and that such approvals, clearances and permissions shall remain in full force and effect in favour of or against the Transferee Company, as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.

6. DIVESTMENT LIABILITIES

6.1. Without prejudice to the generality of Clause 4 (Transfer and Vesting of Divestment Business Undertaking) above, upon the Scheme becoming effective and with effect from the Appointed Date, all the Divestment Liabilities, whether or not provided for in the books of the Transferor Company, shall without any further act, instrument or deed be and stand transferred to and vested in the Transferee Company in the following manner, unless specifically otherwise provided under the Scheme:

6.1.1. Upon the Scheme becoming effective and with effect from the Appointed Date, all Divestment Liabilities shall, whether or not provided for in the books of the Transferor Company, to the extent they are outstanding on the Effective Date, without any further act or deed become liabilities of the Transferee Company and all rights, powers, duties, and obligations in relation thereto shall stand transferred to, vested in, and shall be exercised by or against the Transferee Company, as if it has incurred such liabilities, debts, duties, obligations, on the same terms and conditions as were applicable to the Transferor Company and the Transferee Company shall undertake to meet, discharge and satisfy the same to the exclusion of the Transferor Company such that the Transferor Company shall in no event be responsible or liable in relation to any such Divestment Liabilities, except as agreed otherwise with the Transferee Company in writing. It is clarified that Excluded Liabilities shall continue to remain the liabilities of the Transferor Company and shall not be transferred to the Transferee Company as part of the Divestment Business Undertaking and the Transferee Company shall not assume or otherwise be liable in respect of Excluded Liabilities.

- 6.1.2. *Where any of the Divestment Liabilities have been partially or fully discharged by the Transferor Company on or 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. All the Divestment Liabilities and obligations incurred by the Transferor Company for the operations of the Divestment Liabilities on or after the Appointed Date and prior to the Effective Date shall be deemed to have been incurred for and on behalf of the Transferee Company and to the extent any Divestment Liabilities are outstanding on the Effective Date, they shall also without any further act, instrument or deed be and stand transferred to the Transferee Company and shall become the liabilities and obligations of the Transferee Company.*
- 6.1.3. *With effect from the Effective Date, the Transferee Company alone shall be liable to perform all obligations in respect of the Divestment Liabilities, except as agreed otherwise with the Transferee Company in writing, and the Transferor Company shall not have any obligations in respect of the Divestment Liabilities.*
- 6.1.4. *With effect from the Effective Date, the Transferor Company alone shall be liable to perform all obligations in respect of the Excluded Liabilities and the Transferee Company shall not have any obligations in respect of the Excluded Liabilities.*
- 6.1.5. *The transfer and vesting of the assets comprised in the Divestment Business Undertaking to and in the Transferee Company upon the coming into effect of this Scheme shall be subject to the Encumbrances, if any, affecting the same as hereinafter provided.*
- 6.1.6. *In so far as the existing Encumbrances in respect of the Divestment Liabilities are concerned, such Encumbrances shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in the Divestment Business Undertaking which have been Encumbered in respect to the Divestment Liabilities and are transferred to the Transferee Company pursuant to this Scheme and such Encumbrances shall not relate or attach to any other assets of the Transferee Company. Provided that if any of the assets comprised in the Divestment Business Undertaking which are being transferred to the Transferee Company pursuant to this Scheme have not been Encumbered in respect of the Divestment Liabilities, such assets shall remain unencumbered and the existing Encumbrances referred to above shall not be extended to and shall not operate over such assets. The Scheme shall not operate to enlarge the Encumbrances, nor shall the Transferee Company be obliged to create any further or additional security after the Scheme has become effective or otherwise. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.*
- 6.1.7. *In so far as any Encumbrance over Divestment Assets are concerned and to the extent that such Encumbrance relates to any Excluded Liabilities, such Divestment Asset shall, without any further act, instrument, or deed, be released and such Divestment Assets shall no longer be available as Encumbrances for such Excluded Liabilities. The absence of any formal amendment which may be required by a lender or a third party to effect such release shall not affect the operation of the foregoing sentence.*
- 6.1.8. *In so far as the assets of the Other Business are concerned, any Encumbrance over them, to the extent they relate to the Divestment Liabilities shall, without any further act, instrument, or deed be released and discharged from such security. The absence of any formal amendment which may be required by a lender or a third party to effect such release shall not affect the operation of the foregoing sentence.*
- 6.1.9. *In so far as the existing Encumbrances in respect of the loans and other liabilities relating to the Excluded Liabilities are concerned, such Encumbrances shall, without any further act, instrument or deed be continued with the Transferor Company, only on the assets relating to the Other Business and the assets of the Divestment Business Undertaking shall stand released therefrom.*
- 6.1.10. *If any Encumbrance of the Transferor Company for the operations of the Divestment Business Undertaking exists as on the Appointed Date, but has been partially or fully released thereafter by the Transferor Company on or after the Appointed Date but prior to the Effective Date, such release shall be deemed to be for and on account of the Transferee Company upon the coming into effect of the Scheme and all Encumbrances incurred by the Transferor Company for the operations of the Divestment Business Undertaking on or after the Appointed Date and prior to the Effective Date shall be deemed to have been incurred for and on behalf of the Transferee Company, and such Encumbrances shall not attach to any property of the Transferor Company.*
- 6.1.11. *The provisions of this Clause shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deeds, and writings and the terms of sanction or issue of any security document shall stand modified and/or superseded by the foregoing provisions. It is expressly clarified that, save as mentioned in this Scheme, no other terms or conditions of the Divestment Liabilities are modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.*

- 6.1.12. Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company in terms of Section 180(1)(c) of the Act shall be deemed increased without any further act, instrument or deed to the equivalent of the aggregate borrowings forming part of the Divestment Liabilities, if any, transferred by the Transferor Company to the Transferee Company pursuant to the Scheme. Such limits shall be incremental to the existing borrowing limits of the Transferee Company.
- 6.1.13. The interests of all the unsecured creditors of the Transferor Company in connection with the Divestment Business Undertaking and the Transferee Company, including its unsecured creditors, remain unaffected by this Scheme as the assets of the Transferee Company upon the effectiveness of the Scheme will be more than its liabilities and as such sufficient to discharge such liabilities.
- 6.1.14. Without prejudice to the provisions of the foregoing Clauses and with effect from the Effective Date, the Parties shall enter into and execute such other deeds, instruments, documents and/or writings and/or do all acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the jurisdictional RoC to give formal effect to the provisions of this Clause.

9.1.7 Upon the effectiveness of the Scheme:

- (i) The stock options, restricted stock units and/or the stock appreciation rights, as applicable, granted by the Transferor Company ("**Stock Options**") to the Divestment Employees under the Existing Stock Option Schemes, which have been vested and are outstanding as of the Effective Date, shall continue to vest in such Divestment Employees and such vested Stock Options may be exercised by the Divestment Employees in accordance with the provisions of the Existing Stock Option Schemes or as determined by the Nomination and Remuneration Committee or such other relevant committee of the Transferor Company administering the operation of the relevant Existing Stock Option Scheme ("**NRC Committee**"). In relation to the Stock Options granted by the Transferor Company to the Divestment Employees under the Existing Stock Option Schemes, which have not vested as of the Effective Date, the Transferor Company shall deal with the same in the manner determined by the NRC Committee.
- (ii) It is clarified that the Stock Options granted by Transferor Company under the Existing Stock Option Schemes to the employees of the Transferor Company other than the Divestment Employees (who shall not be transferred to the Transferee Company pursuant to the Scheme and continue in employment with the Transferor Company), which have not been exercised (irrespective of whether the same are vested or not) and are outstanding as on the Effective Date, shall continue to be valid as per their existing terms and conditions, in accordance with the Existing Stock Option Schemes and/or Applicable Law and/or determination by the NRC Committee from time to time.

12. FINAL PURCHASE CONSIDERATION

- 12.1. The Transferor Company and the Transferee Company agree that the total lump sum consideration payable by the Transferee Company to the Transferor Company for the purchase of the Divestment Business Undertaking on a slump sale basis pursuant to the Scheme shall be the Final Purchase Consideration. The Final Purchase Consideration shall mean INR 26,490,000,000 (Rupees Twenty Six Billion Four Hundred Ninety Million) ("Purchase Consideration") as adjusted by increase / (decrease) in Working Capital Adjustment (as computed in Schedule 1 Part A) and (increase) / decrease in Capex Adjustment (as computed in Schedule 1 Part B) (such adjusted amount, the "Final Purchase Consideration").
- 12.2. The Final Purchase Consideration shall be discharged by the Transferee Company to the Transferor Company as a lump sum consideration for the sale and transfer of the Divestment Business Undertaking on a going concern basis on a slump sale basis in accordance with Section 2(42C) of the Income Tax Act, 1961 (as amended) with no independent values being assigned to the individual assets and liabilities of the Divestment Business Undertaking. It is clarified that, pursuant to Section 2(42C) of the Income Tax Act, 1961 (as amended), in the event the Parties are required to carry out a determination of the value of an asset or liability for the sole purpose for payment of stamp duty, registration fees or other similar taxes or fees shall not be regarded as assignment of values to individual assets or liabilities.
- 12.3. No later than 5 (five) Business Days prior to the scheduled Completion Date, the Transferor Company shall deliver to the Transferee Company, with reasonably detailed supporting information, a statement ("Proposed Completion Statement") setting forth, Schedule 1 (Completion Statement), (i) reasonable, good faith estimate of the Working Capital of the Divestment Business Undertaking as of the Adjustment Time ("Estimated Working Capital Amount"), (ii) reasonable, good faith estimate of the Capex Adjustment as of the Adjustment Time ("Estimated Capex Adjustment") and (iii) the consideration payable by the Transferee Company to the Transferor Company on the Completion Date ("Completion Date Payment"). The Completion Date Payment will consist of Purchase Consideration as adjusted by Estimated Working Capital Adjustment (i.e, if the Estimated Working Capital Amount is greater than the Target Working

Capital then such Estimated Working Capital Adjustment is to be added and vice versa) and shall be further adjusted by the Estimated Capex Adjustment (as computed in Schedule 1 Part B).

- 12.4. For the avoidance of any doubt, the Parties acknowledge that the Completion Date Payment shall be determined based on the Proposed Completion Statement delivered by the Transferor Company pursuant to Clause 12.3 and absent any manifest errors, such Proposed Completion Statement shall be deemed to be accepted by each Party for the purposes of performance of all actions required to be performed at completion as set out herein under Clause 13 and as mutually agreed between the Parties in writing.
- 12.5. If a claim for an Old Subsidy or any part thereof has been filed by the Transferor Company on the Mobile Fertilizer Management System ("mFMS") portal pursuant to a notification / approval from the Department of Fertilizers, Government of India, but payment of the same has not been received by the Transferor Company from the Government or validly set off against amounts payable by the Transferor Company to the Government as on the Completion Date, the Estimated Working Capital Amount and Working Capital set forth in the Proposed Completion Statement, Preliminary Completion Statement or Final Completion Statement, as relevant will include the amount of such Old Subsidy (or part thereof as applicable) but be reduced by the amount of provision set out against such Old Subsidy (or part thereof as applicable) as per the Updated Statement.
- 12.6. To the extent that the claim for any Old Subsidy (or part thereof as applicable) has not been filed by the Transferor Company on the mFMS portal prior to the Completion Date, such Old Subsidy (or part thereof as applicable) shall be reduced by the amount of provision set out against such Old Subsidy (or part thereof as applicable) as per the Updated Statement and will be included to arrive at Estimated Working Capital Amount and Working Capital set forth in the Proposed Completion Statement, Preliminary Completion Statement or Final Completion Statement, as relevant. The Transferee Company shall be entitled to hold back an amount equivalent to the holdback amount pertaining to such Old Subsidy (or part thereof as applicable) as specified in the Updated Statement ("Old Subsidy Holdback Amount") from the Final Purchase Consideration/Completion Date Payment by the Transferee Company and such Old Subsidy Holdback Amount for each such individual item as per the Updated Statement as on Completion Date will be paid by the Transferee Company to the Transferor Company expeditiously upon such individual claims being filed on the mFMS portal. The Transferee Company undertakes that it shall promptly file claims in relation to all Old Subsidies (or part thereof as applicable) after the Completion Date pursuant to the receipt of the necessary notifications / approvals from the Department of Fertilizers, Government of India.
- 12.7. To the extent that payment of a Slow Moving Subsidy has not been received by the Transferor Company from the Government or validly set off against amounts payable by the Transferor Company to the Government as on the Completion Date, the Transferee Company shall be entitled to hold back an amount equivalent to such Slow Moving Subsidy as specified in the Updated Statement ("Slow Moving Subsidy Holdback Amount") from the Final Purchase Consideration/Completion Date Payment by the Transferee Company and such Slow Moving Subsidy Holdback Amount for each such individual item as per the Updated Statement as on Completion Date will be paid by the Transferee Company to the Transferor Company expeditiously upon receipt by the Transferee Company from the Government or set off against amounts payable by the Transferee Company to the Government, in full or part. The Transferee Company undertakes that it shall diligently follow up and take all actions necessary to recover the amounts pertaining to the Slow Moving Subsidies after the Completion Date at the cost of the Transferor Company.
- 12.8. The Transferee Company acknowledges that the Holdback Amount is part of Final Purchase Consideration and the Transferee Company shall not be entitled to set off the Holdback Amount against any other amount payable by the Transferor Company pursuant to this Scheme or otherwise.
- 12.9. The Transferor Company shall be entitled to deliver an updated statement in relation to Old Subsidies and Slow Moving Subsidies, in the format as mutually agreed between the Parties in writing, as part of the Proposed Completion Statement, five (5) Business Days prior to the scheduled Completion Date for payments made to the Transferor Company and, in relation to Old Subsidies, corresponding changes to the provision amount and holdback amount contained therein, and such updated statement shall be considered for the purposes of Clauses 12.5, 12.6 and 12.7 above, provided that the percentage of the provision amount shall remain unchanged ("Updated Statement").

23. CONDITIONALITY OF THE SCHEME

- 23.1. The effectiveness of this Scheme shall be conditional upon the satisfaction or waiver (if applicable) of the following conditions:
 - 23.1.1. approval of the Scheme by the requisite majorities of shareholders and/or creditors of each of the Transferor Company and the Transferee Company as required under Sections 230-232 of the Act;
 - 23.1.2. approval of the Scheme by the Stock Exchanges and SEBI, pursuant to the Listing Regulations and the SEBI Circular;

- 23.1.3. approval of the Scheme by each jurisdictional Tribunal in terms of Sections 230-232 of the Act;
- 23.1.4. pursuant to the provisions of the Competition Act, 2002 of India and the rules and regulations thereunder, the CCI (or any appellate authority in India having appropriate jurisdiction) having granted or deemed to have granted the approval, if applicable, to the transaction envisaged in the Scheme in form and substance reasonably acceptable to the Parties;
- 23.1.5. the receipt or waiver (where permissible) of any approvals from third parties as mutually agreed in writing by the Parties as being required prior to effectiveness of this Scheme; and
- 23.1.6. the certified copies of the Tribunal Order(s) sanctioning this Scheme being filed with the respective jurisdictional RoC by the Transferor Company and the Transferee Company.

24. EFFECT OF NON-RECEIPT OF SANCTIONS

- 24.1 *In the event any of the conditions stipulated in Clause 23 (Conditionality of the Scheme) are not satisfied (or waived as applicable) prior to the Long Stop Date or within such further period as may be mutually agreed upon between the Parties through their respective Boards of Directors (which Boards of Directors are hereby empowered and authorized to agree to from time to time without any limitation), this Scheme shall stand revoked and cancelled. In such an event, each Party shall bear and pay its respective costs, charges and expenses for and in connection with the Scheme.*
- 24.2 *The Boards of Directors of the Parties shall be entitled to withdraw this Scheme prior to the Effective Date. It is hereby clarified that notwithstanding anything to the contrary contained this Scheme, neither the Transferor Company, nor the Transferee Company, shall be entitled to withdraw the Scheme unilaterally without the prior written consent of the other.*

You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid are only some of the salient extracts thereof.

Valuation and accounting treatment

35. Summary of the Valuation Report including the basis of valuation and fairness opinion of the registered valuer is enclosed as **Annexure 8**.
36. The accounting treatment as proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act. The certificate issued by the Statutory Auditor of the Transferor Company is open for inspection at the registered office of the Transferor Company.
37. The statutory auditor of the Transferee Company has also issued a certificate to the effect that the accounting treatment as prescribed in the Scheme is in conformity with the Accounting Standards as prescribed under Section 133 of the Act. The certificate issued by the Statutory Auditor of the Transferee Company is open for inspection at the registered office of the Transferor Company.

Effect of the Scheme on various parties

38. The effect of the proposed Scheme on the stakeholders of the Transferor Company would be as follows:

(a) *Shareholders (including promoter and non-promoter)*

As the Scheme involves transfer of the Divestment Business Undertaking (as defined in the Scheme) as a going concern on a Slump Sale (as defined in the Scheme) basis by the Transferor Company to the Transferee Company for a Final Purchase Consideration (as defined in the Scheme), no shares are to be allotted by the Transferee Company to the shareholders of the Transferor Company (including both promoter shareholders and non-promoter shareholders) or to any other person. Therefore, the shareholders (promoter shareholders and non-promoter shareholders) of the Transferor Company will not be affected by the Scheme in any manner.

The Scheme is expected to have several benefits for the Transferor Company, as indicated in the rationale set out in the Scheme, and is expected to be in the best interests of the shareholders of the Company.

(b) *Creditors*

The interests of all the creditors of the Transferor Company will remain unaffected by this Scheme as the assets upon the effectiveness of the Scheme will be more than its liabilities and as such sufficient to discharge such liabilities.

No rights of the unsecured debenture holders are being affected pursuant to the Scheme. Under the Scheme, the unsecured debenture holders shall continue to be the debenture holders of the Transferor Company. The

debenture trustee(s) appointed for the unsecured debenture holders shall continue to remain the debenture trustee(s).

As on date, the Transferor Company has no outstanding public deposits and therefore, the effect of the Scheme on any such public deposit holders or deposit trustee(s) does not arise.

Further, none of the debenture trustee(s) of the Transferor Company have any material interest in the Scheme, except to the extent of the equity shares held by them in the Transferor Company, if applicable.

(c) Employees, Directors and Key Managerial Personnel

Under Clause 9 of Part – II of the Scheme, upon the Scheme becoming effective and with effect from the Appointed Date (as defined in the Scheme), the Divestment Employees (as defined in the Scheme) of the Transferor Company shall become the employees of the Transferee Company without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable to such employees relating to the Divestment Business Undertaking of the Transferor Company immediately prior to the transfer of the Divestment Business Undertaking. In the circumstances, the rights of the Divestment Employees of the Transferor Company, engaged in or in relation to the Divestment Business Undertaking, would in no way be affected by the Scheme, except to the extent specified hereinbelow.

The Stock Options (as defined in the Scheme) granted by the Transferor Company to the Divestment Employee under the Existing Stock Option Schemes (as defined in the Scheme), which have been vested and are outstanding as of the Effective Date (as defined in the Scheme), shall continue to vest in such Divestment Employees and such vested Stock Options may be exercised by the Divestment Employees in accordance with the provisions of the Existing Stock Option Schemes or as determined by the NRC Committee (as defined in the Scheme). In relation to the Stock Options granted by the Transferor Company to the Divestment Employees under the Existing Stock Option Schemes, which have not vested as of the Effective Date, the Transferor Company shall deal with the same in the manner determined by the NRC Committee.

There is no effect of the Scheme on the Key Managerial Personnel and/or the Directors of the Transferor Company.

Further, none of the directors or the key managerial personnel (as defined under the Act and the rules framed thereunder) of the Transferor Company and their respective relatives (as defined under the Act and the rules framed thereunder) have any material interest in the Scheme except to the extent of the equity shares held by them in the Transferor Company, if any, and/ or that the said director(s), key managerial personnel and their respective relatives are the directors, members of the companies that hold shares in the Transferor Company, if applicable.

39. The effect of the proposed Scheme on the stakeholders of the Transferee Company would be as follows:

A. *Effect of the Scheme on the Equity Shareholders (promoter shareholders and non-promoter shareholders) of the Transferee Company*

1. *As the present Scheme involves purchase of the Divestment Business Undertaking (as defined in the Scheme) as a going concern on a Slump Sale (as defined in the Scheme) basis by the Transferee Company from the Transferor Company for a Final Purchase Consideration (as defined in the Scheme), no shares are acquired by the Transferee Company.*
2. *There will be no change in the shareholding of promoters of the Transferee Company pursuant to the adoption of the Scheme.*
3. *As far as the equity shareholders of the Transferee Company are concerned there will be no dilution in their shareholding in the Transferee Company as there will be no issuance of shares by the Transferee Company pursuant to the Scheme.*
4. *Accordingly, the shareholders (promoter shareholders and non-promoter shareholders) of the Transferee Company will not be affected by the Scheme in any manner.*

B. *Effect of the Scheme on the Creditors*

1. *No rights of the creditors are being affected pursuant to the Scheme. The liability towards the creditors of the Transferee Company is neither being reduced nor being extinguished. The creditors of the Transferee Company would in no way be affected by the Scheme.*

2. *As on date, the Transferee Company has no debenture holders and therefore, the effect of the Scheme on debenture holders or debenture trustee(s) does not arise. Similarly, the interest of debenture trustee(s) in the Scheme also does not arise.*
 3. *As on date, the Transferee Company has no outstanding deposits and therefore, the effect of the Scheme on any such deposit holders does not arise. Accordingly, the effect of the Scheme on any deposit trustee also does not arise.*
- C. *Effect of the Scheme on the Employees, Directors and KMP of the Transferee Company*
1. *No rights of the existing employees of the Transferee Company are being affected pursuant to the Scheme.*
 2. *None of the directors or the key managerial personnel (as defined under the Act and the rules framed thereunder) of the Transferee Company and their respective relatives (as defined under the Act and the rules framed thereunder) have any interest in the Scheme.*
 3. *Further, the directors and key managerial personnel of the Transferee Company and their respective relatives do not have any interest in the Transferor Company except to the extent of the equity shares held by them in the Transferor Company, if any.*
 4. *However, the Scheme is not expected to have any effect on the directors and key managerial personnel of the Transferee Company. Further, no change in the board of directors and key managerial personnel is envisaged on account of the Scheme.*
40. In compliance with the provisions of Section 232(2)(c) of the Act, the Board of Directors of the Transferor Company and the Transferee Company, in their respective meetings, held on November 12, 2020 and November 21, 2020, have adopted a report, inter alia, explaining the effect of the Scheme on its shareholders and key managerial personnel amongst others. Copy of the Reports adopted by the Board of Directors of the Transferor Company and the Transferee Company are enclosed as **Annexure 9** and **Annexure 10**, respectively.

Other matters

41. No investigation proceedings have been instituted or are pending in relation to the Transferor Company under Chapter XIV of the Act or under the corresponding provisions of Sections 235 to 251 of the Companies Act, 1956 and to the knowledge of the Transferor Company, no investigation proceedings have been instituted or are pending in relation to the Transferee Company under Chapter XIV of the Act.
42. No proceedings are pending under the Act or under the corresponding provisions of the Companies Act, 1956 against the Transferor Company and to the knowledge of the Transferor Company, no proceedings are pending under the Act against the Transferee Company.
43. To the knowledge of the Transferor Company no winding up proceedings have been filed or pending against the Transferor Company under the Act or the corresponding provisions of the Companies Act, 1956. Further, to the knowledge of the Transferor Company, no winding up proceedings have been filed or pending against the Transferee Company under the Act.
44. There is no capital restructuring or debt restructuring being undertaken pursuant to this Scheme.
45. The copy of the proposed Scheme has been filed by the Transferor Company before the concerned Registrar of Companies, on the March 8, 2021, in Form GNL-1.
46. The Unaudited Financial Results of the Transferor Company and the Unaudited Financial Results the Transferee Company, respectively, for the quarter and nine months ended December 31, 2020, are enclosed as **Annexure 11** and **Annexure 12**, respectively.
47. The Transferor Company and the Transferee Company have entered into an Implementation Agreement and a Non-Compete Agreement, both dated November 12, 2020, setting out the manner of effecting the Scheme; other matters in connection with the transfer of the Divestment Business Undertaking of the Transferor Company; and in respect of certain non-compete obligations on part of the Transferor Company.
48. As per the books of accounts (as on December 31, 2020) of the Transferor Company and the Transferee Company, respectively, the amount due to the unsecured creditors are ~ Rs. 6655.12 Crore and ~Rs. 7.19 Crore, respectively.

49. The name and address of the promoter of the Transferor Company including its shareholding in the Companies as on December 31, 2020 are as under:

Sr. No	Name and address of Promoters and Promoter Group	Transferor Company		Transferee Company	
		No. of Shares of Rs. 2/- each	%	No. of Shares of Rs. 10/- each	%
Promoters					
1	Mr. Kumar Mangalam Birla Mangal Adityayan, 20 Carmichael Road, Behind Jaslok Hospital, Mumbai- 400 026, Maharashtra, India	1086993	0.17	Nil	Nil
2	Birla Group Holdings Private Limited Industry House, 1st Floor, 159, Churchgate Reclamation, Mumbai-400 020, Maharashtra, India	125004398	19.00	Nil	Nil
Promoter Group					
3	Mrs. Neerja Birla Mangal Adityayan, 20 Carmichael Road, Behind Jaslok Hospital, Mumbai- 400 026, Maharashtra, India	73062	0.01	Nil	Nil
4	Mrs. Rajashree Birla Mangal Adityayan, 20 Carmichael Road, Behind Jaslok Hospital, Mumbai- 400 026, Maharashtra, India	552850	0.08	Nil	Nil
5	Mrs. Vasavadatta Bajaj 16A, II- Palazzo, Little Gibbs Road, Mumbai-400 006, Maharashtra, India	118537	0.02	Nil	Nil
6	Aditya Vikram Kumarmangalam Birla HUF Aditya Birla Centre, C Wing, 3 rd Floor, S.K. Ahire Marg Worli, Mumbai – 400030, Maharashtra, India	89720	0.01	Nil	Nil
7	Birla Consultants Limited Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai-400 030, Maharashtra, India	87382	0.01	Nil	Nil
8	Birla Industrial Finance (India) Limited Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai-400 030, Maharashtra, India	87485	0.01	Nil	Nil
9	Birla Industrial Investments (India) Limited Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai-400 030, Maharashtra, India	18657	0.00	Nil	Nil
10	Hindalco Industries Limited Ahura Centre, 1 st Floor, B Wing Mahakali Caves Road, Mumbai 400093, Maharashtra, India	28222468	4.29	Nil	Nil
11	Rajratna Holdings Private Limited 212, 2nd Floor, T V Industrial Estate, 52 S K Ahire Marg, Worli, Mumbai 400 030, Maharashtra, India	670	0.00	Nil	Nil
12	Umang Commercial Company Private Limited 34A Metacafe Street, Room No-6A, 6 th Floor, Kolkata- 700013, India	26746262	4.07	Nil	Nil

Sr. No	Name and address of Promoters and Promoter Group	Transferor Company		Transferee Company	
		No. of Shares of Rs. 2/- each	%	No. of Shares of Rs. 10/- each	%
13	Vikram Holdings Private Limited Industry House, 159, Churchgate Reclamation, Mumbai-400 020, Maharashtra, India	750	0.00	Nil	Nil
14	Vaibhav Holdings Private Limited 212, 2nd Floor, T V Industrial Estate, 52 S K Ahire Marg, Worli, Mumbai 400 030, Maharashtra, India	670	0.00	Nil	Nil
15	Birla Institute of Technology and Science Vidya Vihar, P.O. Pilani, Dist. Jhunjhunu - 333 031 Rajasthan, India	661205	0.10	Nil	Nil
16	Pilani Investment and Industries Corporation Limited Birla Building, 9/1 R N Mukherjee Road, Kolkata-700 001, India	24714527	3.76	Nil	Nil
17	IGH Holdings Private Limited 1st Floor, Industry House, 159, Churchgate Reclamation, Mumbai-400 020, Maharashtra, India	37973393	5.77	Nil	Nil
18	Renuka Investments & Finance Limited P.O. Renukoot, Sonbhadra, Uttar Pradesh- 231 217, India	242185	0.04	Nil	Nil
19	ECE Industries Ltd. ECE House, 28 A, Kasturba Gandhi Marg, New Delhi- 110001 India	0	0.00	Nil	Nil
20	P.T. Indo Bharat Rayon* Cilangkap, Babakancikao Purwakarta Regency, West Java 41151, Indonesia	20004020	3.04	Nil	Nil
21	P. T. Sunrise Bumi Textiles* Menara Batavia Level 16 th Floor, Jl. K.H. Mas Mansyur Kav. 126, Jakarta 10220, Indonesia	1268750	0.19	Nil	Nil
22	P. T. Elegant Textile Industry* Menara Batavia Level 16 th Floor, Jl. K.H. Mas Mansyur Kav. 126, Jakarta 10220, Indonesia	808750	0.12	Nil	Nil
23	Thai Rayon Public Company Limited* 888/160-161, Mahatun Plaza Building, 16 th Floor, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330	4774666	0.73	Nil	Nil
24	Surya Kiran Investments Pte Limited* 65, Chulia Street, OCBC Centre, Unit No. 48-05/06/07/08, Singapore 049513	5000	0.00	Nil	Nil

* Held Global Depository Receipt (GDR) and one GDR is equivalent to one equity share of Rs. 2/- each.

50. The names and addresses of the promoters of the Transferee Company including their shareholding in the Companies as on December 31, 2020 are as under:

Sr. No	Name and address of Promoters and Promoter Group	Transferor Company		Transferee Company	
		No. of Shares of Rs. 2/- each	%	No. of Shares of Rs. 10/- each	%
Promoters					
1	Indorama Holdings B.V. Beursplein 37, Unit no-406, 4 th Floor, Postbus 30065, 3001 DB Rotterdam, 3011 AA Rotterdam, Netherlands.	Nil	Nil	299951426	99.99
Promoter Group					
2	Mr Rajeev Kshetrapal 8A Poorvi Marg, Vasant Vihar, New Delhi -110057	Nil	Nil	1	0.01

51. The names and addresses of the directors of the Transferor Company as on December 31, 2020 are as follows:

Sr. No.	Name of Directors	DIN	Address
1	Mr. Kumar Mangalam Birla	00012813	Mangal Adityayan, 20 Carmichael Road, Behind Jaslok Hospital, Mumbai- 400026, Maharashtra, India
2	Mrs. Rajashree Birla	00022995	Mangal Adityayan, 20 Carmichael Road, Behind Jaslok Hospital, Mumbai- 400026, Maharashtra, India
3	Dr. Santrupt Misra	00013625	3101 & 3201 Zahra, Dr. E Moses Road, Worli, Mumbai - 400018, Maharashtra, India
4	Mr. Cyril Shroff	00018979	67, Roopam, Worli Sea Face, Worli, Mumbai – 400030, Maharashtra, India
5	Dr. Thomas M. Connelly, Jr.	03083495	201, Chandler LN Cherrington, Wilmington, Delaware, 19807, U.S.A.
6	Mr. Vipin Anand	05190124	D-5, Jeevan Jyot, Neapeansea Road, Setalwad Lane, Mumbai – 400036, Maharashtra, India
7	Mr. Shailendra K. Jain	00022454	Bungalow No. 1, Grasim Staff Colony, Birlagram, Nagda, Ujjain- 456331, Madhya Pradesh, India
8	Mr. Om Prakash Rungta	00020559	A-7, 902, Ganga Satellite, S. No 69, Wanawadi, Pune- 411040, Maharashtra, India
9	Mr. Arun Thiagarajan	00292757	No 102 Prestige Ashcroft, 47/11 Lavelle Road, 6th Cross, Bangalore North, Bangalore G. P.O Bengaluru 560001, Karnataka, India
10	Ms. Anita Ramachandran	00118188	2401/2402, Raheja Atlantis, G.K Marg, Lower Parel, Delisle Road, Mumbai 400013, Maharashtra, India
11	Mr. N. Mohan Raj	00181969	Plot No. 16, 1st Floor, Sri Kamakshi Nagar, Mugalivakkam, Kancheepuram, Chennai 600125, Tamil Nadu, India
12	Mr. Dilip Gaur	02071393	Flat No. 2202-A, 2202-B, 22nd Floor, Springs I, Island City Centre, G.D. Ambedkar Marg, Near Wadala Telephone exchange, Mumbai 400014, Maharashtra, India

52. The names and addresses of the directors of the Transferee Company as on December 31, 2020 are as follows:

S r . No.	Name of Directors	DIN	Address
1	Mr. Vishwajit Kumar Sinha	02702645	B-82, First Floor, Suncity, Sector – 54, Gurgaon - 122011, Haryana, India
2	Mr. Anurag Aggarwal	06954443	15, Leonie Hill Road, #08-04 Horizon Tower (East Tower) Singapore 239194
3	Mr. Ashvini Hiran	07484872	A-901, Blue Mountains, Upper Govind Nagar, Malad East, Mumbai – 400097, Maharashtra, India

53. The details of the shareholding of the Directors and the Key Managerial Personnel (KMP) of the Transferor Company in the Companies as on December 31, 2020 are as follows:

Sr. No.	Name of Director and KMP	Position	Equity Shares held in	
			Transferor Company	Transferee Company
1	Mr. Kumar Mangalam Birla	Non-Executive Chairman	10,86,993	0
2	Mrs. Rajashree Birla	Non-Executive Director	552850	0
3	Dr. Santrupt Misra	Non-Executive Director	0	0
4	Mr. Cyril Shroff	Independent Director	0	0
5	Dr. Thomas M. Connelly, Jr.	Independent Director	0	0
6	Mr. Vipin Anand	Non-Executive Director	0	0
7	Mr. Shailendra K. Jain	Non-Executive Director	65430	0
8	Mr. Om Prakash Rungta	Independent Director	625	0
9	Mr. Arun Thiagarajan	Independent Director	1475	0
10	Ms. Anita Ramachandran	Independent Director	0	0
11	Mr. N. Mohan Raj	Independent Director	0	0
12	Mr. Dilip Gaur	Managing Director	11775	0
13	Mr. Ashish Adukia	Chief Financial Officer	0	0
14	Mrs. Hutokshi Wadia	Company Secretary	0	0

54. The details of the shareholding of the Directors and the Key Managerial Personnel (KMP) of the Transferee Company in the Companies as on December 31, 2020 are as follows:

Sr. No.	Name of Director and KMP	Position	Equity Shares held in	
			Transferor Company	Transferee Company
1	Mr. Vishwajit Kumar Sinha	Director	0	0
2	Mr. Anurag Aggarwal	Director	0	0
3	Mr. Ashvini Hiran	Managing Director and Chief Executive Officer	0	0
4	Mr. Manish Kumar Agarwal	Chief Financial Officer	4593	0
5	Ms. Sushma Shukla	Company Secretary	0	0

55. There would be no change in the shareholding pattern or capital structure of the Transferor Company and the Transferee Company pursuant to the present Scheme. The pre-Scheme shareholding pattern as on December 31, 2020; the post-Scheme shareholding pattern and capital structure of the Transferor Company and the Transferee Company (assuming the continuing shareholding pattern as on December 31, 2020) are as under:

The Pre-Arrangement shareholding pattern of the Transferor Company as on December 31, 2020 and the Post-Arrangement shareholding pattern of the Transferor Company (assuming the continuing shareholding pattern as on December 31, 2020)

Sr. No.	Category	No. of fully paid up equity shares held	Shareholding as a % of total no. of shares
(A)	Promoter and Promoter Group		
(1)	Indian		
	(a) Individuals/Hindu Undivided Family	19,21,162	0.29
	(b) Body Corporate	24,37,60,052	37.05
	Sub-Total (A)(1)	24,56,81,214	37.34
(2)	Foreign	-	-
(a)	Body Corporate (through GDRs)	2,68,61,186	4.08
	Sub-Total (A)(2)	2,68,61,186	4.08
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	27,25,42,400	41.42
(B)	Public Shareholding		
(1)	Institutions		
	(a) Mutual Funds	4,49,86,840	6.84
	(b) Foreign Portfolio Investors	8,52,93,799	12.96
	(c) Financial Institutions/Banks	6,84,541	0.10
	(d) Insurance Companies	7,54,98,881	11.47
	Sub Total (B)(1)	20,64,64,061	31.38
(2)	Central Government/State Government(s)/President of India	9,156	0.00
	Sub Total (B)(2)	9,156	0.00
(3)	Non-Institutions		
(a)	i. Individual shareholders holding nominal share capital upto Rs. 2 lakhs	5,75,55,080	8.75
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	2,00,39,461	3.05
(b)	NBFCs Registered with RBI	6,597	0.00
(c)	Overseas Depositories (Holding GDRs)	1,23,91,336	1.88
(d)	Any Other		
	Trusts	1,86,078	0.03
	Overseas Corporate Bodies	1,31,15,226	1.99

Sr. No.	Category	No. of fully paid up equity shares held	Shareholding as a % of total no. of shares
	Non Resident Indians	55,86,416	0.85
	Clearing Members	5,10,073	0.08
	Qualified Institutional Buyers	53,96,621	0.82
	Bodies Corporate	6,00,76,595	9.13
	IEPF	26,94,760	0.41
	Foreign Nationals	19,769	0.00
	Sub Total (B)(3)	17,75,78,012	26.99
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)	38,40,51,229	58.37
(C)	Non Promoter-Non Public Shareholding		
(1)	Custodian/DR Holder	-	-
(2)	Employee Benefit Trust	13,57,375	0.21
	Total Non-Promoter Non-Public Shareholding(C)	13,57,375	0.21
	Total Shareholding (A+B+C)	65,79,51,004	100.00

The Pre-Arrangement shareholding pattern of the Transferee Company as on December 31, 2020 and the Post-Arrangement shareholding pattern of the Transferee Company (assuming the continuing shareholding pattern as on December 31, 2020)

Sr. No.	Category	No. of fully paid up equity shares held	Shareholding as a % of total no. of shares
(A)	Promoter and Promoter Group		
(1)	Indian		
	(a) Individuals/Hindu Undivided Family	1	0.01
	(b) Body Corporate	-	-
	Sub-Total (A)(1)	1	0.01
(2)	Foreign		
(a)	Body Corporate	299951426	99.99
	Sub-Total (A)(2)	299951426	99.99
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	29,99,51,427	100.00
(B)	Public Shareholding		
(1)	Institutions	-	-
	(a) Mutual Funds	-	-
	(b) Foreign Portfolio Investors	-	-
	(c) Financial Institutions/Banks	-	-
	(d) Insurance Companies	-	-
	Sub Total (B)(1)		

Sr. No.	Category	No. of fully paid up equity shares held	Shareholding as a % of total no. of shares
(2)	Central Government/State Government(s)/President of India	-	-
	Sub Total (B)(2)		
(3)	Non-Institutions		
(a)	i. Individual shareholders holding nominal share capital upto Rs. 2 lakhs	-	-
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	-	-
(b)	NBFCs Registered with RBI	-	-
(c)	Overseas Depositories (Holding GDRs)	-	-
(d)	Any Other		
	Trusts	-	-
	Overseas Corporate Bodies	-	-
	Non Resident Indians	-	-
	Clearing Members	-	-
	Qualified Institutional Buyers	-	-
	Bodies Corporate	-	-
	IEPF	-	-
	Foreign Nationals	-	-
	Sub Total (B)(3)	-	-
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)	-	-
(C)	Non Promoter-Non Public Shareholding		
(1)	Custodian/DR Holder	-	-
(2)	Employee Benefit Trust	-	-
	Total Non-Promoter Non-Public Shareholding(C)	-	-
	Total Shareholding (A+B+C)	29,99,51,427	100.00

The Post-Arrangement Capital Structure of the Transferor Company (assuming the continuing capital structure as on December 31, 2020)

Particulars	Amount (INR in Crores)
Authorized Capital	
1,47,25,00,000 Equity Shares of INR 2 each*	294.50
11,00,000 redeemable preference shares of INR 100 each	11.00
Total	305.50
Issued, subscribed and Paid up Share Capital	
65,79,51,004 Equity Shares of INR 2 each**	131.59
Total	131.59

**A separate scheme of amalgamation between Grasim Premium Fabric Private Limited and the Transferor Company, which is pending approval from the jurisdictional National Company Law Tribunal as of December 31, 2020, under clause 8 provides for increase in authorized equity share capital of the Transferor Company to 206,25,00,000 equity shares of INR 2 each, upon the scheme becoming effective with effect from the appointed date. The appointed date is defined in such scheme to mean April 1, 2019 or such other date as the board of directors of Grasim Premium Fabric Private Limited or the Transferor Company or the jurisdictional National Company Law Tribunal may decide.*

***The issued and paid up share capital includes 3,92,52,522 equity shares represented by 3,92,52,522 global depository receipts as on December 31, 2020.*

The Transferor Company has outstanding employee stock options under its existing stock options scheme, the exercise of which may result in an increase in the issued and paid-up share capital of the Transferor Company.

The Post-Arrangement Capital Structure of the Transferee Company (assuming the continuing capital structure as on December 31, 2020)

Particulars	Amount (INR in Crores)
Authorized Capital	
100,00,00,000 Equity Shares of INR 10 each	1,000
Total	1,000
Issued, subscribed and Paid up Share Capital	
29,99,51,427 Equity Shares of INR 10 each#	299.95
Total	299.95

As on December 31, 2020, 29,99,51,426 shares are held by Indorama Holdings BV and one share is held by Mr. Rajeev Kshetrapal.

A separate scheme of arrangement between the Transferee Company and Indorama Industries Limited for transfer of spandex business unit of Indorama Industries Limited to the Transferee Company is pending approval from the National Company Law Tribunal, Kolkata as of December 31, 2020. Clause 15 of the said scheme provides for issuance of 90,62,140 fully paid up equity shares of INR 10 each by the Transferee Company to certain equity shareholders of Indorama Industries Limited, upon the scheme becoming effective with effect from the appointed date. The appointed date is defined in such scheme to mean October 01, 2019 or such other date as may be fixed or approved by the National Company Law Tribunal or any other appropriate authority.

56. In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect and null and void.
57. The following documents will be available for inspection by the secured creditors of the Applicant Company through electronic mode, basis the request being sent on grasim.secretarial@adityabirla.com. Further, the following documents will also be open for inspection by the secured creditors of the Applicant Company at its registered office at P. O. Birlagram, Nagda - 456 331, District Ujjain, Madhya Pradesh, India, between 10.30 a.m. to 12.30 p.m. on all working days up to the date of the meeting:
- (i) Copy of the order passed by NCLT in CA (CAA) No. 1/MP/2021, dated February 26, 2021 directing the Transferor Company to, inter alia, convene the meetings of its equity shareholders, secured creditors and unsecured creditors (including unsecured debenture holders);
 - (ii) Copy of CA (CAA) No. 1/MP/2021 along with annexures filed by the Transferor Company before NCLT;
 - (iii) Copy of C.A.(CAA) No.28/KB/2021 along with annexures filed by the Transferee Company before the National Company Law Tribunal, Bench at Kolkata;
 - (iv) Copy of the Memorandum and Articles of Association of the Companies;
 - (v) Copy of the annual reports of the Companies, for the financial years ended March 31, 2019 and March 31, 2018, respectively;
 - (vi) Copy of the annual report of the Companies, for the financial year ended March 31, 2020;
 - (vii) Copy of the Unaudited financial results of the Transferor Company for the quarter and nine months ended December 31, 2020;

- (viii) Copy of the Unaudited financial results of Indorama India Private Limited for the quarter and nine months ended December 31, 2020;
- (ix) Copy of the Register of Directors' shareholding of each of the Companies;
- (x) Copy of the Implementation Agreement dated November 12, 2020 entered into between the Companies;
- (xi) Copy of the Non-Compete Agreement dated November 12, 2020 entered into between the Companies;
- (xii) Copy of the Valuation Report dated November 12, 2020 issued by Drushti R. Desai, Registered Valuer;
- (xiii) Copy of the Fairness Opinion dated November 12, 2020 issued by Kotak Mahindra Capital Company Limited to the Transferor Company;
- (xiv) Copy of the Audit Committee Report of the Transferor Company;
- (xv) Copy of the report of the Committee of Independent Directors of the Transferor Company;
- (xvi) Copy of the Audit Committee Report of the Transferee Company;
- (xvii) Copy of the resolutions, dated November 12, 2020 and November 21, 2020, passed by the Board of Directors of the Transferor Company and the Transferee Company, respectively, approving the Scheme;
- (xviii) Copy of the Statutory Auditors' certificate dated November 30, 2020 issued by M/s S R B C & CO LLP, Chartered Accountant, Statutory Auditors of the Transferor Company;
- (xix) Copy of the Statutory Auditors' certificate dated November 23, 2020 issued by M/s Singhi & Co., Chartered Accountants, Statutory Auditors of the Transferee Company;
- (xx) Copy of the no complaints report, both dated January 22, 2020, submitted by the Transferor Company to BSE and NSE;
- (xxi) Copy of the no adverse observations/no-objection letter issued by BSE and NSE, both dated February 5, 2021, to the Transferor Company;
- (xxii) Copy of the extracts of the resolution passed by the IGF Divestment Committee of the Board of Directors of the Transferor Company in the meeting held on February 9, 2021 and the letter dated February 9, 2021 issued by the Transferee Company;
- (xxiii) Copies of the e-mails both dated February 9, 2021 addressed by the Transferor Company to BSE and NSE;
- (xxiv) Summary of the Valuation Report including the basis of valuation;
- (xxv) Copy of Form No. GNL-1 filed by the Transferor Company, with the concerned Registrar of Companies, along with the challan dated March 8, 2021, evidencing filing of the Scheme;
- (xxvi) Copy of the certificate, dated March 8, 2021, issued by R D Satra & Associates, Chartered Accountants, certifying the amount due to the unsecured creditors of the Transferor Company as on December 31, 2020;
- (xxvii) Copy of the certificate, dated February 11, 2021, issued by Lohia N Choubey & Co., Chartered Accountants, certifying the amount due to the unsecured creditors of the Transferee Company as on December 31, 2020;
- (xxviii) Copy of the Scheme;
- (xxix) Copy of the Reports dated November 12, 2020 and November 21, 2020 adopted by the Board of Directors of the Transferor Company and the Transferee Company, respectively, pursuant to the provisions of section 232(2)(c) of the Act;
- (xxx) Copy of the undertaking by the Transferor Company certified by M/s S R B C & CO LLP, Chartered Accountant, Statutory Auditor of the Transferor Company, dated November 30, 2020, in respect of non-applicability of paragraph 9 of Annexure I to SEBI Circular;
- (xxxi) Copy of the order dated January 28, 2021 passed by CCI; and
- (xxxii) Copy of the applicable information of the Transferee Company in the format specified for abridged prospectus as provided in Part E of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

The secured creditors shall be entitled to obtain the extracts from or for making or obtaining the copies of the documents listed in item numbers (i), (vi), (vii), (viii), (x), (xi), (xii), (xiii), (xviii), (xix), (xx), (xxi), (xxiv), (xxviii) and (xxxii) above.

58. This statement may be treated as an Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Rules. Hard copies of the Particulars as defined in this Notice can be obtained free of charge within 1 (one) working day on a requisition being so made for the same by the secured creditors of the Applicant Company at the registered office of the Applicant Company or at the office of its advocates, M/s. Singhi & Co., Singhi House, 1, Magnet Corporate Park, Off Sola Bridge, S. G. Highway, Ahmedabad – 380 059, Gujarat, India.
59. After the Scheme is approved, by the equity shareholders, secured creditors and unsecured creditors (including unsecured debenture holders) of the Applicant Company, it will be subject to the approval/sanction by NCLT or any other statutory or regulatory authorities as may be applicable.



N. Mohan Raj
Chairman appointed for the Meeting

Dated this March 8, 2021

Registered office: P. O. Birlagram,
Nagda - 456 331, District Ujjain,
Madhya Pradesh, India.

SCHEME OF ARRANGEMENT
UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES
ACT, 2013
BETWEEN
GRASIM INDUSTRIES LIMITED
AND
INDORAMA INDIA PRIVATE LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

I. PREAMBLE

This scheme of arrangement (“**Scheme**”) is presented under Sections 230-232 and other applicable provisions of the Companies Act, 2013 between Grasim Industries Limited (hereinafter referred to as “**Transferor Company**”), and Indorama India Private Limited (hereinafter referred to as “**Transferee Company**”) and their respective shareholders and creditors. The Scheme provides *inter alia* for the transfer of the Divestment Business Undertaking (as more particularly defined below) as a going concern on a Slump Sale (as defined below) basis by the Transferor Company to the Transferee Company for a lump sum consideration under Sections 230-232 and/or other applicable provisions of the Act (as defined below) and in accordance with Section 2(42C) of the IT Act (as defined below) and the SEBI Circular (as defined below).

II. INTRODUCTION

- (a) The Transferor Company is a public limited company incorporated with CIN No. L17124MP1947PLC000410 under the Gwalior Companies Act (1 Samvat 1963) and now deemed to be incorporated under the Act (as defined hereinafter), having its registered office at P. O. Birlagram, Nagda – 456 331, District Ujjain, Madhya Pradesh, India. The Transferor Company is currently engaged, *inter alia*, in the business of manufacture, trading and sale of urea, customised fertilisers, agri-inputs, crop protection, plant and soil health products and speciality fertilisers and has its manufacturing facilities located at Jagdishpur, Amethi, Uttar Pradesh. The Transferor Company’s business constitutes the IGF Business (as defined hereinafter) and the Other Business (as defined hereinafter). The equity shares of the Transferor Company are listed on the Stock Exchanges (as defined hereinafter).
- (b) The Transferee Company is a private limited company incorporated with CIN No. U74999WB2017FTC222920 under the Act, having its registered office at Ecocentre, EM-4, 12th Floor, Unit No ECSL 1201, Sector V, Salt Lake, Kolkata 700091. The Transferee Company is engaged, *inter alia*, in the business of manufacture, trading and sale of phosphatic fertilizers, speciality fertilizers and chemicals and has its manufacturing facilities located at Haldia, West Bengal.
- (c) This Scheme provides for the transfer of the Divestment Business Undertaking (as defined hereinafter) of the Transferor Company to, and vesting thereof in, the Transferee Company, as a “going concern” on a Slump Sale basis, for a lump sum consideration, being the Final Purchase Consideration (as defined hereinafter), as set out hereinafter payable by the Transferee Company, to the Transferor Company, and in accordance with the terms of the Scheme and pursuant to the provisions of Sections 230-232 and/or other applicable provisions of the Act.

III. RATIONALE FOR THE SLUMP SALE

- (a) The Transferor Company is desirous of transferring and the Transferee Company is desirous of purchasing, the IGF Business (as defined below) undertaking of the Transferor Company, i.e. the Divestment Business Undertaking, as a “going concern” on a Slump Sale basis and in consideration for a lump sum consideration, and the Parties (as defined hereinafter) have accordingly agreed to effect the said transfer on the agreed terms and conditions as set out herein below or otherwise mutually agreed in writing between the Parties.
- (b) The transfer of the Divestment Business Undertaking pursuant to this Scheme would *inter alia* result in the following benefits:

In case of the Transferor Company:

- (i) Further enabling the Transferor Company to pursue growth opportunities in its core business(es) with increased focus and more optimized utilization of its capital and resources; and
- (ii) Unlocking value for the Transferor Company with overall improvement in working capital cycle due to release of blocked funds from long receivable cycle in IGF Business.

In case of the Transferee Company:

- (i) Creation of value for shareholders by acquiring Divestment Business Undertaking, which is a ready-to-use assets, and reducing time to markets; and
- (ii) Allowing the expansion of the range of the products offered by the Transferee Company and its Affiliates in India.

IV. PARTS OF THE SCHEME:

The Scheme is divided into the following parts:

- (a) **Part I** deals with the definitions and share capital of the Transferor Company and the Transferee Company;
- (b) **Part II** deals with transfer of the Divestment Business Undertaking from the Transferor Company and its vesting in the Transferee Company for consideration and matters incidental thereto; and
- (c) **Part III** deals with the general terms and conditions that would be applicable to the Scheme.

PART – I

DEFINITIONS AND SHARE CAPITAL:

1. DEFINITIONS:

- 1.1 In this Scheme unless the meaning or context otherwise requires (i) terms defined in the recitals and the introductory paragraphs above shall have the same meanings throughout this Scheme; and (ii) the following words or expressions, wherever used, (including in the Recitals and the introductory paragraphs above) shall have the following meanings:
 - 1.1.1 “**Act**” means the Companies Act, 2013, the rules and regulations made thereunder and shall include any statutory modification or re-enactment thereof for the time being in force;
 - 1.1.2 “**Accounts**” means the audited accounts of the Transferor Company as they pertain to the Divestment Business Undertaking for the year ended March 31, 2020
 - 1.1.3 “**Adjusted Capex Plan**” means the Capex Plan as may be revised or updated by the Transferor Company. Provided however, such revisions shall be limited to factor in items that are completed along with the actual costs incurred in relation thereto, the items that are incomplete along with the actual costs incurred and the costs that are likely to be incurred for the completion thereof. The revisions shall be based on the assessment of the Transferor Company;
 - 1.1.4 “**Adjustment Time**” means 06.00 Hours (Indian Standard Time) on the Completion Date;
 - 1.1.5 “**Affiliate**” means, in relation to a Party, any other Person that, either directly or indirectly through one or more intermediate Persons, Controls, is Controlled by or is under common Control with the Transferor Company, or the Transferee Company, as the case may be;
 - 1.1.6 “**Annual Capex Plan**” means the annual capex plan for financial year ended March 31, 2022 as mutually agreed to between the Parties in writing;
 - 1.1.7 “**Applicable Law**” means, any binding, state, national or local statute, law, ordinance, rule, regulation, order, writ, injunction, directive, judgment or decree, approval, guideline, press note, or other requirement or any similar form of determination by or decision of any Governmental Authority applicable to a Person or any of their respective properties or assets;
 - 1.1.8 “**Appointed Date**” means the Effective Date, or such other date as may be agreed to in writing between the Boards of the Transferor Company and the Transferee Company and approved by the Tribunals;
 - 1.1.9 “**Approval**” means any permission, approval, consent, license, order, decree, authorization, authentication of, or registration, qualification, designation, declaration or filing with or notification, exemption or ruling to or from any Governmental Authority required under any statute or regulation;
 - 1.1.10 “**Assumed Litigation**” shall mean all legal proceedings, suits, claims, disputes, causes of action, litigations, petitions,

appeals, writs, legal, taxation or other proceedings of whatever nature, (including before any statutory or quasi-judicial authority or tribunal), under Applicable Law, by or against the Transferor Company in relation to or pertaining exclusively to the Divestment Business Undertaking (or a part thereof) or arising from the operations thereof, however excluding Excluded Litigations;

- 1.1.11 **“Board”** or **“Board of Directors”** means the boards of directors of the Transferor Company and/ or the Transferee Company, as the context may require, and shall include a committee of such board duly constituted and authorized;
- 1.1.12 **“Business Day”** means any day, other than a Saturday and Sunday, on which banks in Mumbai and Uttar Pradesh, India remain open for normal business;
- 1.1.13 **“Capex Adjustment”** means the aggregate capex adjustment for Capex Plan and Annual Capex Plan, and shall be: (a) with respect to Capex Plan, the Adjusted Capex Plan minus the cost of capex items on the Capex Plan incurred (including any advances paid against such item) by the Transferor Company till Completion Date, minus capital expenditure incurred (including any advances paid against such item) by the Transferor Company with the prior written consent of the Transferee Company, plus creditors for capital goods towards each item at the Completion Date, (b) with respect to Annual Capex Plan, the Pro-Rata Capex Plan minus the cost of such items on the Annual Capex Plan incurred including any advances paid against such item by the Transferor Company till Completion Date plus creditors for capital goods towards each item at the Completion Date. It is clarified that if the Capex Adjustment is a positive number, the absolute amount will be deducted from the Completion Date Payment /Final Purchase Consideration. If the Capex Adjustment is a negative number, the absolute amount will be added to the Completion Date Payment/Final Purchase Consideration.

It is clarified with respect to the Capex Plan that if the Transferor Company completes such capex items to a generally acceptable standard but at a lower or higher cost than the amount set out in the Capex Plan, the difference, shall be to the account of the Transferor Company. In the event that the Transferor Company and the Transferee Company agree that the Transferor Company will undertake additional projects at the cost of the Transferee Company, this cost will be added to the Final Purchase Consideration, as defined in the Capex Adjustment;

- 1.1.14 **“Capex Plan”** means the capex plan with the estimated costs as agreed to and identified as the Capex Plan between the Parties in writing;
- 1.1.15 **“CCI”** means the Competition Commission of India;
- 1.1.16 **“Completion Date”** means a date mutually agreed between the Parties which shall be no later than 30 (thirty) days from the later of (a) date of receipt of the later of the Tribunal Order(s) sanctioning the Scheme (or the Tribunal Order(s) for condonation of delay in or granting extension of time for filing form e-Form INC 28, if applicable); and (b) completion (or waiver, if contemplated) to the reasonable satisfaction of Transferor Company or Transferee Company, as applicable, of the last of the conditions set out in Clause 23.1.1 to 23.1.5 of this Scheme;
- 1.1.17 **“Completion Date Payment”** has the meaning ascribed to such term in Clause 12.3;
- 1.1.18 **“Completion Underpayment”** has the meaning ascribed to such term in Clause 14.6;
- 1.1.19 **“Completion Overpayment”** has the meaning ascribed to such term in Clause 14.7;
- 1.1.20 **“Consent”** means any license, permission, approval, clearance, permit, notice, consent, authorization, waiver, grant, concession, agreement, certificate, exemption, order, or registration from any Governmental Authority or any other Person;
- 1.1.21 **“Control”** and its co-related words “Controlled by” or “under common Control with”, in relation to any Person, means: (i) the beneficial ownership, directly or indirectly, of more than 50% (fifty percent) of the voting power exercisable at any meeting of the members of such Person; or (ii) the power to elect a majority of the members of the management board (including directors) of such Person; or (iii) power to direct the management or policies of such Person;
- 1.1.22 **“Current Assets”** means, as of any specified date, all such assets relating or assigned to the Divestment Business Undertaking, which are customarily called current assets under the Indian GAAP other than cash and cash equivalents, and as provided for in the relevant statement of the Transferor Company;
- 1.1.23 **“Current Liabilities”** means, as of any specified date, all such liabilities relating or assigned to the Divestment Business Undertaking, which are customarily called current liabilities under the Indian GAAP, and as provided for in the relevant statement of the Transferor Company;
- 1.1.24 **“Divestment Business Undertaking”** means the business, undertaking, activities, operations and properties, of whatsoever nature and kind and wheresoever situated, in each case, forming part of or necessary or advisable for the conduct of, or the activities or operations of, the IGF Business, as a going concern, and includes without limitation:

- (i) the Divestment Assets;
- (ii) all permits, licenses, permissions, right of way, approvals, authorisations, clearances, consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, pre-qualifications, bid acceptances, concessions, subsidies, indirect tax deferrals, and exemptions and other benefits (in each case including the benefit of any applications made for the same), if any, liberties and advantages, approval for commissioning of project and other licenses or clearances granted/ issued/ given by any governmental, statutory or regulatory or local or administrative bodies, organizations or companies for the purpose of carrying on the IGF Business or in connection therewith including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that form part of the IGF Business;
- (iii) all insurance policies pertaining to the IGF Business save and except any insurance policies generally taken for the entire business of the Transferor Company;
- (iv) all rights to use and avail telephones, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Transferor Company forming part of the IGF Business and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company and forming part of the IGF Business;
- (v) the Divestment Liabilities;
- (vi) the Divestment Contracts;
- (vii) Assumed Litigation; and
- (viii) the Divestment Employees.

It is clarified that the Divestment Business Undertaking shall not include the Remaining Assets, Excluded Employees and Excluded Liabilities;

1.1.25 “**Divestment Assets**” means:

- (i) all immovable properties and rights thereto i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, leave and licensed, right of way/use, tenancies or otherwise) including boundary wall, roads, drains and culverts, civil works, foundations for civil works, buildings, warehouses, offices, trees, together with all plant and machinery embedded etc., which immovable properties form part of the IGF Business (including the Divestment Real Estate) whether or not recorded in the books of accounts of the Transferor Company and all documents (including Khatauni, panchnamas, declarations, receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest, benefits and interests of rental agreements for lease or license or other rights to use of premises, in connection with the said immovable properties;
- (ii) all assets, as are movable in nature forming part of the IGF Business, whether present or future or contingent, tangible or intangible, in possession or not, corporeal or incorporeal, in each case, wherever situated (including plant and machinery, pipeline, capital work in progress, furniture, fixtures, fixed assets, computers, air conditioners, appliances, accessories, office equipment, communication facilities, installations, vehicles, railway siding, locomotive, livestock, inventories, stock in trade, stores and spares, packing material, raw material, tools and plants), actionable claims, earnest monies and sundry debtors, prepaid expenses, bills of exchange, promissory notes, financial assets, investment and shares in entities/ branches undertaking the IGF Business, outstanding loans and advances, recoverable in cash or in kind or for value to be received, receivables, funds, cash and bank balances and deposits including accrued interest thereto with government, semi-government, local and other authorities and bodies, banks, customers and other persons, provisions, funds, benefits of all agreements, bonds, debentures, debenture stock, units or pass through certificates, the benefits of any bank guarantees, performance guarantees and indirect tax related assets/credits, including but not limited to goods and service tax input credits, service tax input credits, central value added tax credits, value added/ sales tax/ entry tax credits or set-offs,

including the Divestment Equipment, Records, Divestment Contracts, Divestment Intellectual Property, Transferring Inventory, the Current Assets, Non Current Assets, forming part of the IGF Business;

- 1.1.26 “**Divestment Contracts**” means all contracts, agreements, purchase orders/ service orders, operation and maintenance contracts, memoranda of understanding/ undertakings/ agreements, memoranda of agreed points, bids, tenders, tariff policies, expressions of interest, letters of intent, hire and purchase arrangements, power purchase agreements, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/ manufacturer of goods/ service providers, other arrangements, undertakings, deeds, bonds, schemes, concession agreements, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether vested or potential and written, oral or otherwise and all rights, title, interests, assurances, claims and benefits thereunder, in relation to the IGF Business, as agreed to and identified in writing between the Parties;
- 1.1.27 “**Divestment Employees**” means such employees of the IGF Business as on the Completion Date that will be transferred to the Transferee Company comprising:
- (a) the employees of the Transferor Company based at the Plant who are involved in the operations and production activities of the Plant other than Excluded Employees;
 - (b) the employees of the Transferor Company based at any other location working for IGF Business including employees working in sales and marketing, research and development, business development, liaising work etc.; and
 - (c) minus the employees that are serving their notice period as on the Completion Date.
- 1.1.28 “**Divestment Equipment**” means the plant and machinery forming part of the Divestment Assets, as stated in the relevant extracts of the fixed assets register of the Transferor Company;
- 1.1.29 “**Divestment Intellectual Property**” means all intellectual property rights, applications (including hardware, software, licenses, source codes, para meterisation and scripts), registrations, goodwill, trade names, service marks, copyrights, patents, project designs, marketing authorization, approvals, marketing intangibles, permits, permissions, incentives, privileges, special status, domain names, designs, trade secrets, research and studies, technical knowhow, confidential information and other benefits (in each case including the benefit of any applications made for the same), exclusively relating to or forming part of the Divestment Business Undertaking, including copyrights, trademarks, service marks, all brands including ‘Shaktiman’ and ‘Oorja’ (but excluding the Grasim/ABG Name) to the extent such intellectual property rights are vested in the Transferor Company and subject to such terms and conditions as are applicable to the Transferor Company in respect thereof. For the avoidance of doubt it is clarified that the Grasim / ABG Name and all rights therein or thereto shall not form part of the Divestment Intellectual Property;
- 1.1.30 “**Divestment Liabilities**” means all the debts, loans, duties, liabilities, obligations, of any nature whatsoever exclusively arising out of or pertaining to, in any manner, the IGF Business or the operation thereof or the result or consequences of Assumed Litigations;
- 1.1.31 “**Divestment Real Estate**” means the lands being used by the Transferor Company for the IGF Business, list whereof as of the Reference Date is specified in **Schedule 2** (*Divestment Real Estate*);
- 1.1.32 “**Effective Date**” means the last of the dates on which the conditions and matters referred to in Clause 23.1 occur or have been fulfilled, obtained or waived, as applicable, in accordance with this Scheme. Reference in this Scheme to the date of “coming into effect of this Scheme” or the “Scheme becoming effective” or “effectiveness of the Scheme” shall mean the Effective Date. The Effective Date shall be the Completion Date;
- 1.1.33 “**Encumbrance**” and its co-related words “**Encumbered**” means (a) any mortgage, pledge, lien, charge (whether fixed or floating), hypothecation, assignment, deed of trust, title retention, right of set-off or counterclaim, security interest security letter conferring any priority of payment in respect of, any obligation of any Person; (b) purchase or option agreement or arrangement, right of first refusal, right of first offer, restriction on voting; (c) subordination agreement or arrangement; (d) agreements to create or effect any of the foregoing; (e) interest, option, or transfer restriction in favour of any Person; (f) any adverse claim as to title, possession or use and (g) any encroachment on immovable properties;
- 1.1.34 “**Estimated Working Capital Adjustment**” means an amount equal to the absolute value of the difference between (i) the Estimated Working Capital Amount; and (ii) the Target Working Capital;
- 1.1.35 “**Estimated Working Capital Amount**” has the meaning ascribed to such term in Clause 12.3;
- 1.1.36 “**Excluded Employees**” means such employees of the Transferor Company as are mutually agreed in writing between the Transferor Company and the Transferee Company;
- 1.1.37 “**Excluded Liabilities**” means any liabilities or obligations that do not form a part of the Divestment Business Undertaking, including to the extent they are related to or arise out of (a) the Other Business; (b) the Remaining Assets; (c) Excluded Litigations; and/or (d) any liabilities arising on account of Direct Taxes for the period prior to Completion Date;

- 1.1.38 **“Excluded Litigations”** means such litigation proceedings listed in **Schedule 3** (*Excluded Litigations*);
- 1.1.39 **“Existing Stock Option Schemes”** means schemes/plans determining entitlements to the Divestment Employee with respect to Stock Options, including (a) the Employee Stock Option Scheme 2018 and Stock Appreciation Rights Scheme 2018, each as approved by Board of the Transferor Company on August 14, 2018, formulated in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (as amended); and (b) Employee Stock Option Scheme 2013 and each of Stock Appreciation Rights Plans ‘SARs 2013’, as approved by Board of the Transferor Company on October 18, 2013 and November 14, 2017 respectively, formulated in accordance with the provisions of Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (as amended);
- 1.1.40 **“Final Completion Statement”** means the statement determined in accordance with Clause 14.1 or Clause 14.2, as the case may be;
- 1.1.41 **“Final Determination Date”** has the meaning ascribed to such term in Clause 14.1 or Clause 14.2, as the case may be;
- 1.1.42 **“Final Purchase Consideration”** has the meaning ascribed to such term in Clause 12.1;
- 1.1.43 **“Financial Indebtedness”** means any long-term and short-term interest bearing loans and borrowings availed by the Transferor Company from scheduled commercial banks pertaining to or forming part of the Divestment Business Undertaking excluding any SBA;
- 1.1.44 **“Governmental Authority(ies)”** means any: (a) national, provincial or local government or political subdivision or department thereof of any jurisdiction, or any governmental, administrative or regulatory body, commission, board, bureau, agency or instrumentality, or any court, arbitrator, alternative dispute resolution body or tribunal, in each case with applicable jurisdiction; or (b) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative functions of the government or Tax authority or power of any nature, in respect of the Transferor Company, the Transferee Company or this Scheme;
- 1.1.45 **“Governmental Authorization”** means all filings, including Consents and Approvals, with any Governmental Authority, Consents (to the extent required from a Governmental Authority), licenses, franchises, permits, concessions, exemptions, orders, certificates, registrations, re-registrations, applications, declarations and filings pertaining to the aforesaid issued, granted, given or otherwise made available by or under the authority of any Governmental Authority or pursuant to any Applicable Law;
- 1.1.46 **“Grasim / ABG Name”** means (a) any trademark, service mark, trade name, service name, brand name, slogan, logo, Internet domain name and corporate name and other identifier of source or goodwill that includes the word “Birla”, “Aditya Vikram Birla”, “Aditya Birla Group”, “Grasim”, “AVB”, “ABG”, including the logo associated with such names, (b) any and all other derivatives of the word “Birla”, “Aditya Vikram Birla”, “Grasim”, “AVB”, “ABG”, (c) any names or derivatives of the operating subsidiaries, group companies, or Affiliates of the Transferor Company and any trademark, service mark, trade name, service name, brand name, slogan, logo, Internet domain name and corporate name and other identifier of source or goodwill that is owned by operating subsidiaries, group companies, or Affiliates of the Transferor Company, including the logo associated with such names (d) trade dress, including graphics, colors and designs appearing on product packaging and labels, relating to any of items identified in (a) through (c) above;
- 1.1.47 **“Holdback Amount”** means the aggregate of all Old Subsidy Holdback Amounts and Slow Moving Subsidy Holdback Amounts;
- 1.1.48 **“IGF Business”** means the business of manufacture, trading and sale of urea, customised fertiliser, agri-inputs, crop protection, plant and soil health products and speciality fertilisers conducted by the Transferor Company at the Plant and otherwise;
- 1.1.49 **“IT Act”** means the Income Tax Act, 1961, the rules and regulations made thereunder and shall include any statutory modification or re-enactment thereof for the time being in force;
- 1.1.50 **“Independent Auditor”** means an independent accounting firm, jointly appointed by the Parties in accordance with terms mutually agreed between them in writing.
- 1.1.51 **“Indian GAAP”** means and refers to the generally accepted accounting principles as applicable in India, including inter alia accounting standards and other authoritative pronouncements, issued by the Institute of Chartered Accountants of India, or such other body or person having a right under Applicable Laws to issue such accounting standards and other authoritative pronouncements;
- 1.1.52 **“Listing Regulations”** means the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, and shall include any statutory modification, amendment, and re-enactment thereof for the time being in force or any act, regulations, rules, guidelines etc., that may replace such Regulations;

- 1.1.53 **“Long Stop Date”** shall mean February 12, 2022, or such other date as may be mutually agreed in writing between the Parties;
- 1.1.54 **“Non Current Assets”** means, as of any specified date, all such assets relating or assigned to IGF Business, which are customarily called non current assets under the relevant prevailing Indian accounting standards;
- 1.1.55 **“Non Current Liabilities”** means, as of any specified date, all such liabilities relating or assigned to IGF Business, which are customarily called non-current liabilities under the relevant prevailing Indian accounting standards;
- 1.1.56 **“NRC Committee”** has the meaning ascribed to such term in Clause 9.1.7 (i);
- 1.1.57 **“Old Subsidies”** means the subsidies pertaining to the Divestment Business Undertaking the payment of which has not been received by the Transferor Company as on the Reference Date, and as mutually identified and agreed to between the Parties in writing, details in relation to which shall be updated as on the Completion Date, and **“Old Subsidy”** shall mean any one of them;
- 1.1.58 **“Ordinary Course”** means any action taken by or on behalf of a Person that is recurring in nature or is taken in the ordinary course of that Person’s normal operations;
- 1.1.59 **“Other Business”** means any business of the Transferor Company other than the IGF Business, and includes any business of Transferor Company conducted under the Grasim / ABG Name brands other than the IGF Business;
- 1.1.60 **“Parties”** means the Transferor Company and the Transferee Company, collectively; and each of Transferor Company and Transferee Company individually, a **“Party”**;
- 1.1.61 **“Person”** means any individual or other entity, whether a corporation, firm, body corporate, joint venture, trust, association, organization, partnership or proprietorship, whether or not having a separate legal personality, including any Governmental Authority;
- 1.1.62 **“Plant”** means the plants utilised for the manufacture of urea, customized/ speciality fertilisers owned by the Transferor Company, located at Jagdishpur, District Amethi, Uttar Pradesh;
- 1.1.63 **“Preliminary Completion Statement”** has the meaning ascribed to such term in Clause 14.1;
- 1.1.64 **“Pro-Rata Capex Plan”** means such proportion of Annual Capex Plan as is determined on the basis of the capital expenditure apportioned on daily basis, to be incurred by the Transferor Company based on number of days elapsed between April 1, 2021 and the Completion Date;
- 1.1.65 **“Proposed Completion Statement”** has the meaning ascribed to such term in Clause 12.3;
- 1.1.66 **“Purchase Consideration”** has the meaning ascribed to such term in Clause 12.1;
- 1.1.67 **“Records”** means any and all books, accounts and other records relating to the Divestment Business Undertaking held by the Transferor Company to the extent that they relate to the period up to the Completion Date;
- 1.1.68 **“Reference Date”** means November 12, 2020;
- 1.1.69 **“Remaining Assets”** means all properties, assets, contracts or rights of the Transferor Company or any right, title or interest therein, other than those forming part of the Divestment Business Undertaking, and shall also include identified properties as agreed to and identified in writing between the Parties;
- 1.1.70 **“Representatives”** means the directors or authorized officers of the Transferor Company or the Transferee Company;
- 1.1.71 **“RoC”** means the jurisdictional Registrar of Companies;
- 1.1.72 **“Rs.”** or **“Rupees”** or **“INR”** means Indian Rupees, the lawful currency of India;
- 1.1.73 **“SBA”** means any special banking arrangements in relation to subsidies receivable in relation to the Divestment Business Undertaking;
- 1.1.74 **“SEBI”** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- 1.1.75 **“SEBI Circular”** means circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, on Schemes of Arrangement by Listed Entities and Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957, issued by SEBI, as amended or replaced from time to time including by circular nos. CFD/DIL3/CIR/2017/26 dated March 23, 2017, CFD/DIL3/CIR/2017/105 dated September 21, 2017, CFD/ DIL3/CIR/2018/2 dated January 03, 2018 and CFD/ DIL1/CIR/P/2020/215 dated November 3, 2020;

- 1.1.76 “**Slow Moving Subsidies**” means the subsidies pertaining to the Divestment Business Undertaking the payment of which has not been received by the Transferor Company as on the Reference Date, and as mutually identified and agreed to between the Parties in writing, details in relation to which shall be updated as on the Completion Date, and “**Slow Moving Subsidy**” shall mean any one of them;
- 1.1.77 “**Slump Sale**” means sale of an undertaking on a going concern basis, for a lump sum consideration without values being assigned to the individual assets and liabilities; as defined under Section 2(42C) of the IT Act;
- 1.1.78 “**Stock Exchanges**” means the BSE Limited and the National Stock Exchange of India;
- 1.1.79 “**Stock Options**” has the meaning ascribed to such term in Clause 9.1.7 (i);
- 1.1.80 “**Target Working Capital**” means INR 12,488,200,000 (Rupees Twelve Billion Four Hundred Eighty Eight Million Two Hundred Thousand only);
- 1.1.81 “**Tax**” means all applicable forms of taxation, duties, levies imposed, whether direct or indirect, whether central, state or local, including without limitation corporate income tax, service tax, withholding tax, dividend distribution tax, goods and services tax, central sales tax, entry tax, octroi, stamp duty, value added tax, customs and excise duties, capital tax and other legal transaction taxes, land taxes, duties and any other type of taxes or duties payable by virtue of any Applicable Law (“**Direct and Indirect Tax**”); together with any interest, premium, penalties, surcharges or fines relating to them, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction;
- 1.1.82 “**Transferring Inventory**” means all inventories, wherever located, including all raw materials, work-in-progress, finished products, and packaging and labelling material exclusively or predominantly forming part of IGF Business, (but excluding goods in relation to which invoice is issued, but which may not have been delivered and which are not included in the Current Assets), in each case, as of the Adjustment Time;
- 1.1.83 “**Tribunal**” means in relation to the Transferor Company, the jurisdictional bench of National Company Law Tribunal at Madhya Pradesh and with respect to the Transferee Company shall mean the jurisdictional bench of National Company Law Tribunal at Kolkata, or such other forum or authority as may be vested with the relevant powers in relation to the Scheme under the Act;
- 1.1.84 “**Tribunal Order(s)**” means the orders passed by the Tribunal(s) sanctioning the Scheme and includes any Tribunal(s) or other applicable authorities’ order(s) for extension of time or condonation of delay in filing of the requisite forms with the RoC in relation to the Scheme, if applicable;
- 1.1.85 “**Updated Statement**” has the meaning ascribed to such term in Clause 12.9;
- 1.1.86 “**Working Capital**” means an amount, in INR, equal to (a) the Current Assets plus (b) long-term loans, advances, and deposits less (c) the Current Liabilities and less (d) Non-current Liabilities excluding Financial Indebtedness but including any SBA, in each case calculated as of the Adjustment Time. For the avoidance of doubt, (x) Working Capital shall exclude Non-Current Assets (except long-term loans, advances and deposits), as defined in **Schedule 1 (Completion Statement), Part A**; (y) any liability if counted towards Financial Indebtedness shall not be counted towards Current Liabilities or Non-current Liabilities for the purposes of determining net Working Capital; and
- 1.1.87 “**Working Capital Adjustment**” means an amount equal to the difference between (i) the Working Capital set forth in the Final Completion Statement; and (ii) the Target Working Capital. The Working Capital Adjustment shall be determined in the terms in accordance with **Schedule 1 (Completion Statement), Part A**.
- 1.2 Interpretation**
- 1.2.1 In this Scheme, reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment (whether before or after the Reference Date) for the time being in force or to any provisions replacing such statutory provisions and to all statutory instruments or orders made pursuant to such statutory provisions.
- 1.2.2 Words denoting the singular shall include the plural and words denoting any gender shall include all genders.
- 1.2.3 Headings, subheadings, titles, subtitles to clauses, sub-clauses and paragraphs are for information only and shall not form part of the operative provisions of this Scheme or the Schedules hereto and shall be ignored in construing the same.
- 1.2.4 The Schedules refer to the schedules to this Scheme and form part of this Scheme. If there is any conflict or inconsistency between a term in the body of this Scheme and a term in any of the schedules, exhibits or any other document referred to or otherwise incorporated in this Scheme, the term in the body of this Scheme shall take precedence.
- 1.2.5 References to days, months and years are to calendar days (unless otherwise specified), calendar months and calendar years, respectively. Where a period expressed in days, weeks, months or years is to be calculated from the moment at which an event occurs or an action takes place, the day during which that event occurs or that action takes place shall

not be counted as falling within the period in question. A period expressed in weeks, months or years shall end with the expiry of whichever day in the last week, month or year (as applicable) of such period is the same day of the week (in the case of weeks), or falls on the same date (in the case of months or years), as the day on which the event or action from which the period is to be calculated occurred or took place. If, for a given period expressed in months, the last day of such period does not fall during the last month expressed to be in such period, such period shall end on the last day of that month.

- 1.2.6 Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day if the last day of such period is not a Business Day; and whenever any payment is to be made or action to be taken under this Scheme is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day.
- 1.2.7 Words “directly or indirectly” mean directly, or indirectly, through one or more intermediary persons or through contractual or other legal arrangements, and “direct or indirect” have the correlative meanings.
- 1.2.8 Any reference in this Scheme to any document shall include reference to such document as amended, modified or restated, whether before or after the Reference Date.
- 1.2.9 Any reference to “writing” shall include printing, typing, lithography, transmissions by facsimile or in electronic form (including e-mail) and other means of reproducing words in visible form.
- 1.2.10 If, in calculating a price or an amount, the relevant variables for such calculation are expressed in different currencies then all such variables for the purposes of such calculation shall be in Rupees.

2. DATE OF OPERATIONALIZATION AND TAKING EFFECT OF THE SCHEME

- 2.1 The Scheme shall be effective from the Appointed Date and be operative from the Effective Date.

3. SHARE CAPITAL

- 3.1 The authorized, issued, subscribed and paid up share capital of the Transferor Company as on October 31, 2020, is as under:

Particulars	Amount (INR in Crores)
Authorized Capital	
1,47,25,00,000 Equity Shares of INR 2 each*	294.50
11,00,000 redeemable preference shares of INR 100 each	11.00
Total	305.50
Issued, subscribed and Paid up Share Capital	
65,79,28,218 Equity Shares of INR 2 each**	131.59
Total	131.59

*A separate scheme of amalgamation between Grasim Premium Fabric Private Limited and the Transferor Company, which is pending approval from the jurisdictional National Company Law Tribunal as of October 31, 2020, under clause 8 provides for increase in authorized equity share capital of the Transferor Company to 206,25,00,000 equity shares of INR 2 each, upon the scheme becoming effective with effect from the appointed date. The appointed date is defined in such scheme to mean April 1, 2019 or such other date as the board of directors of Grasim Premium Fabric Private Limited or the Transferor Company or the jurisdictional National Company Law Tribunal may decide.

**The issued and paid up share capital includes 3,66,41,864 equity shares represented by 3,66,41,864 global depository receipts as on October 31, 2020.

The Transferor Company has outstanding employee stock options under its existing stock options scheme, the exercise of which may result in an increase in the issued and paid-up share capital of the Transferor Company.

The equity shares of the Transferor Company are listed on the Stock Exchanges.

- 3.2 The authorized, issued, subscribed and paid up share capital of the Transferee Company as on October 31, 2020:

Particulars	Amount (INR in Crores)
Authorized Capital	
100,00,00,000 Equity Shares of INR 10 each	1,000
Total	1,000
Issued, subscribed and Paid up Share Capital	
29,99,51,427 Equity Shares of INR 10 each#	299.95
Total	299.95

As on October 31, 2020, 29,99,51,426 shares are held by Indorama Holdings BV and one share is held by Mr. Rajeev Kshetrapal.

A separate scheme of arrangement between the Transferee Company and Indorama Industries Limited for transfer of spandex business unit of Indorama Industries Limited to the Transferee Company is pending approval from the National Company Law Tribunal, Kolkata as of October 31, 2020. Clause 15 of the said scheme provides for issuance of 90,62,140 fully paid up equity shares of INR 10 each by the Transferee Company to certain equity shareholders of Indorama Industries Limited, upon the scheme becoming effective with effect from the appointed date. The appointed date is defined in such scheme to mean October 01, 2019 or such other date as may be fixed or approved by the National Company Law Tribunal or any other appropriate authority.

PART – II

TRANSFER AND VESTING OF DIVESTMENT BUSINESS UNDERTAKING IN THE TRANSFEEE COMPANY

4. TRANSFER AND VESTING OF DIVESTMENT BUSINESS UNDERTAKING

- 4.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the Divestment Business Undertaking in its entirety shall, pursuant to Sections 230 to 232 read with other relevant provisions of the Act and Section 2(42C) of the IT Act and without any further act, instrument, deed, matter or thing be transferred to and vested in and/ or be deemed to be and stand transferred to and vested in the Transferee Company as a 'going concern' on a Slump Sale basis, free from all Encumbrances (other than liens arising or created in the ordinary course, including any Encumbrance relating to SBA), in accordance with Section 2(42C) of the Income Tax Act, 1961 (as amended) for a lump sum consideration as set out hereinafter, subject to the provisions of this Scheme.
- 4.2 Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall carry out or perform all such formalities and compliances under various Applicable Laws or to be carried out or performed in relation to or as a consequence of the vesting of the Divestment Business Undertaking into the Transferee Company.

5. DIVESTMENT ASSETS

- 5.1 Without prejudice to the generality of Clause 4 (*Transfer and Vesting of Divestment Business Undertaking*) above, upon the Scheme coming into effect and with effect from the Appointed Date, the Divestment Assets shall, in accordance with the provisions of this Clause 5 in relation to the mode of transfer and vesting and pursuant to Sections 230-232 and/or other applicable provisions of the Act, stand transferred to and vested in the Transferee Company as a going concern and without any further act or deed in the following manner, unless specifically otherwise provided under the Scheme:
- 5.1.1 In relation to the Divestment Assets, which are movable in nature, and/or otherwise capable of transfer by manual or constructive delivery and/or endorsement and delivery, including cash and bank balances, the same may, upon coming into effect of this Scheme, be so transferred or deemed to be so transferred to the Transferee Company, and shall become the assets of the Transferee Company and title to the assets will be deemed to have been vested accordingly without requiring any deed or instrument of conveyance pursuant to the provisions of Sections 230-232 and/or other applicable provisions of the Act and shall upon such transfer become the property of the Transferee Company. It is clarified that the Remaining Assets shall continue to remain the assets, properties, benefits, rights, title, interests, etc., of the Transferor Company and shall not be transferred to the Transferee Company as part of the Divestment Business Undertaking. The Parties shall discuss in good faith the manner of excluding the Remaining Assets from the Divestment Business Undertaking upon the receipt of relevant Approval from any applicable Governmental Authority. Provided however that, in relation to specified properties agreed in writing between the Parties as forming part of the Remaining Assets subject to regulatory approvals, and such regulatory approval is not obtained as on the Completion Date, then such Remaining Asset shall be transferred and vested in the Transferee Company as part of the Divestment Business Undertaking in accordance with the terms of this Scheme without any additional consideration other than as contemplated in this Scheme.
- 5.1.2 Without prejudice to the generality of Clause 5.1.1, and in respect of the such movable Divestment Assets other than those dealt with in Clause 5.1.1, including but not limited to sundry debts, actionable claims, earnest monies receivables, bills, credits, loans, advances and deposits with any Governmental Authorities or any other bodies or any other person, if any, forming part of the Divestment Business Undertaking, whether recoverable in cash or in kind or for value to be received, bank balances, etc., the same shall stand transferred to and vested in the Transferee Company without any notice or other intimation to any person in pursuance of the provisions of Sections 230 to 232 read with other relevant provisions of the Act and all other applicable provisions of the Applicable Law, and that appropriate entries should be passed in its books to record the aforesaid change. The Transferee Company may, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such person, as the case may be, that the

said sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits stand transferred to and vested in the Transferee Company and be paid or made good or held on account of the Transferee Company as the person entitled thereto.

- 5.1.3 The Divestment Real Estate (including land together with the buildings and structures standing thereon), whether freehold or leasehold or licenced for use, with rights, title, interests, authorities, and all documents of title, rights and easements in relation thereto including any right to use, will stand transferred to and be vested in the Transferee Company, without any further act, instrument or deed and pursuant to the provisions of Sections 230-232 and/or other applicable provisions of the Act. With effect from the Appointed Date, the Transferee Company shall be entitled to exercise all rights and privileges and be liable to fulfil all obligations, in relation to or applicable to such immovable properties. Furthermore, the Transferee Company may, on and from the Effective Date, file applications with the Governmental Authorities for: (i) implementation of the transfer of the Divestment Real Estate to the Transferee Company; and (ii) execution of fresh lease agreements for the Divestment Real Estate in favour of the Transferee Company, if so required for administrative purposes, and the Transferor Company agrees to undertake all steps requested by the Transferee Company, at the cost of the Transferee Company (and without any liabilities to the Transferor Company), to provide assistance to the Transferee Company in relation to the aforesaid actions.
- 5.1.4 Without prejudice to the generality of Clause 5.1 above, Divestment Intellectual Property will stand transferred to and be vested in the Transferee Company, without any further act, instrument or deed and pursuant to the provisions of Sections 230-232 and/or other applicable provisions of the Act. The Transferor Company and the Transferee Company shall mutually agree in writing on a mechanism of dealing with the composite registrations of Divestment Intellectual Property that also include any trademark, logo, mark, design or any other intellectual property pertaining to Grasim / ABG Name that is not intended to form a part of the Divestment Intellectual Property to ensure that the Divestment Intellectual Property is assigned to the Transferee Company while the non-Divestment Intellectual Property is not inadvertently assigned to the Transferee Company and the Divestment Intellectual Property is not inadvertently retained by the Transferor Company. The Parties shall also mutually agree in writing on a mechanism for transfer of all patents comprised in the Divestment Intellectual Property.
- 5.1.5 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is expressly clarified that upon coming into effect of this Scheme and with effect from the Appointed Date, all permits, licenses, permissions, right of way, approvals, clearances, consents, benefits, tax incentives/ concessions, registrations, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, pre-qualifications, tenders, bid acceptances, concessions, issued to or granted to or executed in favour of the Transferor Company, and the rights and benefits under the same, in so far as they form part of the Divestment Business Undertaking, and all intellectual property and rights thereto of the Transferor Company, forming part of the Divestment Business Undertaking and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents acquired by the Transferor Company, forming part of the Divestment Business Undertaking, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of the Applicable Law, be transferred to and vested in or deemed to have transferred to or vested in the Transferee Company and the concerned licensors and grantors of such approvals, clearances, permissions, etc., shall endorse, where necessary, and record, in accordance with law, the name of the Transferee Company on such approvals, clearances, permissions so as to empower and facilitate the approval and vesting of the Divestment Business Undertaking in the Transferee Company and continuation of operations forming part of the Divestment Business Undertaking in the Transferee Company without hindrance, and that such approvals, clearances and permissions shall remain in full force and effect in favour of or against the Transferee Company, as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.

6. DIVESTMENT LIABILITIES

- 6.1 Without prejudice to the generality of Clause 4 (*Transfer and Vesting of Divestment Business Undertaking*) above, upon the Scheme becoming effective and with effect from the Appointed Date, all the Divestment Liabilities, whether or not provided for in the books of the Transferor Company, shall without any further act, instrument or deed be and stand transferred to and vested in the Transferee Company in the following manner, unless specifically otherwise provided under the Scheme:
- 6.1.1 Upon the Scheme becoming effective and with effect from the Appointed Date, all Divestment Liabilities shall, whether or not provided for in the books of the Transferor Company, to the extent they are outstanding on the Effective Date, without any further act or deed become liabilities of the Transferee Company and all rights, powers, duties, and obligations in relation thereto shall stand transferred to, vested in, and shall be exercised by or against the Transferee Company, as if it has incurred such liabilities, debts, duties, obligations, on the same terms and conditions as were applicable to the Transferor Company and the Transferee Company shall undertake to meet, discharge and satisfy the same to the exclusion of the Transferor Company such that the

Transferor Company shall in no event be responsible or liable in relation to any such Divestment Liabilities, except as agreed otherwise with the Transferee Company in writing. It is clarified that Excluded Liabilities shall continue to remain the liabilities of the Transferor Company and shall not be transferred to the Transferee Company as part of the Divestment Business Undertaking and the Transferee Company shall not assume or otherwise be liable in respect of Excluded Liabilities.

- 6.1.2 Where any of the Divestment Liabilities have been partially or fully discharged by the Transferor Company on or 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. All the Divestment Liabilities and obligations incurred by the Transferor Company for the operations of the Divestment Liabilities on or after the Appointed Date and prior to the Effective Date shall be deemed to have been incurred for and on behalf of the Transferee Company and to the extent any Divestment Liabilities are outstanding on the Effective Date, they shall also without any further act, instrument or deed be and stand transferred to the Transferee Company and shall become the liabilities and obligations of the Transferee Company.
- 6.1.3 With effect from the Effective Date, the Transferee Company alone shall be liable to perform all obligations in respect of the Divestment Liabilities, except as agreed otherwise with the Transferee Company in writing, and the Transferor Company shall not have any obligations in respect of the Divestment Liabilities.
- 6.1.4 With effect from the Effective Date, the Transferor Company alone shall be liable to perform all obligations in respect of the Excluded Liabilities and the Transferee Company shall not have any obligations in respect of the Excluded Liabilities.
- 6.1.5 The transfer and vesting of the assets comprised in the Divestment Business Undertaking to and in the Transferee Company upon the coming into effect of this Scheme shall be subject to the Encumbrances, if any, affecting the same as hereinafter provided.
- 6.1.6 In so far as the existing Encumbrances in respect of the Divestment Liabilities are concerned, such Encumbrances shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in the Divestment Business Undertaking which have been Encumbered in respect to the Divestment Liabilities and are transferred to the Transferee Company pursuant to this Scheme and such Encumbrances shall not relate or attach to any other assets of the Transferee Company. Provided that if any of the assets comprised in the Divestment Business Undertaking which are being transferred to the Transferee Company pursuant to this Scheme have not been Encumbered in respect of the Divestment Liabilities, such assets shall remain unencumbered and the existing Encumbrances referred to above shall not be extended to and shall not operate over such assets. The Scheme shall not operate to enlarge the Encumbrances, nor shall the Transferee Company be obliged to create any further or additional security after the Scheme has become effective or otherwise. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.
- 6.1.7 In so far as any Encumbrance over Divestment Assets are concerned and to the extent that such Encumbrance relates to any Excluded Liabilities, such Divestment Asset shall, without any further act, instrument, or deed, be released and such Divestment Assets shall no longer be available as Encumbrances for such Excluded Liabilities. The absence of any formal amendment which may be required by a lender or a third party to effect such release shall not affect the operation of the foregoing sentence.
- 6.1.8 In so far as the assets of the Other Business are concerned, any Encumbrance over them, to the extent they relate to the Divestment Liabilities shall, without any further act, instrument, or deed be released and discharged from such security. The absence of any formal amendment which may be required by a lender or a third party to effect such release shall not affect the operation of the foregoing sentence.
- 6.1.9 In so far as the existing Encumbrances in respect of the loans and other liabilities relating to the Excluded Liabilities are concerned, such Encumbrances shall, without any further act, instrument or deed be continued with the Transferor Company, only on the assets relating to the Other Business and the assets of the Divestment Business Undertaking shall stand released therefrom.
- 6.1.10 If any Encumbrance of the Transferor Company for the operations of the Divestment Business Undertaking exists as on the Appointed Date, but has been partially or fully released thereafter by the Transferor Company on or after the Appointed Date but prior to the Effective Date, such release shall be deemed to be for and on account of the Transferee Company upon the coming into effect of the Scheme and all Encumbrances incurred by the Transferor Company for the operations of the Divestment Business Undertaking on or after the Appointed Date and prior to the Effective Date shall be deemed to have been incurred for and on behalf of the Transferee Company, and such Encumbrances shall not attach to any property of the Transferor Company.

- 6.1.11 The provisions of this Clause shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deeds, and writings and the terms of sanction or issue of any security document shall stand modified and/or superseded by the foregoing provisions. It is expressly clarified that, save as mentioned in this Scheme, no other terms or conditions of the Divestment Liabilities are modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.
- 6.1.12 Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company in terms of Section 180(1)(c) of the Act shall be deemed increased without any further act, instrument or deed to the equivalent of the aggregate borrowings forming part of the Divestment Liabilities, if any, transferred by the Transferor Company to the Transferee Company pursuant to the Scheme. Such limits shall be incremental to the existing borrowing limits of the Transferee Company.
- 6.1.13 The interests of all the unsecured creditors of the Transferor Company in connection with the Divestment Business Undertaking and the Transferee Company, including its unsecured creditors, remain unaffected by this Scheme as the assets of the Transferee Company upon the effectiveness of the Scheme will be more than its liabilities and as such sufficient to discharge such liabilities.
- 6.1.14 Without prejudice to the provisions of the foregoing Clauses and with effect from the Effective Date, the Parties shall enter into and execute such other deeds, instruments, documents and/or writings and/or do all acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the jurisdictional RoC to give formal effect to the provisions of this Clause.

7. DIVESTMENT CONTRACTS

- 7.1 Without prejudice to the generality of Clause 4 (*Transfer and Vesting of Divestment Business Undertaking*) above, upon the Scheme becoming effective and with effect from the Appointed Date, the Divestment Contracts shall stand transferred to and vested in the Transferee Company in the following manner, unless otherwise specifically provided under the Scheme:
- 7.1.1 Upon the Scheme becoming effective and with effect from the Appointed Date and subject to the other provisions contained in this Scheme, all Divestment Contracts entered into, subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectively as if the Transferee Company instead of Transferor Company, had been a party thereto. The absence of any formal amendment which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence.
- 7.1.2 Without prejudice to what is stated in Clause 7.1.1 above, upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Clause.
- 7.1.3 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Divestment Business Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of the Scheme, in accordance with its provisions, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company is a party, or any writings as may be necessary, in order to give formal effect to the provisions of this Scheme.
- 7.1.4 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 and with effect from the Appointed Date, all Consents, Approvals, permissions, pre-qualifications, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company in relation to the Divestment Business Undertaking, including by any Governmental Authority, including the benefits of any applications made for any of the foregoing, shall, subject to Applicable Law, 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 (unless, in the case of powers of attorney and/or authority(ies) given by the Transferor Company, the same are revoked by the Transferee Company or the Transferor Company subsequent to the Effective Date), and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall make necessary applications/ file relevant forms to any Governmental Authority as may be necessary in this behalf.

8. ASSUMED LITIGATION AND EXCLUDED LITIGATIONS

- 8.1 Without prejudice to the generality of Clause 4 (*Transfer and Vesting of Divestment Business Undertaking*) above, upon the Scheme becoming effective and with effect from the Appointed Date, the Assumed Litigations shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, and shall stand transferred to and shall be continued, prosecuted and enforced by or against the Transferee Company in the following manner:
- 8.1.1 Upon the Scheme becoming effective and with effect from the Appointed Date and subject to the other provisions contained in this Scheme, except as agreed otherwise with the Transferor Company in writing, the Transferee Company shall assume, and shall agree to pay, perform and discharge when due, all liabilities and obligations of the Transferor Company, related to or arising out of in any manner, the Assumed Litigations and such Assumed Litigation may be continued, prosecuted and enforced by or against the Transferee Company, as the case may be. For avoidance of any doubt, it is clarified that, except as agreed otherwise with the Transferor Company in writing, the Transferor Company shall not be liable to pay any amounts arising out of such Assumed Litigation including interest, penalties, damages, costs etc. and the same shall be paid only by the Transferee Company unless otherwise mutually agreed to in writing between the Parties.
- 8.1.2 It is clarified that, upon the Scheme becoming effective, all the Excluded Litigations shall be continued, prosecuted, enforced by or against the Transferor Company and the Transferee Company shall not be liable to pay any amounts arising out of such Excluded Litigation including interest, penalties, damages, costs etc. and the same shall be paid only by the Transferor Company.
- 8.1.3 The Parties shall, as soon as reasonably possible after the Effective Date, enter into and/or execute all such required documents and/or file the applications and petitions, with the relevant Governmental Authorities and pursue the relevant matters with such relevant Governmental Authorities in a manner such that the Transferor Company is no more a party to the Assumed Litigations and is replaced by the Transferee Company for all purposes.

9. DIVESTMENT EMPLOYEES

- 9.1 Without prejudice to the generality of Clause 4 (*Transfer and Vesting of Divestment Business Undertaking*) above, upon the Scheme becoming effective and with effect from the Appointed Date, the Divestment Employees shall be deemed to have become the employees of the Transferee Company in the following manner:
- 9.1.1 The Divestment Employees shall become employees of the Transferee Company without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable to such employees relating to the Divestment Business Undertaking of the Transferor Company immediately prior to the transfer of the Divestment Business Undertaking and in accordance with the Applicable Laws and the terms of their employment and in accordance with Section 25FF of the Industrial Disputes Act, 1947. Services of the Divestment Employees shall be taken into account from the date of their respective appointment with the Transferor Company for the purposes of all retirement benefits and all other entitlement for which they may be eligible. The Transferee Company further agrees that for the purpose of payment of any other form of separation compensation, if any, such past services with the Transferor Company shall also be taken into account. It is clarified that the Transferee Company does not have an employee stock option plan and accordingly, the Transferee Company may not issue any stock options to Divestment Employees.
- 9.1.2 The services of the Divestment Employees shall not be treated as having been broken or interrupted for the purpose of provident fund or gratuity or superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointment with the Transferor Company. It is hereby clarified that any costs, expenses or liabilities incurred on account of any of the Divestment Employees who do not become employees of the Transferee Company on the Effective Date for any reason whatsoever, shall not be borne by the Transferee Company.
- 9.1.3 The Transferee Company shall make all the necessary contributions for such Divestment Employees, and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. The Transferee Company will also file relevant intimations in respect of the Divestment Business Undertaking with the statutory authorities concerned who shall take the same on record and substitute the name of the Transferee Company for the Transferor Company.
- 9.1.4 Effective from the Appointed Date, in so far as the accumulated balances, if any, standing to the credit of the Divestment Employees in the existing provident fund, gratuity fund or superannuation fund of which they are members shall be transferred to such provident fund, gratuity fund or superannuation fund as is nominated by

the Transferee Company and /or such new provident fund, gratuity fund and superannuation fund which shall be established and caused to be recognized by the appropriate Governmental Authorities, by the Transferee Company or to the government provident fund. Such transfer shall be made within such time as is mutually agreed between the Parties in writing and as per Applicable Law. The Parties hereby further agree that the amount to be transferred in respect of the gratuity liability, shall be determined based on terms mutually agreed to between the Parties in writing.

- 9.1.5 Upon the coming into effect of this Scheme and with effect from the Appointed Date, in relation to any other fund (including any funds set up by the government for employee benefits) created or existing for the benefit of the Divestment Employees, the Transferee Company, subject to Applicable Law, shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said funds in accordance with the provisions of such scheme, funds, bye laws, etc. in respect of such Divestment Employees.
- 9.1.6 In so far as the existing benefits or funds created by the Transferor Company for the employees of the Other Business and Excluded Employees are concerned, the same shall continue and the Transferor Company shall continue to contribute to such benefits or funds in accordance with the provisions thereof, and the Transferee Company shall have no liability in respect thereof.
- 9.1.7 Upon the effectiveness of the Scheme:
- (i) The stock options, restricted stock units and/or the stock appreciation rights, as applicable, granted by the Transferor Company ("**Stock Options**") to the Divestment Employees under the Existing Stock Option Schemes, which have been vested and are outstanding as of the Effective Date, shall continue to vest in such Divestment Employees and such vested Stock Options may be exercised by the Divestment Employees in accordance with the provisions of the Existing Stock Option Schemes or as determined by the Nomination and Remuneration Committee or such other relevant committee of the Transferor Company administering the operation of the relevant Existing Stock Option Scheme ("**NRC Committee**"). In relation to the Stock Options granted by the Transferor Company to the Divestment Employees under the Existing Stock Option Schemes, which have not vested as of the Effective Date, the Transferor Company shall deal with the same in the manner determined by the NRC Committee.
 - (ii) It is clarified that the Stock Options granted by Transferor Company under the Existing Stock Option Schemes to the employees of the Transferor Company other than the Divestment Employees (who shall not be transferred to the Transferee Company pursuant to the Scheme and continue in employment with the Transferor Company), which have not been exercised (irrespective of whether the same are vested or not) and are outstanding as on the Effective Date, shall continue to be valid as per their existing terms and conditions, in accordance with the Existing Stock Option Schemes and/or Applicable Law and/or determination by the NRC Committee from time to time.

10. TAXATION

- 10.1 Upon effectiveness of the Scheme, all Taxes paid or payable by the Transferor Company in respect of the operations and/or the profits of the Divestment Business Undertaking on and from the Appointed Date, shall be on account of the Transferee Company. Upon effectiveness of the Scheme, the payment of any Tax, whether by way of deduction at source (including foreign tax credit), advance tax, self assessment tax, minimum alternate tax, or otherwise howsoever, by the Transferor Company in respect of the activities or operations of the Divestment Business Undertaking on and from the Appointed Date, shall be deemed to have been paid by the Transferee Company, and shall in all proceedings, be dealt with accordingly.
- 10.2 Any liabilities on account of income-tax in relation to the Transferor Company in relation to the Divestment Business Undertaking and pertaining to the period prior to the Appointed Date, including all or any liability/ refunds/ credits/claims pertaining to the period before the Appointed Date shall be treated as liability/refunds/credits/claims of the Transferor Company.
- 10.3 Upon the Scheme coming into effect and with effect from the Appointed Date, the Transferee Company shall be permitted to revise its income-tax returns, tax deducted at source returns and tax collected at source returns and other direct and indirect tax returns and claim refunds/credits pertaining to the Divestment Business Undertaking pursuant to the provisions of the Scheme and in accordance with Applicable Laws.
- 10.4 Upon the Scheme coming into effect and with effect from the Appointed Date, the Transferor Company shall be permitted to revise its income-tax returns, tax deducted at source (TDS) returns, tax collected at source (TCS) returns and other direct and indirect tax returns, and claim refunds/credits pertaining to the Other Business pursuant to the provisions of the Scheme and in accordance with the Applicable Laws.

11. PRE-COMPLETION COVENANTS

- 11.1 Unless otherwise agreed between the Parties or consented to by the Transferee Company, the Transferor Company shall, unless prohibited by Applicable Law, carry on the Divestment Business Undertaking as a going concern in all material respects in the Ordinary Course as carried on immediately prior to the Reference Date.

12. FINAL PURCHASE CONSIDERATION

- 12.1 The Transferor Company and the Transferee Company agree that the total lump sum consideration payable by the Transferee Company to the Transferor Company for the purchase of the Divestment Business Undertaking on a slump sale basis pursuant to the Scheme shall be the Final Purchase Consideration. The Final Purchase Consideration shall mean INR 26,490,000,000 (Rupees Twenty Six Billion Four Hundred Ninety Million) ("**Purchase Consideration**") as adjusted by increase / (decrease) in Working Capital Adjustment (as computed in **Schedule 1 Part A**) and (increase) / decrease in Capex Adjustment (as computed in **Schedule 1 Part B**) (such adjusted amount, the "**Final Purchase Consideration**").
- 12.2 The Final Purchase Consideration shall be discharged by the Transferee Company to the Transferor Company as a lump sum consideration for the sale and transfer of the Divestment Business Undertaking on a going concern basis on a slump sale basis in accordance with Section 2(42C) of the Income Tax Act, 1961 (as amended) with no independent values being assigned to the individual assets and liabilities of the Divestment Business Undertaking. It is clarified that, pursuant to Section 2(42C) of the Income Tax Act, 1961 (as amended), in the event the Parties are required to carry out a determination of the value of an asset or liability for the sole purpose for payment of stamp duty, registration fees or other similar taxes or fees shall not be regarded as assignment of values to individual assets or liabilities.
- 12.3 No later than 5 (five) Business Days prior to the scheduled Completion Date, the Transferor Company shall deliver to the Transferee Company, with reasonably detailed supporting information, a statement ("**Proposed Completion Statement**") setting forth, **Schedule 1 (Completion Statement)**, (i) reasonable, good faith estimate of the Working Capital of the Divestment Business Undertaking as of the Adjustment Time ("**Estimated Working Capital Amount**"), (ii) reasonable, good faith estimate of the Capex Adjustment as of the Adjustment Time ("**Estimated Capex Adjustment**") and (iii) the consideration payable by the Transferee Company to the Transferor Company on the Completion Date ("**Completion Date Payment**"). The Completion Date Payment will consist of Purchase Consideration as adjusted by Estimated Working Capital Adjustment (i.e, if the Estimated Working Capital Amount is greater than the Target Working Capital then such Estimated Working Capital Adjustment is to be added and vice versa) and shall be further adjusted by the Estimated Capex Adjustment (as computed in **Schedule 1 Part B**).
- 12.4 For the avoidance of any doubt, the Parties acknowledge that the Completion Date Payment shall be determined based on the Proposed Completion Statement delivered by the Transferor Company pursuant to Clause 12.3 and absent any manifest errors, such Proposed Completion Statement shall be deemed to be accepted by each Party for the purposes of performance of all actions required to be performed at completion as set out herein under Clause 13 and as mutually agreed between the Parties in writing.
- 12.5 If a claim for an Old Subsidy or any part thereof has been filed by the Transferor Company on the Mobile Fertilizer Management System ("**mFMS**") portal pursuant to a notification / approval from the Department of Fertilizers, Government of India, but payment of the same has not been received by the Transferor Company from the Government or validly set off against amounts payable by the Transferor Company to the Government as on the Completion Date, the Estimated Working Capital Amount and Working Capital set forth in the Proposed Completion Statement, Preliminary Completion Statement or Final Completion Statement, as relevant will include the amount of such Old Subsidy (or part thereof as applicable) but be reduced by the amount of provision set out against such Old Subsidy (or part thereof as applicable) as per the Updated Statement.
- 12.6 To the extent that the claim for any Old Subsidy (or part thereof as applicable) has not been filed by the Transferor Company on the mFMS portal prior to the Completion Date, such Old Subsidy (or part thereof as applicable) shall be reduced by the amount of provision set out against such Old Subsidy (or part thereof as applicable) as per the Updated Statement and will be included to arrive at Estimated Working Capital Amount and Working Capital set forth in the Proposed Completion Statement, Preliminary Completion Statement or Final Completion Statement, as relevant. The Transferee Company shall be entitled to hold back an amount equivalent to the holdback amount pertaining to such Old Subsidy (or part thereof as applicable) as specified in the Updated Statement ("**Old Subsidy Holdback Amount**") from the Final Purchase Consideration/Completion Date Payment by the Transferee Company and such Old Subsidy Holdback Amount for each such individual item as per the Updated Statement as on Completion Date will be paid by the Transferee Company to the Transferor Company expeditiously upon such individual claims being filed on the mFMS portal. The Transferee Company undertakes that it shall promptly file claims in relation to all Old Subsidies (or part thereof as applicable) after the Completion Date pursuant to the receipt of the necessary notifications / approvals from the Department of Fertilizers, Government of India.

- 12.7 To the extent that payment of a Slow Moving Subsidy has not been received by the Transferor Company from the Government or validly set off against amounts payable by the Transferor Company to the Government as on the Completion Date, the Transferee Company shall be entitled to hold back an amount equivalent to such Slow Moving Subsidy as specified in the Updated Statement ("**Slow Moving Subsidy Holdback Amount**") from the Final Purchase Consideration/Completion Date Payment by the Transferee Company and such Slow Moving Subsidy Holdback Amount for each such individual item as per the Updated Statement as on Completion Date will be paid by the Transferee Company to the Transferor Company expeditiously upon receipt by the Transferee Company from the Government or set off against amounts payable by the Transferee Company to the Government, in full or part. The Transferee Company undertakes that it shall diligently follow up and take all actions necessary to recover the amounts pertaining to the Slow Moving Subsidies after the Completion Date at the cost of the Transferor Company.
- 12.8 The Transferee Company acknowledges that the Holdback Amount is part of Final Purchase Consideration and the Transferee Company shall not be entitled to set off the Holdback Amount against any other amount payable by the Transferor Company pursuant to this Scheme or otherwise.
- 12.9 The Transferor Company shall be entitled to deliver an updated statement in relation to Old Subsidies and Slow Moving Subsidies, in the format as mutually agreed between the Parties in writing, as part of the Proposed Completion Statement, five (5) Business Days prior to the scheduled Completion Date for payments made to the Transferor Company and, in relation to Old Subsidies, corresponding changes to the provision amount and holdback amount contained therein, and such updated statement shall be considered for the purposes of Clauses 12.5, 12.6 and 12.7 above, provided that the percentage of the provision amount shall remain unchanged ("**Updated Statement**").

13. COMPLETION

- 13.1 All activities or matters to be completed on the Completion Date shall be deemed to occur simultaneously and no activity or matter shall be treated as consummated unless all such activities and matters have been consummated.
- 13.2 On the Completion Date, each of the following shall be simultaneously undertaken:
- 13.2.1 Each of the Parties shall duly file e-Form INC 28 with the jurisdictional RoC;
- 13.2.2 The Transferee Company shall pay to the Transferor Company an amount equal to the Completion Date Payment less Holdback Amount, in immediately available funds, in the designated bank account of the Transferor Company and the Divestment Business Undertaking and all rights, benefits and interest thereon, shall stand transferred to the Transferee Company (other than as agreed to and identified mutually between the Parties, in writing) pursuant to the Scheme.

14. POST COMPLETION ADJUSTMENT:

- 14.1 Within 10 (ten) days after the Completion Date, the Transferor Company shall present to the Transferee Company, a statement ("**Preliminary Completion Statement**"), with reasonably detailed supporting information, setting forth the amounts of the items set out in Clause 12.3 as on the Completion Date. The Transferee Company shall, in consultation with its advisors, conduct a review of the Preliminary Completion Statement and within 10 (ten) Business Days of the receipt of the Preliminary Completion Statement, the Transferee Company shall communicate in writing to the Transferor Company whether it agrees or does not agree with the Preliminary Completion Statement. In the event the Transferee Company (a) agrees with the Preliminary Completion Statement provided by the Transferor Company, it will so communicate in writing to the Transferor Company within the period referred to above; (b) does not agree with the amounts mentioned in the Preliminary Completion Statement, the Parties shall consult with each other to determine the actual amounts as on the Completion Date of the items set out in Clause 12.3 within 10 (ten) days of communication in writing of disagreement by the Transferee Company or such other date as may be agreed in writing between the Transferor Company and the Transferee Company. The Transferor Company and the Transferee Company will record the actual amounts, as on the Completion Date, of the items set out in Clause 12.3 as determined under this Clause in the format **Schedule 1 (Completion Statement)**, which shall be referred to as the "**Final Completion Statement**" and the date of such recording shall be referred to as the "**Final Determination Date**".
- 14.2 In the event, the Transferor Company and the Transferee Company are unable to agree on the amounts as on the Completion Date of the items set out in Clause 12.3 within the aforesaid period, the Transferor Company and the Transferee Company shall jointly engage the Independent Auditor within 10 (ten) days, who shall conduct an independent review of the Preliminary Completion Statement and determine the actual amounts as on the Completion Date of the items set out in Clause 12.3 in compliance with generally acceptable Indian accounting standards, rules and policies in accordance with Applicable Law, as consistently followed by Divestment Business Undertaking and as applied to the Accounts of the Divestment Business Undertaking, within 45 (forty five) days from the date of appointment of the Independent Auditor or such other date as may be agreed in writing between the Parties. Such final determination, in the format at **Schedule 1 (Completion Statement)**, shall be referred to as the "**Final Completion Statement**". The date

on which the Final Completion Statement is presented by the Independent Auditor shall be referred to as the “**Final Determination Date**”. During such review by the Independent Auditor, the Transferor Company and the Transferee Company shall each make available to the Independent Auditor access as required to, such individuals and such information, books and records as may be requested by the Independent Auditor to make its final determination.

- 14.3 The Transferor Company and the Transferee Company agree that, absent fraud, misconduct or manifest error, the Final Completion Statement determined by the Independent Auditor shall be final, conclusive and binding upon the Parties hereto.
- 14.4 The fees and disbursements payable to the Independent Auditor shall be borne by the Parties in equal proportions.
- 14.5 The Independent Auditor shall act as an expert and not as an arbitrator.
- 14.6 If the Final Purchase Consideration calculated in accordance with the Final Completion Statement, exceeds the Completion Date Payment (such difference, the “**Completion Underpayment**”) by an amount equal to at least INR 10,000,000 (Rupees Ten Million only), the Transferee Company shall pay to the Transferor Company within 5 (five) Business Days of the Final Determination Date, an amount equal to the Completion Underpayment by wire transfer of immediately available funds to the designated bank account of the Transferor Company.
- 14.7 If the Final Purchase Consideration calculated in accordance with the Final Completion Statement, is less than the Completion Date Payment (such difference, the “**Completion Overpayment**”) by an amount equal to at least INR 10,000,000 (Rupees Ten Million only), the Transferor Company shall pay to the Transferee Company within 5 (five) Business Days of the Final Determination Date an amount equal to the Completion Overpayment by wire transfer of immediately available funds to a bank account designated in writing by the Transferee Company (such designation to be made at least 2 (two) Business Days prior to the day on which such payment is due).
- 14.8 For the avoidance of doubt, if the Completion Underpayment or the Completion Overpayment described in Clauses 14.6 or 14.7 above is less than INR 10,000,000 (Rupees Ten Million only), the Completion Date Payment shall not be adjusted and no payments shall be due under this Clause 14 and Completion Date Payment shall be treated as Final Purchase Consideration.
- 14.9 To the extent that any of the Parties or any of their respective Affiliates have any obligation, including under any mutual agreement in writing between the Parties, to indemnify or to make any other payment (other than the Purchase Consideration), no amount with respect to a matter to which such obligation or payment relates shall be included in the calculation of the Proposed Completion Statement, the Preliminary Completion Statement or the Final Completion Statement. No amount with respect to a matter shall be included more than once in the calculation of the Proposed Completion Statement, the Preliminary Completion Statement or the Final Completion Statement, as the case may be.
- 14.10 If in the event, the Transferor Company and the Transferee Company are unable to jointly engage the Independent Auditor as required under Clause 14.2, the Parties agree that immediately upon the expiry of the 10 (ten) day period specified in Clause 14.2, such Independent Auditor which is highest in the order of preference and which does not have a major conflict in performing the role required in relation to this Scheme shall be appointed as the independent auditor.
- 14.11 Unless otherwise mutually agreed in writing between the Parties, the Parties agree that all periodical charges and periodical outgoings of the Divestment Business Undertaking, including without limitation, rents, insurance, gas, electricity, telephone and water charges and liability to Tax shall be apportioned on a time basis, so that: (a) such part of the relevant charges attributable to the period ending at the Completion Date shall be borne by the Transferor Company and shall be paid and discharged by the Transferor Company, either by way of working capital adjustments or through credit/ debit note raised by either the Transferor Company or Transferee Company, on or prior to the Completion Date (or if only determined later, immediately following such determination); and (b) such part of the relevant charges attributable to the period commencing on the day immediately following the Completion Date shall be paid and borne by the Transferee Company. It is clarified that where such periodical charges and periodical outgoings are determined on usage basis, apportionment of such charges or outgoings as contemplated in this Clause shall be on a usage basis.

15. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEROR COMPANY

- 15.1 Upon the Scheme coming into effect, the Transferor Company shall account for the transfer of the Divestment Business Undertaking in its books of accounts in accordance with Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, notified under Section 133 of the Act and generally accepted accounting principles in its books of accounts, in the following manner:
 - 15.1.1 The Transferor Company shall account for the transfer and vesting of the Divestment Business Undertaking by de-recognizing the carrying values of the Divestment Assets and Divestment Liabilities, which have ceased to be the assets and liabilities of the Transferor Company, in accordance with applicable accounting standards.

- 15.1.2 The Transferor Company shall recognise Final Purchase Consideration, which will represent the fair value of assets and liabilities transferred as part of the Divestment Business Undertaking.
- 15.1.3 The difference between the Final Purchase Consideration and the derecognised values referred to in Clause 15.1.1 above would be recognised in statement of profit & loss account in accordance with applicable accounting standards.
- 15.1.4 For accounting purpose, the Scheme will be given effect from the date on which the Scheme becomes effective i.e., Effective Date.

16. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEREE COMPANY

- 16.1 The Transferee Company shall account for the transfer and vesting of the Divestment Business Understanding as of the Appointed Date by recording the Divestment Assets and Divestment Liabilities taken over under the Scheme at their fair values in accordance with applicable accounting standards.
- 16.2 The difference, if any, between the Final Purchase Consideration paid and the fair value of the net assets (fair value of Divestment Assets less fair value of Divestment Liabilities) will be adjusted in the goodwill / capital reserve account, as the case may be, in accordance with the applicable accounting standards.

17. CONCLUDED TRANSACTIONS AND VALIDITY OF EXISTING RESOLUTIONS

- 17.1 Nothing in the Scheme shall affect any transaction or proceeding already concluded by the Transferor Company in respect of the Divestment Business Undertaking, to the end and intent that the Transferee Company shall accept and adopt all acts, deeds and things done and executed by the Transferor Company in regard to the Divestment Business Undertaking as if it is done and executed by the Transferee Company itself.
- 17.2 Upon the coming into effect of the Scheme, the resolutions, if any, of the Transferor Company relating to the Divestment Business Undertaking, 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, unless revoked by the Transferee Company subsequent to the Effective Date.

PART – III

GENERAL TERMS AND CONDITIONS:

18. AMENDMENT OF MEMORANDUM OF ASSOCIATION OF THE TRANSFEREE COMPANY

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

“To carry on the business of manufacture, imports, exports, distributors, dealers, and agents in chemicals, agro chemical products, seeds, pesticides, crop protection, plant and soil health products, customised and speciality fertilisers and other fertilisers such as Urea, MOP and DAP and NPK, SSP, Gypsum, Sulphuric Acid, Phosphoric Acid etc.

To carry on the business of manufacturing, trading, refining and preparing all classes and kinds of fertilizers and all classes and kinds of chemicals including other preparations arising from or required in the manufacture of any kind of fertilizers and chemicals and to carry on any operation or processes of mixing, granulating different chemicals or fertilizers.

To buy, sell, import, export, treat in and deal in any kind of chemicals, fertilizers or other things which the company is authorized to manufacture and any raw materials required for the manufacturing of any chemicals or fertilizers or other things which this company is authorized to manufacture.

To carry on manage, supervise and control the business of marketing, manufacturing, trading, export, import, supplying, distributing and dealing in products and services relating to spandex yarn or elastane yarns, synthetic fibres yarns, polyester and polyester deviates, PTA, PET, MEG, Polymers, Resin, cotton spinning, doubling, flax, hemp, jute spinning, linen spinning and cloth manufacturers, flax, hemp and wool merchants, wool combers, worsted yarn, stuff manufacturers, bleachers and dyers, bleaching/printing and dyeing materials used in Textile Industries and any type of natural fibre and manmade fibre.

To carry on manage, supervise and control the business of Solar sector including complete photovoltaic chain consisting of poly silicon, solar grade silicon, ingot, solar wafers, solar cells, solar modules, solar systems for various applications including power generation and solar thermal sector including solar thermal power plants and Petrochemicals and refinery, integrated power plants, fertilizers plant.

To sell in domestic / export knowhow, technology, intellectual property right, research and development, engineering service and other technical and professional services for manufacturing of spandex/elastane yarn, brand name, patent, recipe, process control of any item produced or purchased by company or being traded by company. The company can also provide technical assistant to setup spandex manufacturing facility.”

It is clarified that for the purposes of this Clause 18, the consent of the shareholders of the Transferee Company to this Scheme shall be sufficient for the purposes of effecting the above amendment in the objects of the Transferee Company, and shall be deemed to include consent under any other provisions of the Act that may be applicable and no further resolution under any provision, including Section 13, of the Act would be separately required.

19. OTHER BUSINESS

- 19.1 Upon the Scheme coming into effect and with effect from the Effective Date, the Other Business and all the assets, rights, title, interest, properties, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Transferor Company.
- 19.2 All legal, taxation or other proceedings (whether civil or criminal including before any Governmental Authority) by or against the Transferor Company under any Applicable Laws whether pending on the Effective Date or which may be instituted at any time, and in each case relating to the liability, obligation or duties of the Transferor Company in respect of the Other Business shall be continued and enforced, after the Effective Date, by or against the Transferor Company only.
- 19.3 Up to and including and beyond the Effective Date:
- (a) the Transferor Company shall carry on and shall be deemed to have been carrying on all business and activities relating to the Other Business for and on its own behalf;
 - (b) all profits accruing to the Transferor Company or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Other Business shall, for all purposes, be treated as the profits or losses, as the case may be, of the Transferor Company; and
 - (c) all assets and properties acquired by the Transferor Company in relation to the Other Business shall belong to and continue to remain vested with the Transferor Company.

20. APPLICATION TO THE TRIBUNAL(S)

- 20.1 The Parties shall, with all reasonable dispatch, make all necessary applications and petitions to the jurisdictional Tribunal(s) for sanctioning this Scheme under Sections 230 to 232 of the Act and other applicable provisions of the Act, and obtaining such other approvals, as required under Applicable Law.
- 20.2 The Parties shall be entitled, pending the effectiveness of the Scheme, to apply to any Governmental Authority, if required, under any Applicable Law for such consents and approvals, as agreed between the Parties, which the Parties may require to effect the transactions contemplated under the Scheme, in any case subject to the terms as may be mutually agreed between the Parties.

21. INADVERTENT OMISSIONS, INADVERTENT TRANSFERS AND REFUNDS

- 21.1 The Transferor Company shall not retain any part of the Divestment Business Undertaking after the Completion Date, pursuant to transfer under the Scheme. If any part of the Divestment Business Undertaking is inadvertently retained by the Transferor Company after the Completion Date, the Transferor Company shall take such actions as may be required to ensure that such part of the Divestment Business Undertaking is transferred to the Transferee Company promptly and for no further consideration. Unless otherwise mutually agreed between the Parties in writing, the Transferor Company shall bear all costs and expenses as may be required for giving effect to this Clause 21.1.
- 21.2 No part of the Other Business shall be transferred to the Transferee Company after the Completion Date, pursuant to the transfer and the Scheme. If any part of the Other Business is inadvertently held by the Transferee Company after the Completion Date, the Transferee Company shall take such actions as may be required to ensure that such part of the Other Business is transferred back to the Transferor Company, promptly and for no consideration. Unless otherwise mutually agreed between the Parties in writing, the Transferor Company shall bear all costs and expenses as may be incurred by each of the Transferor Company and the Transferee Company for giving effect to this Clause 21.2.
- 21.3 If the Transferor Company (or any of its Affiliates), on the one hand, or Transferee Company (or any of its Affiliates), on the other hand, after the Completion Date, receive any funds properly belonging to the other Party, in accordance with the terms of this Scheme, or any other mutual agreement between the Parties in writing, including refunds from any Governmental Authorities, the receiving Party shall promptly so advise the other Party, shall segregate and hold such funds in trust for the benefit of such other Party and shall promptly deliver such funds, together with any interest earned thereon, to an account or accounts designated in writing by such other Party.

22. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 22.1 Subject to Clause 22.4, the Parties may mutually, by their respective Boards of Directors or such other Person or Persons, as the respective Boards of Directors, may authorize, may make and/or consent to (i) any modifications / amendments to the Scheme (including but not limited to the terms and conditions thereof); or (ii) to any conditions or limitations that the Tribunal(s) or any other Governmental Authority may deem fit to direct or impose; or (iii) modification/ amendment which may otherwise be considered necessary, desirable or appropriate by them. No further approval of the shareholders or creditors of any of the Transferor Company or the Transferee Company shall be necessary for giving effect to the provisions of this Clause.
- 22.2 The Parties, by their respective Boards of Directors or such other Person or Persons, as the respective Boards of Directors may authorize (including any committee or sub-committee thereof), shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any authorities or otherwise howsoever arising out of, or under, or by virtue of the Scheme and/or any matter concerned or connected therewith, including but not limited to any questions relating to whether any assets or liabilities of the Transferor Company are included in the definition of “Investment Business Undertaking”.
- 22.3 For the purpose of giving effect to this Scheme or to any modifications or amendments or additions thereto, the Representatives of the Parties may jointly give and are hereby jointly authorised to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.
- 22.4 Notwithstanding anything stated in Clauses 22.1, 22.2, and 22.3 hereinabove, no amendments or changes to the Scheme shall be carried out or be permissible unless and until the same are approved by the Tribunal(s) before which the Parties have filed the petition for sanctioning the Scheme.

23. CONDITIONALITY OF THE SCHEME

- 23.1 The effectiveness of this Scheme shall be conditional upon the satisfaction or waiver (if applicable) of the following conditions:
- 23.1.1 approval of the Scheme by the requisite majorities of shareholders and/or creditors of each of the Transferor Company and the Transferee Company as required under Sections 230-232 of the Act;
- 23.1.2 approval of the Scheme by the Stock Exchanges and SEBI, pursuant to the Listing Regulations and the SEBI Circular;
- 23.1.3 approval of the Scheme by each jurisdictional Tribunal in terms of Sections 230-232 of the Act;
- 23.1.4 pursuant to the provisions of the Competition Act, 2002 of India and the rules and regulations thereunder, the CCI (or any appellate authority in India having appropriate jurisdiction) having granted or deemed to have granted the approval, if applicable, to the transaction envisaged in the Scheme in form and substance reasonably acceptable to the Parties;
- 23.1.5 the receipt or waiver (where permissible) of any approvals from third parties as mutually agreed in writing by the Parties as being required prior to effectiveness of this Scheme; and
- 23.1.6 the certified copies of the Tribunal Order(s) sanctioning this Scheme being filed with the respective jurisdictional RoC by the Transferor Company and the Transferee Company.

24. EFFECT OF NON-RECEIPT OF SANCTIONS

- 24.1 In the event any of the conditions stipulated in Clause 23 (*Conditionality of the Scheme*) are not satisfied (or waived as applicable) prior to the Long Stop Date or within such further period as may be mutually agreed upon between the Parties through their respective Boards of Directors (which Boards of Directors are hereby empowered and authorized to agree to from time to time without any limitation), this Scheme shall stand revoked and cancelled. In such an event, each Party shall bear and pay its respective costs, charges and expenses for and in connection with the Scheme.
- 24.2 The Boards of Directors of the Parties shall be entitled to withdraw this Scheme prior to the Effective Date. It is hereby clarified that notwithstanding anything to the contrary contained this Scheme, neither the Transferor Company, nor the Transferee Company, shall be entitled to withdraw the Scheme unilaterally without the prior written consent of the other.

25. SEVERABILITY

- 25.1 If any part of this Scheme is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Parties that such part shall be severable from the remainder of the

Scheme. Further, if the deletion of such part of this Scheme may cause this Scheme to become materially adverse to the Transferor Company and/ or the Transferee Company, then in such case the Transferor Company and/ or the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Parties the benefits and obligations of the Scheme, including but not limited to such part.

- 25.2 If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the mutual agreement of the Parties, affect the validity or implementation of the other parts and/or provisions of this Scheme.
- 25.3 The non-receipt of any sanctions or approvals for a particular asset or liability forming part of any of the Divestment Business Undertaking getting transferred pursuant to this Scheme, shall not affect the effectiveness of the other parts of the Scheme.

26. COST, CHARGES AND EXPENSES

- 26.1 The Parties shall bear their respective taxes in respect of the transfer of Divestment Business Undertaking in accordance with this Scheme and the transactions hereby contemplated. The Parties shall bear their own respective legal, accounting, professional and advisory fees, commissions, and other costs and expenses incurred by it in connection with this Scheme and the transactions thereby contemplated.
- 26.2 The Transferee Company shall be responsible and pay for all transfer charges, costs, transfer premiums, stamp duty and any registration charges in respect of transfer of Divestment Business Undertaking including any Divestment Assets, including the stamp duty payable on the Tribunal Order(s) or required to be paid in connection with the actions contemplated herein, except for stamp duty payable on the Tribunal Order in the State in which the registered office of the Transferor Company is situated.

27. FURTHER ACTIONS

- 27.1 In the event that any part of the Divestment Business Undertaking intended to be transferred under this Scheme does not get transferred on the Effective Date, the Parties undertake to take all necessary steps, and execute all necessary documents, to ensure the implementation of the transfer of such part of the Divestment Business Undertaking, without any further consideration to the Transferor Company. The Transferor Company shall hold in trust for, and put in place necessary arrangements to allow the Transferee Company to enjoy the benefit of and pay to the Transferee Company upon receipt thereof, such Divestment Assets, or any benefits arising therefrom, all income, proceeds and other monies received by the Transferor Company in connection with the Divestment Business Undertaking (net of any Taxes and any other costs and expenses incurred by the Transferor Company directly in relation to such amounts) pursuant to the arrangements under this Scheme or mutual agreement between the Parties in writing. It is clarified that any economic, financial, technical and operational responsibility and all related costs and expenses (direct and incurred), liabilities and taxes in connection with the Divestment Business Undertaking, shall rest and be borne entirely and exclusively by Transferee Company after Effective Date. The Transferee Company shall promptly pay, indemnify and hold harmless the Transferor Company for and from any such costs and expenses, losses, damages, liabilities and taxes or requirements under the Divestment Contract(s) after the Effective Date, if arising pursuant to this Clause.

28. SHAREHOLDERS' APPROVAL

- 28.1 It is hereby clarified that if pursuant to this Scheme any action is to be taken by any Party which requires the consent or approval of shareholders, then for such purposes, the consent or approval of the shareholders to the Scheme shall be deemed to be sufficient, and no further resolution of the shareholders would be required to be separately passed.

29. NO CAUSE OF ACTION

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

SCHEDULE 1
COMPLETION STATEMENT
Part A – Working Capital Adjustment

Particulars	Note	INR Crs.
		XXX
Non-Current Assets		
Financial Assets		
Loans	1	
Other Financial Assets	2	
Other Non-Current Assets	3	
Sub Total		
Current Assets		
Inventories	4	
Financial Assets		
Subsidy Receivable	5	
Trade Receivable - Other than Subsidy	6	
Loans	7	
Other Financial Assets - Other than Subsidy	8	
Other Current Assets	9	
Sub Total		
Total Assets		
Non-Current Liabilities		
Financial Liabilities		
Long Term Borrowing	10	
Trade Payable		
Other Financial Liability	11	
Long-Term Provisions	12	
Other Non- Current Liabilities	13	
Sub Total		
Current Liabilities		
Financial Liability		
Short-Term Borrowings - SBA Loan		
Trade Payable	14	
Other Financial Liability	15	
Other Current Liabilities	16	
Short-Term Provisions	17	
Sub Total		
Total Liabilities		
Net Working Capital		
Less: Target Working Capital		
Working Capital Adjustment		

Remarks

1. Creditors for Capital Goods and Capital Advances to the extent considered in Capex Adjustment will not be considered in the above Working Capital Adjustment.
2. Any assets /liabilities /provisions made for Excluded Litigations will not be considered for above computation of NWC

		INR Crs.
Note 1 - FA - Loans (Non-Current)		
Security Deposits		
Loans to Employees		
Total		
		INR Crs.
Note 2: Other Financial Assets (Non-Current)		
Forward Covers		
Receivable towards Divested Business/Scrap		
Total		
		INR Crs.
Note 3 - Other Non-Current Assets		
Other Advances		
Balances with Government and other Authorities		
Security Deposit		
Prepaid Expenses		
Others		
Advance to Related Parties		
Total		
		INR Crs.
Note 4 - Inventories		
Raw materials		
Work-in-progress		
Finished goods		
Stock-in-trade		
By-Products		
Waste / Scrap		
Stores and Spare parts (including Loose Tools)		
Fuel		
Others (mainly Packaging Material, etc)		
Total		
		INR Crs.
Note 5 - Subsidy Receivable		
Subsidy Receivable forming part of Trade Receivable		
Subsidy forming part of Other Financial Assets		
Subsidy Receivable		
Break-up of Subsidy Receivable		
Old Subsidy as agreed to and identified between the Parties in writing		
Less: Provision @ 7.5% in respect of Updated Statement		
Slow Moving Subsidy as agreed to and identified between the Parties in writing		
Current Subsidy		
Subsidy Receivable		
		INR Crs.
Note 6 - Trade Receivable - Other than Subsidy		
Sundry Debtors		
Bills Receivable		
Foreign Exchange Revaluation		
Provision for Doubtful Debts		
Trade Receivables		
Less: Subsidy Receivable forming part of Trade Receivable		
Trade Receivable - Other than Subsidy		

		INR Crs.
Note 7 - Short Term Loans		
Security Deposits		
Loans		
Deposits with Bodies Corporate		
Total		
		INR Crs.
Note 8 - Other Financial Asset - Other than Subsidy		
Forward Covers		
Reimbursement of Expenses		
Recoverables		
Other Receivables from Related Parties		
Other Financial Assets		
Less: Subsidy forming part of Other Financial Assets		
Other Financial Asset - Other than Subsidy		
		INR Crs.
Note 9 - Other Current Assets		
Balances with Government and Other Authorities		
Other Advance		
Other Current Assets		
Security Deposit		
Advances to Related Parties		
Total		
		INR Crs.
Note 10 - Long-Term Borrowings		
Unsecured		
Deferred Sales Tax Loan (Interest free loan)		
Total		
		INR Crs.
Note 11 - Other Financial Liabilities		
OYVS Instalments (Deduction from Emp. Salary)		
OYFS (Deduction from Emp. Salary)		
Sundry Outstanding		
Security and Other Deposits		
Other Liabilities		
Trade Payable Others		
MTM on Derivative Instruments Liability NC		
Total		
		INR Crs.
Note 12 -Long Term Provisions		
Provision for Employee Benefits		
Other Long-Term Provisions		
Total		
		INR Crs.
Note 13 - Other Non- Current Liabilities		
Other Creditors		
Deferred Interest Income-Sales Tax Loan (interest free loan)		
Deferred Government Subsidy/Grant		
Contractor Workman Gratuity Liability		
Provision for RPO		
Total		

		INR Crs.
Note 14 - Trade Payables		
Accrued Expenses		
Liquidated Damages		
Retention Money		
Creditors		
Creditors - Small Scale Industries		
Acceptances		
Due to Related Parties		
Total		
		INR Crs.
Note 15 - Other Financial Liabilities		
Security Deposits		
Accrued expenses related to employees		
MTM on Derivative Instruments Liability		
Others (Including retention and damage charges)		
Total		
		INR Crs.
Note 16 - Other Current Liabilities		
Advance From Customers		
Others		
Security and other deposits		
Deferred Interest Income-Sales Tax Loan (Interest free loan)		
Deferred Government Subsidy/Grant		
Deferred Rent Income		
Statutory Liabilities		
Total		
		INR Crs.
Note 17 - Short Term Provisions		
Provision for Employee Benefits		
Provision against contingent liability		
Other Short-Term Provisions		
Short Term Provisions		
Less: Provisions against Excluded Litigation		
Short Term Provisions (Other than against Excluded Litigation)		

Part B – Capex Adjustment

	Amount (INR Crs.)
Amount as per Capex Plan	
+/- adjustment to Capex Plan	
Amount as per Adjusted Capex Plan	
- the cost of capex items on the Capex Plan incurred by the Transferor Company till Completion Date	
- capital expenditure incurred by the Transferor Company with the prior written consent of the Transferee Company	
+ creditors for capital goods towards each item at the Completion Date	
Capex Adjustment (a)	
Pro-Rata Capex Plan	
- the cost of such items on the Annual Capex Plan incurred by the Transferor Company till Completion Date	
+ creditors for capital goods towards each item at the Completion Date	
Capex Adjustment (b)	
Capex Adjustment (a) + (b)	
1. Capex Plan, for the purpose of the above statement, is the Capex Plan as defined under Clause 1.1.14 of this Scheme.	
2. Adjusted Capex Plan, for the purpose of the above statement, is the Adjusted Capex Plan as defined under Clause 1.1.3 of this Scheme.	
3. Pro-Rata Capex Plan, for the purpose of the above statement, is the Pro-Rata Capex Plan as defined under Clause 1.1.64 of this Scheme.	

SCHEDULE 2
DIVESTMENT REAL ESTATE

A. Lease hold land

U.P. STATE INDUSTRIAL DEVELOPMENT CORPORATION LTD. (UPSIDC/UPSIDA) Leasehold land situated at Jagdishpur Industrial Area, District Amethi				
Sl. No.	Industrial Area	Plot Nos./Sector Nos	Land Admeasurement (Sq. meters)	Land Admeasurement (Acres)
1.	Jagdishpur - Village Kamrauli & Kathaura	Sector Nos. 6,7,8,9,10,11 (Part), 13 (Part), 15, 17, 18 & 19		833.04
2.	Jagdishpur - Village Kamrauli	Sector No. 16 Plot Nos. C 12 to C 20	4,700	
3.	Jagdishpur - Village Sithauli	Sector No. 11 (remaining portion)		13.02
4.	Jagdishpur – Village Kamrauli	Sector No. -16 Plot No. C-11	763	
5.	Jagdishpur – Village Kamrauli	Sector No. 16 Plot No. 16/15A		3.61
6.	Jagdishpur - Village Sithauli	Sector No. 13 (Part)		22.00
7.	Jagdishpur - Village Kamrauli	Sector No. 16 Plot No. A-10	3,315	
8.	Jagdishpur - Village Kamrauli	Plot No. S-2	2,320	

B. Free hold land

(i) Village - Kamrauli				
Sl. No.	Name of the Village	Khata No.	Gata No.	Area (Hect.)
1	Kamrauli Pragana-Jagdishpur, Tehasil-Musafirkhana, District-Amethi	0054	787Min.	0.0630
			785Min.	0.0020
			515/2	0.0070
			554Min./2	0.0420
			555Min.	0.1260
			557Min.	0.0500
			538Min.	0.0310
			546Min.	0.0070
			547Min.	0.0360
			548Min.	0.0390
			550Min.	0.0100
			551Min.	0.0280
			552Min.	0.0020
			556Min.	0.0040
			784Min.	0.0220
			786Min.	0.0360
			788Min.	0.0330
			538Min.	0.0310
			546Min.	0.0070
			547Min.	0.0360
548Min.	0.0390			
550Min.	0.0100			
551Min.	0.0280			
553Min.	0.0020			
556Min.	0.0040			
784Min.	0.0220			
786Min.	0.0360			
788Min.	0.0330			

(i) Village - Kamrauli				
Sl. No.	Name of the Village	Khata No.	Gata No.	Area (Hect.)
			516/2Min.	0.0050
			508Min.	0.0300
			536Min.	0.0610
			536Min.	0.0610
	Total		32 plots	0.9430
2			785	0.0380
	Grand Total		33 Plots	0.9810

(ii) Village - Jalalpur Tiwari				
Sl. No.	Name of the Village	Khata No.	Gata No.	Area (Hect.)
1	Jalalpur Tiwari Pragana-Jagdishpur, Tehasil-Musafirkhana, District-Amethi		570Min.	0.0530
			548Min.	0.0570
			591Min.	0.0350
			530Min.	0.0510
			549Min.	0.0890
			588Min.	0.0690
			541Min.	0.2150
			592Min.	0.0650
			567Min.	0.2660
			547Min.	0.0190
	Total		10 plots	0.9190
2			506	0.0630
	Grand Total		11 Plots	0.9820

(iii) Village – Sathin				
Sl. No	Name of the Village	Khata No	Gata No.	Area (Hect.)
1	Sathin Pragana-Jagdishpur, Tehasil-Musafirkhana, District-Amethi	00105	949	0.1900
			1341Kha	0.2400
		Total	2 Plots	0.4300
2		00871	761	0.6000
3		00850	766	0.0670
				share1/2 i.e. 0.0335
	Grand Total		04 Plots	1.0635

C. Gram Sabha allotted land – Right to use

Freehold Land - Right to use				
Sl. No	Name of the Village	Khata No	Gata No.	Area (Hect.)
1	Sathin Pragana-Jagdishpur, Tehasil-Musafirkhana, District-Amethi	00001	762Fa	0.1050
			765	0.1140
			763	0.8030
			950	0.0890
			764	0.9110
			899Kha	0.1390
			906Kha	0.8090
			951	0.0510
			948/2375	0.1770
		Grand Total	9 plots	3.1980

SCHEDULE 3
EXCLUDED LITIGATIONS

Table 1

Sr. No.	Notice/ Summon/ Case No.	Authority before which pending	Nature of the Case	Description of the matter
1	Case no. 686/2011	Additional Commissioner of Appeals - Grade I, Lucknow	Civil Case	This matter pertains to demand raised by the assessing authority against the Transferor Company on issuance of Form C under the Central Sales Tax Act, 1956 for purchase of natural gas, allegedly considering it as intra-state transaction, and raising penalty in relation thereof.

Table 2

Sr. No.	Notice/ Summon/ Case No.	Authority before which pending	Nature of the Case	Description of the matter
1	Case no. 12573/2010	High Court of Allahabad, Lucknow Bench	Civil Case	This matter pertains to demand by a government authority against the Transferor Company in relation to maintenance charges concerning the land allotted to the Transferor Company.

Table 3

Sr. No.	Notice/ Summon/ Case No.	Authority before which pending	Nature of the Case	Description of the matter
1	C. No.99/2012	Chief Judicial Magistrate, Sultanpur	Criminal Case	This matter pertains to a charge sheet submitted before the CJM u/s 384 of the Indian Penal Code 1860, upon an FIR filed against <i>inter alia</i> a Transferor Company personnel.
2	C. No. 3775/1998	Chief Judicial Magistrate, Sultanpur	Criminal Case	This matter pertains to issuance of a notice against the factory manager for alleged non-compliance of specified acts.
3	C. No.480/2008	Chief Judicial Magistrate, Sultanpur	Criminal Case	This matter pertains to an FIR filed against <i>inter alia</i> Transferor Company personnel in relation to an alleged event at the school premises.
4	COMA/16276/2017	CJM First Class, Ludhiana	Criminal Case	This matter pertains to the chief agricultural officer of Ludhiana having allegedly found Bantonite sample sub-standard, and since Transferor Company was also marketing this product one of its employee received summon as responsible officer.
5	CRM-M-49200-2018	Punjab & Haryana High Court	Criminal Case	This matter pertains to the chief agricultural officer of Ludhiana having allegedly found Bantonite sample to be sub-standard, and since Transferor Company was also marketing this product one of its employee received summon as responsible officer.
6	COMA/275/2019	Chief Judicial Magistrate, Jind	Criminal Case	This matter pertains to alleged non-conformity of a sample of Zinc Sulphate heptahydrate with the applicable legal specifications.
7	COMA/214/2018	Chief Judicial Magistrate, Faridkot	Criminal Case	This matter pertains to alleged non-conformity of Zinc Sulphate sample with the applicable legal specifications.

Table 4

Sr. No.	Notice/ Summon/ Case No.	Authority before which pending	Nature of the Case	Description of the matter
1	C. No. 05/1998	Special Sessions Judge, Moga, Punjab	Criminal	This case pertains to alleged non-conformity of a DAP sample, collected from one of the dealers of the Transferor Company, with the prescribed legal specifications. Transferor Company personnel was impleaded as one of the parties to the case.
2	1527/2005	Punjab & Haryana High Court	Criminal	This case pertains to alleged non-conformity of a DAP sample, collected from one of the dealers of the Transferor Company, with the prescribed legal specifications. Transferor Company personnel was impleaded as one of the parties to the case.
3	CRM -19807/2006	Punjab & Haryana High Court	Criminal	This case pertains to alleged non-conformity of a DAP sample, collected from one of the dealers of the Transferor Company, with the prescribed legal specifications. Transferor Company personnel was impleaded as one of the parties to the case.
4	728/2006	Punjab & Haryana High Court	Criminal	This case pertains to alleged non-conformity of a DAP sample, collected from one of the dealers of the Transferor Company, with the prescribed legal specifications. Transferor Company personnel was impleaded as one of the parties to the case.

**REPORT
ON
FAIR VALUATION OF
INDO GULF FERTILISER DIVISION
OF
GRASIM INDUSTRIES LIMITED (“GIL”)**

ACCOUNTANTS' REPORT

**Drushti R. Desai
Bansi S. Mehta & Co.
Chartered Accountants
Metro House, 3rd Floor,
M.G Road, Dhobi Talao,
Mumbai – 400 020.**

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1. Introduction and Brief History

- 1.1. Indo Gulf Fertiliser Division (“IGF Division”) of Grasim Industries Limited (“GIL” or the “Transferor”) is engaged in the business of manufacture, trading and sale of urea, customised fertilisers, agri-inputs, crop protection, plant and soil health products and speciality fertilisers and has its manufacturing facilities located at Jagdishpur, District Amethi, in the State of Uttar Pradesh, India.
- 1.2. There is a proposal before the Board of Directors of GIL to transfer the IGF Division of GIL to Indorama India Private Limited (“Transferee”) on a slump sale basis for a lump sum consideration (subject to certain customary closing adjustments as agreed between the Transferor and Transferee) under a scheme of arrangement under section 230 to 232 of the Companies Act, 2013. It is understood that the Appointed date of the transaction shall be the Effective Date.
- 1.3. In this regard, I have been called upon by the management of GIL (“the Management”) vide Engagement Letter dated November 6, 2020 to undertake the fair valuation of IGF Division for the purpose of transfer.
- 1.4. Accordingly, this valuation report (“Report”) sets out the findings of the valuation exercise. For the purpose of this Report, I have considered the Valuation Date of September 30, 2020 (“Valuation Date”).

1.5. Key financial data of IGF Division

Key financial data of IGH Division is mentioned hereunder for ready reference:

Particulars	(INR in crores)	
	FY 2018-19	FY 2019-20
<u>Revenue</u>		
Urea Business	2,517	2,339
Non-Urea Business	293	339
Total	2,810	2678
EBITDA*	253	213

Source: Management

*EBITDA is before allocation of corporate overheads and after adjusting non-operating income..

Further, above EBITDA excludes exceptional items

It may herein be noted that the Urea Business has to shut down for maintenance every 18 months. There was a shut-down in FY 2019-20 on account of the same.



2. Data obtained

2.1. I have called for and obtained such data, information, etc. as were necessary for the purpose of the assignment, which have been, as far as possible, made available to me by the Management. **Appendix A** hereto broadly summarizes the data obtained.

2.2. For the purpose of my assignment, I have relied on such data summarized in the said Appendix and other related information and explanations provided to me in this regard.



3. Approach to Valuation

- 3.1. As mentioned above, the valuation is to be carried in accordance with the Rules based on internationally accepted pricing methodology.
- 3.2. It is universally recognized that valuation is not an exact science and that estimating values necessarily involves selecting a method or an approach that is suitable for the purpose.
- 3.3. It may be noted that the Institute of Chartered Accountants of India (ICAI) on June 10, 2018 has issued the ICAI Valuation Standards (“IVS”) effective for all the valuation reports issued on or after July 1, 2018. The IVS shall be mandatory for the valuation done under the Companies Act, 2013, and recommendatory for valuation carried out under other statutes/ requirements. I have given due cognizance to the same in carrying out the valuation exercise.
- 3.4. For the purpose of arriving at valuation of IGF, I have considered the valuation base as ‘Fair Value’. My valuation, and this report, is based on the premise of ‘going concern’. Any change in the valuation base, or the premise could have significant impact on my valuation exercise, and therefore, this Report.
- 3.5. IVS 301 on Business Valuations deals with valuation of a business or business ownership interest (i.e. it includes valuation of equity shares).
- 3.6. IVS 301 specifies that generally, the following three approaches for valuation of business/business ownership interest are used:
 - Market approach
 - Income approach
 - Cost approach
- 3.7. Each of the above approaches are discussed in the following paragraphs.

3.8. **Market Approach:**

3.8.1. Market Price Method:

This method involves determining the market price of an entity based on its traded price on the stock exchange over a reasonable period of time. The market price of GIL reflects the combined values of all the business taken together and therefore, not reflective of the isolated value of the IGF Division. Therefore, the Market Price Method is not used to determine the value of the IGF Division.

3.8.2. Comparable Companies Multiple Method (“CCM”):

This method involves valuing the equity shares by using market multiples of listed companies in the similar sphere of operations as IGF Division (“Comparable Companies” or “Comparables”) to determine its value.

- 3.8.2.1. I have used the Enterprise Value to Earnings Before Interest Tax, Depreciation and Amortization Multiple (“EV/EBITDA Multiple”) to derive the value of IGF Division under this method. I have followed the following steps to derive the value of IGF Division:



- 3.8.2.2. For the purpose of arriving at the value under this method I have considered the profitability of the IGF Division for year ended March 31, 2019 and March 31, 2020.
- 3.8.2.3. The amount of Depreciation and Interest has been added to Adjusted Profit before Tax (“APBT”) to arrive at Adjusted Earnings before Interest, Tax, Depreciation and Amortization (“Adjusted EBITDA”) for the Trailing Twelve Months (“TTM”) ended March 31, 2019 and March 31, 2020. I have considered average of the Adjusted EBITDA for the year ended March 31, 2019 and March 31, 2020 to arrive at the maintainable Adjusted EBITDA for IGF Division.
- 3.8.2.4. I have then computed the Market Capitalization of Comparable Companies in similar sphere of operations (“Comparables”) for an appropriate period as at the Valuation Date. Further, I have computed the Adjusted Market Capitalization of the Comparables by reducing the amount of cash and bank balances, other surplus assets and fair value of investments from the Market Capitalization.
- 3.8.2.5. I have then computed the Enterprise Value (“EV”) to Earnings before Interest, Tax, Depreciation and Amortization multiple (“EV/EBITDA multiple”) for Comparables. EV of the Comparables has been arrived at by adding the amount of debt, preference share capital and minority interest, if any, to the Adjusted Market Capitalization of the Comparables. The EBITDA of comparable companies is based on the average EBITDA for the year ended March 31, 2019 and the year ended March 31, 2020.
- 3.8.2.6. The Average EV/EBITDA multiple of the Comparables is applied to the EBITDA of IGF Division to arrive at the EV of the said Division.
- 3.8.2.7. The EV so arrived at is reduced by the amount lease liabilities as at the Valuation Date and by the amount of contingent liabilities likely to crystallize to arrive at the Business Value.
- 3.8.2.8. It may herein be noted that the Working Capital in the industry in which IGF Division operates is volatile and is one of the major drivers for the value. The working capital on the proposed transfer has been fixed between the Transferor and Transferee. The value derived under this method does not take into consideration the agreed amount of working capital. I have therefore, used the value under this method only as a crosscheck and not the primary method to derive the fair value of IGF Business.

3.9. **Income Approach:**

- 3.9.1. Income Approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalised) amount. An approach based on earnings is relevant in case of companies generating a steady stream of income.
- 3.9.2. As for IGF, I have used the DCF Method to derive a value under the Income Approach. The broad steps followed to derive a value under these approaches are discussed hereunder:



3.9.3. DCF Method:

3.9.3.1. For the purposes of arriving at a value under the DCF Method, I have relied on the projections and business plan provided by the Management. It may herein be noted that the projections are responsibility of the Management. I have, therefore, not performed any audit, review or examination of any prospective information used and therefore, do not express any opinion with regards to the same. However, I have reviewed the projections for their acceptability.

3.9.3.2. Under the DCF Approach, the future cash flows are appropriately discounted to arrive at a value of the enterprise on a going concern basis. This value would, primarily, be based on the present value of such future cash flows generated.

I have considered the Projected Earnings before Depreciation, Interest, Tax and Amortisation (“EBIDTA”) adjusted for non-operating income and expenses of IGF for future three years starting from the Financial Year to end on March 31, 2021 to the Financial Year to end on March 31, 2024.

3.9.3.3. Such EBIDTA is then adjusted for the projected tax out-flow, capital outlays and also by increase or decrease in working capital so as to arrive at “Free Cash Flows” available for the respective future years.

3.9.3.4. Perpetuity beyond the projected period is considered as follows:

3.9.3.4.1. For the Urea Business: based on the normalised cash flows so as to get the enterprise value on a going concern basis considering a growth of 5%.

3.9.3.4.2. For Non-Urea Business: This Business is in high growth phase in the projected period. Therefore, I have used a H-model and considered that the growth rate for the non-urea business would be 20.25%¹ to 5% over a ten year period with 5% growth beyond 10 years in perpetuity.

3.9.3.5. Free Cash Flows for the projected years and the perpetuity value are discounted using the Weighted Average Cost of Capital (“WACC”) as the discounting factor to arrive at their Net Present Value (“NPV”) as at the Valuation Date. For the purpose of arriving at the WACC I have considered the industry debt equity ratio of comparable companies.

3.9.3.6. The aggregate of such present values of Free Cash Flows and the perpetuity value is the Enterprise Value of IGF as at the Valuation Date. From the enterprise value arrived at above, I have reduced the amount of contingent liabilities expected to crystallize and debt proposed to be transferred with the division to arrive at the Business Value of IGF Division. It is understood that no cash shall be transferred with the Division and debt that would be transferred would only comprise of Special Banking Arrangement Loan in respect of outstanding subsidy.



¹ Growth rate in EBITDA of the Non-Urea Business in the last projected year

3.10. Cost Approach:

3.10.1. It is a valuation approach that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost). IVS 301 on Business Valuations and IVS 103 on Valuation Approaches and Methods specify that common methodologies for the Cost Approach are the Replacement Cost Method and the Reproduction Cost Method. These methods involve determining the value of the asset based on the cost that would have to be incurred to recreate/replicate the asset with substantially the same utility as that of the asset under valuation.

3.10.2. I note that the IGF Division was merged with GIL pursuant to the merger of Aditya Birla Nuvo Limited in to GIL in 2017. Pursuant to the said merger, the assets and liabilities of IGF Division were recorded in the books of GIL at fair value as on the date of transfer. However, I do not have the current replacement cost of these assets. Therefore, I have not applied the cost approach to determine its value.

3.11. Fair Value:

I have arrived at the fair value of the IGF Division on the Valuation Date under DCF Approach which I have crosschecked with the business values derived under EV/EBITDA Multiple Method.

Further, it may be noted that the value obtained under both the approaches is based on a going concern assumption, which is based on perpetual existence. Therefore, the same would hold good till the underlying assumptions on growth and other factors such as the risk free rate, the equity risk premium of the market, beta of companies etc. remain in similar range.



4. Observations and Conclusion

Based on the foregoing data, considerations and following the aforesaid steps, in our opinion, the fair value of the IGF Division is Rs. 1947.8 crores. (including a Target Working Capital of Rs. 1248.8 Crs)
The fair value of IGF Division under various methods is as follow:

(Amt in Rs. crores)

Valuation Approach	IGF Division	
	Business Value	Weightage
Market Approach: EV/EBITDA Multiple Method	1730.9	Used as crosscheck – refer para 3.8.2.8
Income Approach; DCF Method	1947.8	100%
Cost Approach	-	Not considered in recommending the value- refer para 3.10
Final Business Value	1947.8	



5. Limitations and Disclaimers

- 5.1. As such the report is to be read in totality and not in parts.
- 5.2. The valuation is based on the information furnished to me being complete and accurate in all material respects.
- 5.3. I have relied on the written representations from the Management that the information contained in this report is materially accurate and complete in the manner of its portrayal and therefore forms a reliable basis for the valuation.
- 5.4. The information presented in my report does not reflect the outcome of any financial due diligence procedures. The reader is cautioned that the outcome of that process could change the information herein and, therefore, the Valuation materially.
- 5.5. My scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to me. I have, therefore, not performed any audit, review or examination of any of the historical or prospective information used and therefore, I do not express any opinion with regard to the same.
- 5.6. I have relied on the judgment made by the Management and, accordingly, the valuation does not consider the assumption of contingent liabilities materializing (other than those specified by the Management and the Auditors). If there were any omissions, inaccuracies or misrepresentations of the information provided by the Management, then this may have the effect on the valuation computations.
- 5.7. The Report is meant for the specific purpose mentioned herein and should not be used for any purpose other than the purpose mentioned herein. The Report should not be copied or reproduced without obtaining my prior written approval for any purpose other than the purpose for which it is prepared.
- 5.8. No investigation of the Company's claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature. . The report is not, nor should it be construed, as my opining or certifying the compliance with the provisions of any law including company and taxation laws or as regards any legal, accounting or taxation implications or issues.
- 5.9. The valuation is based on the market conditions and the regulatory environment that existed at the Valuation Date. However, changes to the same in the future could impact the companies and the industry they operate in, which may impact the valuation. , it may be noted that the value obtained under both the approaches is based on a going concern assumption, which is based on perpetual existence. Therefore, the same would hold good till the underlying assumptions on growth and other factors such as the risk free rate, the equity risk premium of the market, beta of companies etc remain in similar range.



- 5.10. I have no obligation to update this Report because of events or transactions occurring subsequent to the date of this Report.
- 5.11. I have not carried out any physical verification of the assets and liabilities of the Company and take no responsibility for the identification of such assets and liabilities.
- 5.12. This Report does not look into the business/commercial reasons behind the proposed transaction nor the likely benefits arising out of it. Similarly, it does not address the relative merits of the proposed transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.



6. Gratitude

I am grateful to the Management for making information and particulars available to me, often at a short notice, without which my assignment would not have been concluded in a time-bound manner.



DRUSHTI R. DESAI

Registered Valuer

Registration Number: IBBI/

RV/06/2019/10666

Place: Mumbai

Date: November 12, 2020

UDIN: 20102062AAAACM2708

Appendix A: Broad Summary Of Data Obtained

From the Management:

1. Projected Profit and Loss Account for years to end on March 31, 2021 to March 31, 2024
2. Audited Financial Statements for the year ended March 31, 2020, 2019 and 2018.
3. Provisional Financial Statements for quarter ended June 30, 2020 and June 2019.
4. Capital expenditure schedule for the projected period.
5. Working Capital for Non-Urea Business for the year ended March 31, 2020 and 2019.
6. Contingent Liabilities proposed to be transferred along with the likelihood of their crystallization.
7. Answers to specific questions and issues raised by us to the Management after examining the foregoing data.

From publicly available sources :

1. Quantity of shares traded and Traded Turnover of equity shares of the Comparable Companies on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).
2. Data of Comparable Companies from the database of ACE TP
3. Audited financial statements of comparable companies.
4. Risk Premium from Database of Ashwath Damodaran





Investment Banking

November 12, 2020

Grasim Industries Limited

Aditya Birla Centre,
S.K. Ahire Marg, Worli,
Mumbai, Maharashtra 400030

Dear Sirs,

Sub: Draft scheme of arrangement under sections 230 – 232 of Companies Act, 2013 between Grasim Industries Limited (“Grasim” or the “Transferor Company”) and Indorama India Private Limited (“Transferee Company”) for transfer and vesting of the IGF Business (as defined in the Scheme) to Transferee Company

As requested by the management of Grasim, we have undertaken the exercise to issue a fairness opinion (“Opinion”) on the valuation report for the IGF Business of Grasim which is proposed to be transferred to, Indorama India Private Limited on a going concern basis through a slump sale, pursuant to the Scheme of Arrangement under sections 230 – 232 of Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 (‘Scheme’).

In arriving at our Opinion, we have reviewed financial, business information and other publicly available information. We have reviewed the reports issued by Drushti R. Desai, (“Registered Valuer”) dated November 12, 2020.

In addition to above, we have had discussions with the officials of Grasim on the past and current business operations of the IGF Business, its future prospects and operations, and have received a management representation letter from Grasim dated November 11, 2020.

Based on our examination and according to the information and explanation provided to us, we note that the Scheme entails, *inter alia*, an arrangement between Grasim and the Transferee Company, for transfer and vesting of the IGF Business of Grasim into the Transferee Company through slump sale.

We assume no responsibility for the legal, tax, accounting or structuring matters including, but not limited to, legal or title concerns. Title to all subject business assets is assumed good and marketable and we would urge Grasim and the Transferee Company to carry out an independent assessment of the same prior to entering into any transaction, after giving due weightage to the results of such assessment.

Kotak Mahindra Capital Company Limited

CIN 67120MH1995PLC134050

Registered Office:

27BKC

C – 27, “G” Block

Bandra Kurla Complex

Bandra (East), Mumbai – 400 051, India

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In giving our Opinion, we have assumed and relied upon, without independent verification, the accuracy and completeness of all information supplied or otherwise made available to us either in oral or written form, discussed with or reviewed by or for us, or publicly available. We have been given to understand that all information that was relevant for the purpose of our exercise was disclosed to us. We have not conducted any evaluation or appraisal of any assets or liabilities of Grasim or the Transferee Company nor have we evaluated the solvency or fair value of Grasim or the Transferee Company, under any laws relating to bankruptcy, insolvency or similar matters. In addition, we have not assumed any obligation to conduct any physical inspection of the properties or facilities of Grasim or the Transferee Company. We have also assumed that the final Scheme of Arrangement will be substantially the same as the Scheme discussed with and reviewed by us, unless modified by any regulatory authority or statutory body. We were not requested to solicit, and did not solicit, interest from other parties with respect to an acquisition of, or other business combination with Grasim or the Transferee Company or any other alternative transaction.

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

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

Our Opinion is not and does not purport to be an appraisal or otherwise reflective of the prices at which any business or securities actually could be ideally bought or sold by any party and are not indicative of actual value or actual future results that might be achieved, which value may be higher or lower than those indicated.

Our Opinion is necessarily based on financial, economic, market and other conditions as in effect on the date of issuing this Opinion, and the information made available to us as of, the date hereof, including the capital structure of Grasim and the Transferee Company. We understand the Company's business plan has factored in the potential impact of COVID-19 pandemic. Hence we have not considered any additional impact of COVID-19 pandemic on the operations of Grasim. It should be understood that subsequent developments may affect this Opinion and that we do not have any obligation to update, revise, or reaffirm this Opinion.

We will receive a fee for our services in connection with the delivery of this Opinion from Grasim. In addition, Grasim has agreed to indemnify us for certain potential liabilities arising out of our engagement.



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

In the ordinary course of business, we and our affiliates may actively trade or hold securities of companies that may be the subject matter of this transaction for our own account or for the account of our customers and, accordingly, may at any time hold long or short position in such securities. In addition, we and our affiliates maintain relationships with Grasim and the Transferee Company and their respective affiliates. Further our affiliates may own or manage securities of Grasim and may vote or have views contrary to this opinion.

This Opinion is provided solely for the benefit of the Board of Directors of Grasim and its committees, and shall not confer rights or remedies upon, any shareholder of Grasim, or any other person other than the members of the Board of Directors of Grasim and its committees, or be used for assessing tax implications or any other purpose, except to the extent required by law or by the request or requirement of any judicial, statutory, regulatory, legislative, administrative or other governmental body. This Opinion may not be used or relied upon by nor is it issued for the benefit of any third party for any purpose whatsoever or disclosed, referred to or communicated by you (in whole or in part) except with our prior written consent in each instance. Provided however, this opinion may only be disclosed as may be required under any applicable law in India and may be kept open for inspection by shareholders of Grasim, but we take no responsibility or liability for or arising out of any such disclosure. We specifically disclaim any responsibility to any third party to whom this Letter may be shown or who may acquire a copy of this Letter.

The laws of India govern all matters arising out of or relating to this Opinion (including, without limitation, its interpretation, construction, performance, and enforcement). With respect to any suit, action or any other proceedings relating to this Opinion, the courts of competent jurisdiction at India shall have exclusive jurisdiction.

On the basis of and subject to the foregoing, it is our view that the fair value of the IGF Business as determined by the Registered Valuer is fair from a financial point of view.

Yours faithfully,

For Kotak Mahindra Capital Company Limited



Authorised Signatory



Complaints Report from 1st January 2021 to 21st January 2021

Part A

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

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Not applicable		
2.			
3.			

For Grasim Industries Limited

**Hutokshi R. Wadia
President & Company Secretary**



Place: Mumbai

Date: 22nd January 2021

Grasim Industries Limited

Aditya Birla Centre, 'A' Wing, 2nd Floor, S.K. Ahire Marg, Worli, Mumbai 400 030, India
T: +91 22 6652 5000 / 2499 5000 | F: +91 22 6652 5114 / 2499 5114
E: grasim.cfd@adityabirla.com | W: www.grasim.com | CIN: L17124MP1947PLC000410

Regd. Office : Birlagram, Nagda - 456331 (M.P.)



Complaints Report from 30th December 2020 to 21st January 2021

Part A

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

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Not applicable		
2.			
3.			

For Grasim Industries Limited

Hutokshi R. Wadia
President & Company Secretary



Place: Mumbai

Date: 22nd January 2021

Grasim Industries Limited

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BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
 T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
 Corporate Identity Number: L67120MH2005PLC155188



DCS/AMAL/SV/R37/1893/2020-21

"E-Letter"

February 05, 2021

The Company Secretary,
Grasim Industries Limited
 Birlagram Nagda, Ujjain,
 Madhya Pradesh, 456331

Sir,

Sub: Observation letter regarding the Scheme of Arrangement between Grasim Industries Limited and Indorama India Private Limited and their respective Shareholders and Creditors.

We are in receipt of the Draft Scheme of Arrangement by Grasim Industries Limited filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated February 05, 2021 has inter alia given the following comment(s) on the draft scheme of arrangement:

- "Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchanges, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- "Company shall duly comply with various provisions of the Circular."
- "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."
- "It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

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

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

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

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
Corporate Identity Number: L67120MH2005PLC155188

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

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

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

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

sd/-

Nitinkumar Pujari
Senior Manager



National Stock Exchange Of India Limited

Ref: NSE/LIST/ 25413 _II

February 05, 2021

The Company Secretary
Grasim Industries Limited
Corporate Finance Division A/2,
Aditya Birla Centre,
S.K. Ahire Marg,
Worli Mumbai - 400030

Kind Attn.: Ms. Hutokshi Wadia

Dear Madam,

Sub: Observation Letter for Draft Scheme of Arrangement of Grasim Industries Limited and Indorama India Private Limited and their respective shareholders and creditors

We are in receipt of the Draft Scheme of Arrangement of Grasim Industries Limited and Indorama India Private Limited and their respective shareholders and creditors vide application dated November 30, 2020.

Based on our letter reference no Ref: NSE/LIST/25413 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular'), kindly find following comments on the draft scheme:

- a. *The Company shall ensure that additional information, if any submitted by the Company, after filing the scheme with the stock exchange, and from the date of receipt of this letter is displayed on the websites of the listed company.*
- b. *The Company shall duly comply with various provisions of the Circular.*
- c. *The Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*
- d. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/ representations.

This Document is Digitally Signed



Signer: Jiten Bharat Patel
Date: Fri, Feb 5, 2021 17:38:10 IST
Location: NSE

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No-objection” in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from February 05, 2021 within which the scheme shall be submitted to NCLT.

Yours faithfully,
For National Stock Exchange of India Limited

Jiten Patel
Manager

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

This Document is Digitally Signed

Signer: Jiten Bharat Patel
Date: Fri, Feb 5, 2021 17:38:10 IST
Location: NSE





Summary of the Valuation Report along with the basis of such valuation

1. Grasim Industries Limited ("**Grasim/the Company**") engaged Drushti R. Desai (IBBI Registration No: IBBI/RV/06/2019/10666) as independent registered valuer ("**Registered Valuer**") for undertaking and advising the fair valuation for the proposed slump sale of IGF Business [as defined in the Scheme of Arrangement between the Company, Indorama India Private Limited and their respective shareholders and creditors (the "Scheme")] to Indorama India Private Limited. The Registered Valuer had issued a valuation report dated 12th November 2020 ("**Valuation Report**").
2. Grasim appointed Kotak Mahindra Capital Company Limited ("**Kotak**"), SEBI registered Merchant Banker, (Registration number-INM000008704) as the merchant banker to provide an independent opinion to the Board of Directors of the Company on the fairness of the valuation arrived at by the Registered Valuer, from a financial point of view.
3. Kotak reviewed the Valuation Report issued by Registered Valuer and carried out the independent analysis. Kotak vide its report dated 12th November 2020 ("**Fairness Opinion**") opined to the Board of Directors of Grasim that the valuation opined by the Registered Valuer is fair, from a financial point of view.
4. The Registered Valuer had carried out independent analysis and had applied standard and acceptable valuation methodologies in arriving at the valuation of IGF Business. The approach adopted by the registered valuer in determining the same is summarized as under:

Fair value of the IGF Business was arrived using Discounted Cash Flow (DCF) Method and the same has been crosschecked with the business value derived using Comparable Companies Multiple Method. Value obtained under both the approaches is based on a going concern assumption, which is based on perpetual existence.

- a. **DCF Method:** The future cash flows are appropriately discounted to arrive at a value of the enterprise on a going concern basis ("**Enterprise Value/ EV**"). The EV so arrived at is reduced by the amount of contingent liabilities expected to crystallize, debt and debt like items proposed to be transferred with the IGF Business.
- b. **Comparable Companies Multiple Method:** The Enterprise Value / Earnings Before Interest, Tax, Depreciation & Amortisation ("**EV/EBITDA**") multiple of the comparable listed companies, i.e., companies in the similar sphere of operations ("**Comparables**") is computed. The average EV/EBITDA multiple of all such

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Comparables is applied to the EBITDA of IGF Business to arrive at the EV of the said Business. The EV so arrived at is reduced by the amount of contingent liabilities expected to crystallize, debt and debt like items proposed to be transferred with the IGF Business.

5. Considering, that the Purchase Consideration (as defined in the Scheme) is higher than the fair valuation of IGF Business as determined by the Registered Valuer and fairness of which is opined on by Kotak, the Purchase Consideration is fair.

For Grasim Industries Limited

Hutokshi Wadia
President & Company



Date: 12th November 2020



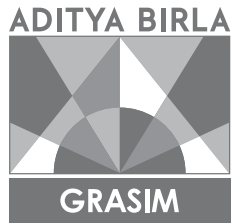
REPORT ADOPTED BY THE BOARD OF DIRECTORS ("BOARD") OF GRASIM INDUSTRIES LIMITED ("COMPANY") IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013, AT ITS MEETING HELD ON THURSDAY, 12TH NOVEMBER, 2020

1. A draft of the proposed scheme of arrangement between the Company ("**Transferor Company**") and Indorama India Private Limited ("**Transferee Company**") and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**") and in accordance with Section 2(42C) of the Income Tax Act, 1961, involving the transfer of the Transferor Company's business of manufacture, trading and sale of urea, customised fertilizers, agri-input crop protection, plant and soil health products and specialty fertilisers ("**IGF Business/ Divestment Business Undertaking**") as a going concern, by way of a slump sale, to the Transferee Company for a lump sum cash consideration ("**Scheme**") was placed before the Board. The Scheme is proposed to be effective from the Appointed Date (*as defined in the Scheme*) and operative from the Effective Date (*as defined in the Scheme*) in lieu of the payment of Final Purchase Consideration (*as defined in the Scheme*) by the Transferee Company (*as defined in the Scheme*) to the Transferor Company. The Scheme was recommended for approval of the Board by the audit committee of the Transferor Company at its meeting held on 12th November 2020 and the Independent Directors' committee of the Transferor Company at its meeting held on 12th November 2020. The Board was also informed that the Transferor Company proposes to enter into an implementation agreement with the Transferee Company in order to record the rights, obligations and manner of implementation of the proposed transaction by the Transferor Company and the Transferee Company ("**Implementation Agreement**"). Words and expressions, used in capitalized form but not defined in this report, shall have the meaning ascribed to them in the Scheme.
2. As per Section 232(2)(c) of the Act, a report is required to be adopted by the Directors explaining the effect of the Scheme on each class of shareholders, creditors, key managerial personnel, promoters and non-promoter shareholders of the Company, and laying out in particular, valuation of the Divestment Business Undertaking, specifying any special valuation difficulties, if any ("**Report**").
3. Having regard to the applicability of the aforesaid provisions, following documents were placed before the Board:
 - (a) the draft Scheme and the draft Implementation Agreement and draft non-compete agreement;

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- (b) Valuation report dated 12th November 2020 issued by Drushti R. Desai (IBBI Registration No. IBBI/RV/06/2019/10666), a registered valuer pursuant to Section 247 of the Act, stipulating *inter-alia* the methodology adopted and the valuation arrived at in relation to the Divestment Business Undertaking;
- (c) Fairness opinion dated 12th November 2020 issued by Kotak Mahindra Capital Company Limited, Merchant Banker, (bearing registration number INM000008704), a SEBI registered merchant banker, to the Transferor Company, providing its opinion on the fairness of the valuation of Divestment Business Undertaking;
- (d) Undertaking on non-applicability of para I(A)(9)(b) of Annexure I of the SEBI Scheme Circular to the Scheme and the draft auditor's certificate, certifying the said undertaking;
- (e) Draft of the Auditors' Certificate pursuant to para I(A)5 of Annexure I of the SEBI Scheme Circular in the prescribed format to the effect that the accounting treatment contained in the Scheme is in compliance with all the Accounting Standards specified by the Central Government under Section 133 of the Act, read with applicable rules and/or the accounting standards and principles;
- (f) Draft Report of the Audit Committee of the Transferor Company, prepared in terms of the requirements of the SEBI Scheme Circular; and
- (g) Draft Report of the Committee of Independent Directors of the Transferor Company prepared in terms of the requirements of the SEBI Scheme Circular.

The rationale of the Scheme is set forth in detail in the Scheme and is therefore not reiterated in this report.





Effect of Scheme on Stakeholders

S. No.	CATEGORY OF STAKEHOLDER	EFFECT OF THE SCHEME ON STAKEHOLDERS
(i)	Shareholders (including promoter and non-promoter)	Under the Scheme, there is no arrangement sought to be entered into between the Transferor Company and its shareholders. As the Scheme involves transfer of the Divestment Business Undertaking (as defined in the Scheme) as a going concern on a Slump Sale (as defined in the Scheme) basis by the Transferor Company to the Transferee Company for a Final Purchase Consideration (as defined in the Scheme), no shares are allotted by the Transferee Company to the shareholders of the Transferor Company (including both promoter shareholders and non-promoter shareholders) or to any other person. Therefore, the shareholders (promoter shareholders and non-promoter shareholders) of the Transferor Company will not be affected by the Scheme in any manner.
(ii)	Creditors	<p>The interests of all the creditors of the Transferor Company will remain unaffected by this Scheme as the assets upon the effectiveness of the Scheme will be more than its liabilities and as such sufficient to discharge such liabilities.</p> <p>Under the Scheme, no arrangement is sought to be entered into between the Transferor Company and its unsecured debenture holders. No rights of the unsecured debenture holders are being affected pursuant to the Scheme. Under the Scheme, the unsecured debenture holders shall continue to be the debenture holders of the Transferor Company. The debenture trustee(s) appointed for the unsecured debenture holders shall continue to remain the debenture trustee(s).</p>

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S. No.	CATEGORY OF STAKEHOLDER	EFFECT OF THE SCHEME ON STAKEHOLDERS
		As on date, the Transferor Company has no outstanding public deposits and therefore, the effect of the Scheme on any such public deposit holders or deposit trustee(s) does not arise.
(iii)	Employees, Directors and Key Managerial Personnel	<p>Under Clause 9 of Part – II of the Scheme, upon the Scheme becoming effective and with effect from the Appointed Date (as defined in the Scheme), the Divestment Employees (as defined in the Scheme) of the Transferor Company shall become the employees of the Transferee Company without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable to such employees relating to the Divestment Business Undertaking of the Transferor Company immediately prior to the transfer of the Divestment Business Undertaking. In the circumstances, the rights of the Divestment Employees of the Transferor Company, engaged in or in relation to the Divestment Business Undertaking, would in no way be affected by the Scheme.</p> <p>There is no effect of the Scheme on the Key Managerial Personnel and/or the Directors of the Transferor Company.</p>

4. Valuation Report

A report on recommendation of valuation of the Divestment Business Undertaking for the purpose of its transfer by the Transferor Company to the Transferee Company, has been obtained from Drushti R. Desai (IBBI Registration No. IBBI/RV/06/2019/10666), a registered valuer pursuant to Section 247 of the Act.





5. Adoption of the Report by the Directors

The Directors of the Transferor Company have adopted this Report after noting and considering the information set forth in this Report. The Board or any fully authorized Committee by the Board is entitled to make relevant modifications to this Report, if required, and such modifications or amendments shall be deemed to form part of this Report.

By Order of the Board
For Grasim Industries Limited

Dilip Gaur
Managing Director

Ashish Adukia
Chief Financial Officer



Date: 30th November 2020

Place: Mumbai

INDORAMA

Report adopted by the Board of Directors of Indorama India Private Limited (Company) at its meeting held on 21.11.2020 as per the provisions of Section 232(2)(c) of the Companies Act, 2013

BACKGROUND

Pursuant to the recommendation of the Audit Committee, the proposed scheme of arrangement between Indorama India Private Limited (as the “**Transferee Company**”), Grasim Industries Limited (as the “**Transferor Company**”) and their respective shareholders and creditors (“**Scheme**”) under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“**Act**”) was approved by the Board of Directors of the Company vide resolution dated 21 November, 2020

The provisions of Section 232(2)(c) of the Companies Act, 2013 requires the Directors to adopt a report explaining the effect of the Scheme on Shareholders, Key Managerial Personnel (“**KMP**”), Promoter and Non-Promoter Shareholders, laying out in particular the share exchange ratio and specifying any special valuation difficulties.

The said report is required to be circulated to the Shareholders and Creditors along with the notice convening the meeting of Members/Creditors. The Board of Directors noted that the Scheme does not contemplate any allotment of shares of the Transferee Company, as the Scheme proposes the transfer of the Transferor Company’s business of manufacture, trading and sale of urea, customised fertilisers, agri-input, crop protection, plant and soil health products and specialty fertilisers (“**IGF Business/ Divestment Business Undertaking**”) as a going concern, by way of a slump sale, to the Transferee Company for a lump sum Final Purchase Consideration (*as defined in the Scheme*) to be paid by the Transferee Company to the Transferor Company.

The Scheme is proposed to be effective from the Appointed Date (*as defined in the Scheme*) and operative from the Effective Date (*as defined in the Scheme*).

This report is adopted by the Board in an order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013.

The following documents were considered by the Board of Directors in its meeting dated 21 November, 2020:

- a. the draft Scheme between the Transferee Company and Transferor Company and their respective shareholders and creditors;
- b. the report of the Audit Committee dated 21 November, 2020

The rationale of the Scheme is set forth in detail in the Scheme and is therefore not reiterated in this report.

A. Effect of the Scheme on the Equity Shareholders (promoter shareholders and non-promoter shareholders) of the Transferee Company

1



Indorama India Private Limited

(Formerly IRC Agrochemicals Private Limited)

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T: +91(0) 33 66343100, F: +91(0) 33 66343102, www.indorama.in

CIN: U74999WB2017FTC222920

1. Under the Scheme, there is no arrangement sought to be entered into between the Transferee Company and its shareholders. As the present Scheme involves purchase of the Divestment Business Undertaking (*as defined in the Scheme*) as a going concern on a Slump Sale (*as defined in the Scheme*) basis by the Transferee Company from the Transferor Company for a Final Purchase Consideration (*as defined in the Scheme*), no shares are acquired by the Transferee Company. .
2. There will be no change in the shareholding of promoters of the Transferee Company pursuant to the adoption of the Scheme.
3. As far as the equity shareholders of the Transferee Company are concerned there will be no dilution in their shareholding in the Transferee Company as there will be no issuance of shares by the Transferee Company pursuant to the Scheme.
4. Accordingly, the shareholders (promoter shareholders and non-promoter shareholders) of the Transferee Company will not be affected by the Scheme in any manner.

B. Effect of the Scheme on the Creditors

1. In respect of the Scheme, no arrangement is sought to be entered into between the Transferee Company and its creditors. No rights of the creditors are being affected pursuant to the Scheme. The liability towards the creditors of the Transferee Company is neither being reduced nor being extinguished. The creditors of the Transferee Company would in no way be affected by the Scheme.
2. As on date, the Transferee Company has no debenture holders and therefore, the effect of the Scheme on debenture holders or debenture trustee(s) does not arise.
3. As on date, the Transferee Company has no outstanding deposits and therefore, the effect of the Scheme on any such deposit holders does not arise.



C. Effect of the Scheme on the Employees, Directors and KMP of the Transferee Company

1. No rights of the existing employees of the Transferee Company are being affected pursuant to the Scheme.
2. None of the directors, the key managerial personnel (as defined under the Act and the rules framed thereunder) of the Transferee Company and their respective relatives (as defined under the Act and the rules framed thereunder) have any interest in the Scheme.
3. Further, the directors and key managerial personnel of the Transferee Company and their respective relatives do not hold shares in the Transferor Company except to the extent of the equity shares held by them in the Transferor Company, if any.
4. However, the Scheme is not expected to have any effect on the directors and key managerial personnel of the Transferee Company. Further, no change in the board of directors and key managerial personnel is envisaged on account of the Scheme.



- D. No special valuation difficulties were reported.
- E. The Transferee Company will carry on the IGF Business on a going concern basis alongwith its own business with reasonable diligence and business prudence to ensure that the interests of the stakeholders are protected and enhanced.
- F. The Scheme will be beneficial to the Transferee Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable.

For and on behalf of the Board of Directors

	
Name: Ashvini Hiran	Name: Manish Kumar Agarwal
Managing Director & CEO	CFO & Authorized Signatory

Place: Kolkata

Date: 8 February, 2021





GRASIM INDUSTRIES LIMITED

UNAUDITED STANDALONE FINANCIAL RESULTS
FOR THE THREE MONTHS AND NINE MONTHS ENDED 31-12-2020

Annexure 11

₹ Crore

STATEMENT OF UNAUDITED STANDALONE RESULTS FOR THE THREE MONTHS AND NINE MONTHS ENDED 31-12-2020							
Particulars	Three Months Ended			Nine Months Ended		Year Ended	
	31-12-2020	30-09-2020	31-12-2019	31-12-2020	31-12-2019	31-03-2020	
	(Unaudited)	(Unaudited - Restated) (Refer Note 8)	(Unaudited - Restated) (Refer Note 8)	(Unaudited)	(Unaudited - Restated) (Refer Note 8)	(Audited - Restated) (Refer Note 8)	
1 Revenue from Operations	3,671.79	2,948.57	3,857.90	7,955.48	12,232.59	15,919.79	
2 Other Income	63.77	281.37	81.42	444.29	452.20	525.26	
3 Total Income (1+2)	3,735.56	3,229.94	3,939.32	8,399.77	12,684.79	16,445.05	
4 Expenses							
Cost of Materials Consumed	1,545.55	1,314.89	1,860.20	3,402.39	5,803.97	7,420.48	
Purchases of Stock-in-Trade	21.85	13.47	15.46	45.56	60.56	89.32	
Changes [Decrease / (Increase)] in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	43.02	82.70	(30.67)	199.76	(211.42)	(143.07)	
Employee Benefits Expense	357.78	288.50	381.34	933.42	1,131.43	1,523.63	
Finance Costs	50.74	64.01	45.95	180.06	171.22	235.04	
Depreciation and Amortisation Expense	200.19	200.78	198.47	599.06	582.39	789.67	
Power and Fuel Cost	592.55	535.83	669.88	1,448.70	1,962.20	2,589.49	
Other Expenses	465.41	373.82	577.93	1,157.69	1,699.79	2,327.65	
Total Expenses	3,277.09	2,874.00	3,718.56	7,966.64	11,200.14	14,832.21	
5 Profit before Exceptional Items and Tax (3 - 4)	458.47	355.94	220.76	433.13	1,484.65	1,612.84	
6 Exceptional Items (Refer Note 3)	-	-	(10.20)	(57.73)	(300.37)	(318.03)	
7 Profit before Tax from continuing operations (5 + 6)	458.47	355.94	210.56	375.40	1,184.28	1,294.81	
8 Tax Expense of continuing operations							
Current Tax	66.58	(11.70)	(5.13)	39.51	223.61	236.08	
Deferred Tax (Refer Note 5)	59.63	29.15	27.29	(37.23)	66.32	(148.49)	
Total Tax Expense	126.21	17.45	22.16	2.28	289.93	87.59	
9 Net Profit for the period from continuing operations (7-8)	332.26	338.49	188.40	373.12	894.35	1,207.22	
Discontinued Operations							
Profit/(Loss) before tax from discontinued operations	41.71	33.43	(5.73)	119.06	28.48	72.54	
Exceptional Items (Refer Note 3)	-	-	-	-	-	23.95	
Tax expenses of discontinued operations (Refer Note 3)	(14.60)	(11.70)	2.00	(41.66)	(9.97)	(33.77)	
10 Net Profit/(Loss) for the period from discontinued operations	27.11	21.73	(3.73)	77.40	18.51	62.72	
11 Net Profit for the period (9+10)	359.37	360.22	184.67	450.52	912.86	1,269.94	
Other Comprehensive income							
(i) Items that will not be reclassified to profit or loss	1,368.20	5.37	362.97	4,129.45	(2,506.56)	(5,437.19)	
(ii) Income Tax relating to items that will not be reclassified to profit or loss	(57.04)	11.46	(18.10)	(246.81)	164.58	349.22	
(iii) Items that will be reclassified to profit or loss	(1.01)	1.04	1.97	7.36	30.79	26.57	
(iv) Income Tax relating to items that will be reclassified to profit or loss	0.27	(0.33)	(1.65)	(2.10)	(9.88)	(8.24)	
12 Other Comprehensive Income for the period	1,310.42	17.54	345.19	3,887.90	(2,321.07)	(5,069.64)	
13 Total Comprehensive Income for the period (11 + 12)	1,669.79	377.76	529.86	4,338.42	(1,408.21)	(3,799.70)	
14 Paid-up Equity Share Capital (Face Value ₹ 2 per share)	131.60	131.59	131.57	131.60	131.57	131.57	
15 Reserves excluding Revaluation Reserves						37,542.47	
16 Earnings per Share of Face value ₹ 2/- each (not annualised)							
(a) Basic - Continuing Operations (₹)	5.06	5.16	2.87	5.68	13.63	18.39	
(b) Diluted - Continuing Operations (₹)	5.06	5.15	2.87	5.68	13.62	18.38	
(c) Basic - Discontinued Operations (₹)	0.41	0.33	(0.06)	1.18	0.28	0.96	
(d) Diluted - Discontinued Operations (₹)	0.41	0.33	(0.06)	1.18	0.28	0.96	
(e) Basic - Continuing Operations and Discontinued Operations (₹)	5.47	5.49	2.81	6.86	13.91	19.35	
(f) Diluted - Continuing Operations and Discontinued Operations (₹)	5.47	5.48	2.81	6.86	13.90	19.34	

See accompanying notes to the Financial Results

Grasim Industries Limited

NOTES:

- The above financial results of the Company for the three months and nine months ended 31st December, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company today.
- As per the directives of the Central and State Governments in the wake of COVID-19 pandemic, the Company had suspended operations across its plants w.e.f. 25th March, 2020, except for Fertiliser business, where operations continued uninterrupted. During the quarter ended 30th June 2020, the Company resumed operations at all its' plants in accordance with the Government guidelines and is continuously in process of further scaling up the operations. The management believes that impact is short term and temporary in nature and there is no significant impact on recoverability of carrying value of its assets and future operations.
- Exceptional Items as included in results for the different periods are detailed below:

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31-12-2020	30-09-2020	31-12-2019	31-12-2020	31-12-2019	31-03-2020
	(Unaudited)	(Unaudited - Restated) (Refer Note 8)	(Unaudited - Restated) (Refer Note 8)	(Unaudited)	(Unaudited - Restated) (Refer Note 8)	(Audited - Restated) (Refer Note 8)
Continued Operations :						
Additional provision of Stamp duty and registration fees related to merger of Aditya birla Nuvo Limited with the Company	-	-	-	(57.73)	-	-
Fixed Assets/ Capital WIP Write off	-	-	-	-	-	(17.66)
Contribution towards liquidation expenses and Impairment in value of investment in Aditya Birla Idea Payment Bank Limited	-	-	(10.20)	-	(300.37)	(300.37)
Exceptional Gain/(Loss) from Continued operations	-	-	(10.20)	(57.73)	(300.37)	(318.03)
Tax Expense on Above	-	-	6.45	3.86	58.85	65.02
Exceptional Gain/(Loss) [Net of Tax] from Continued operations	-	-	(3.75)	(53.87)	(241.52)	(253.01)
Discontinued Operations:						
Fertilizers subsidy claims (Fixed cost claim approval and provision against claim of additional commercial tax)	-	-	-	-	-	23.95
Tax Expense on Above	-	-	-	-	-	(8.38)
Exceptional Gain/(Loss) [Net of Tax] from Discontinued operations	-	-	-	-	-	15.57

- The Company and Grasim Premium Fabric Private Limited, (GPFPL), a wholly owned subsidiary of the Company (previously known as Suktas India Private Limited) has filed a Scheme of Arrangement (the Scheme) with National Company Law Tribunal (NCLT), Indore and Mumbai bench respectively for amalgamation of GPFPL with the Company, with effect from 1st April, 2019 (the Appointed Date, as per the Scheme) or any other date as may be sanctioned by the NCLT. The Scheme has been sanctioned by NCLT, Indore Bench vide its order dated 12th November, 2020 as amended by order dated 28th January, 2021. The sanction of the Scheme by the aforesaid order is subject to the outcome of the petition of GPFPL before NCLT, Mumbai Bench besides other approvals, if any required. Pending sanction of the Scheme by NCLT, Mumbai Bench the financial results of GPFPL have not been included in the Company's financial results.
- Pursuant to the Taxation Laws (Amendment) Act, 2019, a new section 115BAA is inserted in the Income Tax Act, 1961 which provides an option to the domestic companies to pay income tax at lower rate subject to the giving up of certain incentives and deductions. The Company is continuing to provide for Income tax at the old rates, based on various tax incentive and deductions. However, the Company has applied the lower income

Grasim Industries Limited

tax rates on the deferred tax liabilities on account of temporary differences to the extent these are expected to be realized or settled in the future period when the Company may be subjected to lower tax rate. Accordingly, net deferred tax liability of Rs 240.74 Crores was reversed during the year ended 31st March, 2020.

6. During the quarter, the Company has allotted 22,786 fully paid up equity shares of ₹ 2 each upon exercise of employee stock options.
7. The Segment-wise Revenue, Results, Assets and Liabilities have been disclosed in the consolidated financial results.
8. The Company has entered into an agreement on 12 November, 2020 for transfer of its Fertilizer business (Indo Gulf Fertilizers unit), comprising of manufacture, trading and sale of inter alia urea, soil health products and other agri-inputs as a going concern, on a slump sale basis, to Indo Rama India Private Limited under a Scheme of Arrangement under sections 230-232 of the Companies Act, 2013. The transaction is subject to the approval of the shareholders and creditors of the Company, requisite regulatory approvals including from SEBI and the jurisdictional National Company Law Tribunals. Hence, the Company's Fertilizer business has been classified as discontinued operation in the quarter ended 31 December, 2020 with the transaction likely to be completed within one year from then. Accordingly, financial results for the quarter and nine months ended 31st Decemeber, 2019, quarter ended 30th September 2020 and year ended 31st March, 2020 as included in this statement have been restated.
9. Previous periods' figures have been regrouped/rearranged wherever necessary to conform to the current periods classification.

For and on behalf of Board of Directors

DILIP
ROOPSINGH
GAUR

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Dilip Gaur
Managing Director

Place : Mumbai
Date : 12th February, 2021

Grasim Industries Limited

Regd. Office: Birlagram, Nagda 456 331 (M.P.)

An Aditya Birla Group Company

www.adityabirla.com and www.grasim.com

Tel: (07366) 24760-66 | Fax: (07366) 244114, 246024 | CIN: L17124MP1947PLC000410

B S R & Co. LLP
Chartered Accountants
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Western Express Highway, Goregaon (East),
Mumbai – 400063

S R B C & CO LLP
Chartered Accountants
12th Floor, The Ruby,
29 Senapati Bapat Marg,
Dadar (West)
Mumbai – 400 028

Independent Auditor’s limited review report on unaudited quarterly and year-to-date standalone financial results of Grasim Industries Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended

**Review Report to
The Board of Directors
Grasim Industries Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Grasim Industries Limited (“the Company”) for the quarter ended 31 December 2020 and year to date from 1 April 2020 to 31 December 2020 (“the Statement”) attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 as amended (the “Listing Regulation”).
2. This Statement, which is the responsibility of the Company’s management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

BSR & Co. LLP

Chartered Accountants
14th Floor, Central Wing,
Tower 4, Nesco Center,
Western Express Highway, Goregaon (East),
Mumbai – 400063

SRBC & CO LLP

Chartered Accountants
12th Floor, The Ruby,
29 Senapati Bapat Marg,
Dadar (West)
Mumbai – 400 028

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulation, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

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KASAT Date: 2021.02.12
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Vikas R Kasat

Partner

Membership No: 105317

UDIN: 21105317AAAAAZ1610

12 February 2021

Mumbai

For **SRBC & CO LLP**

Chartered Accountants

Firm's Registration No: 324982E/E300003

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email=Vijay.Maniar@srb.in
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Vijay Maniar

Partner

Membership No: 36738

UDIN: 21036738AAAABV8953

12 February 2021

Mumbai



GRASIM INDUSTRIES LIMITED
UNAUDITED CONSOLIDATED FINANCIAL RESULTS
FOR THE THREE MONTHS AND NINE MONTHS ENDED 31/12/2020

₹ Crore

STATEMENT OF UNAUDITED CONSOLIDATED RESULTS FOR THE THREE MONTHS AND NINE MONTHS ENDED 31/12/2020

Particulars	Three Months Ended			Nine Months Ended		Year Ended
	31/12/2020	30/09/2020	31/12/2019	31/12/2020	31/12/2019	31/03/2020
	(Unaudited)	(Unaudited - Restated) (Refer Note 6)		(Unaudited)	(Unaudited - Restated) (Refer Note 6)	(Audited - Restated) (Refer Note 6)
1 Continuing Operations						
2a Revenue from Operations	20,986.35	17,943.73	18,616.76	51,973.49	55,765.76	75,106.27
2b Other Income	330.38	199.51	243.41	907.34	695.16	971.19
3 Total Income (2a+2b)	21,316.73	18,143.24	18,860.17	52,880.83	56,460.92	76,077.46
4 Expenses						
Cost of Materials Consumed	3,222.03	2,666.84	3,319.64	7,273.15	10,055.01	13,202.93
Purchases of Stock-in-Trade	271.29	193.99	299.75	605.54	969.70	1,237.23
Changes [Decrease / (Increase)] in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(73.66)	230.34	88.83	459.03	(333.29)	(504.21)
Employee Benefits Expense	1,431.61	1,277.64	1,432.70	3,994.04	4,284.36	5,760.46
Power and Fuel Cost	2,985.01	2,373.13	2,716.57	7,049.10	8,325.06	11,080.72
Freight and Handling Expenses	2,948.19	2,387.70	2,428.84	7,006.00	7,298.00	10,070.98
Change in Valuation of Liability in respect of Insurance Policies	1,144.57	971.38	294.40	3,222.66	223.95	1,032.26
Benefits Paid - Insurance Business (net)	1,276.49	1,056.00	1,362.53	2,852.04	3,879.44	5,177.01
Finance Cost relating to NBFC/HFC's Business	933.90	1,011.71	1,139.70	3,010.22	3,469.27	4,591.31
Other Finance Costs	430.88	442.82	530.02	1,352.38	1,692.33	2,275.69
Depreciation and Amortisation Expense	1,007.15	1,006.86	993.57	2,990.22	2,977.14	4,004.23
Other Expenses	2,701.29	2,371.21	2,832.64	6,784.88	7,853.92	10,814.27
Total Expenses	18,278.75	15,989.62	17,439.19	46,599.26	50,694.89	68,742.88
5 Profit from Ordinary Activities before Share in Profit of Equity Accounted Investees, Exceptional Items and Tax (3 - 4)	3,037.98	2,153.62	1,420.98	6,281.57	5,766.03	7,334.58
6 Add : Share in Profit of Equity Accounted Investees {Refer Note 4}	64.72	18.59	38.51	105.88	535.16	562.22
7 Profit before Exceptional Items and Tax (5 + 6)	3,102.70	2,172.21	1,459.49	6,387.45	6,301.19	7,896.80
8 Less : Exceptional Items {Refer Note 1}	-	335.73	10.20	550.83	119.53	1,406.05
9 Profit before Tax from continuing operations (7 - 8)	3,102.70	1,836.48	1,449.29	5,836.62	6,181.66	6,490.75
10 Tax Expense of continuing operations (Net)						
(a) Current Tax	538.24	430.89	261.81	1,293.41	1,249.59	1,569.18
(b) Deferred Tax (Refer Note 4)	439.24	245.05	143.93	668.49	635.33	(1,633.59)
Total Tax Expense	977.48	675.94	405.74	1,961.90	1,884.92	(64.41)
11 Net Profit for the period from continuing operations (9 - 10)	2,125.22	1,160.54	1,043.55	3,874.72	4,296.74	6,555.16
Discontinued Operations						
Profit/(Loss) before tax from discontinued operations	41.71	10.10	7.91	121.05	131.76	221.60
Exceptional Items (Net) {Refer Note 1}	-	437.68	-	437.68	-	23.95
Tax expenses of discontinued operations	(14.60)	(11.95)	(3.13)	(49.32)	(38.79)	(70.40)
(Provision) / Reversal of Impairment of assets classified as held for sale	-	-	(8.51)	(17.92)	(74.46)	(112.43)
12 Net Profit for the period from discontinued operations	27.11	435.83	(3.73)	491.49	18.51	62.72
13 Net Profit for the period (11 + 12)	2,152.33	1,596.37	1,039.82	4,366.21	4,315.25	6,617.88
Other Comprehensive Income (including related to Joint Ventures and Associates)						
(i) Items that will not be reclassified to profit or loss	1,384.17	17.26	378.88	4,165.25	(2,489.74)	(5,511.64)
(ii) Income Tax relating to items that will not be reclassified to profit or loss	(59.41)	9.52	(20.30)	(252.48)	162.43	373.62
(iii) Items that will be reclassified to profit or loss	149.46	(21.29)	89.13	257.12	180.31	145.53
(iv) Income Tax relating to items that will be reclassified to profit or loss	(17.38)	0.27	(7.20)	(22.11)	(23.95)	(8.96)
14 Other Comprehensive Income	1,456.84	5.76	440.51	4,147.78	(2,170.95)	(5,001.45)
15 Total Comprehensive Income (after tax) (13+14)	3,609.17	1,602.13	1,480.33	8,513.99	2,144.30	1,616.43
Net Profit from continuing operations attributable to :						
Owners of the Company	1,356.85	707.85	683.94	2,270.86	2,868.13	4,328.32
Non-controlling interest	768.37	452.69	359.61	1,603.86	1,428.61	2,226.84
	2,125.22	1,160.54	1,043.55	3,874.72	4,296.74	6,555.16
Net Profit attributable to :						
Owners of the Company	1,383.96	966.82	680.21	2,585.49	2,886.64	4,391.04
Non-controlling interest	768.37	629.55	359.61	1,780.72	1,428.61	2,226.84
	2,152.33	1,596.37	1,039.82	4,366.21	4,315.25	6,617.88
Other Comprehensive Income attributable to :						
Owners of the Company	1,417.26	23.76	420.33	4,085.16	(2,235.25)	(5,067.42)
Non-controlling interest	39.58	(18.00)	20.18	62.62	64.30	65.97
	1,456.84	5.76	440.51	4,147.78	(2,170.95)	(5,001.45)
Total Comprehensive Income attributable to :						
Owners of the Company	2,801.22	990.58	1,100.54	6,670.65	651.39	(676.38)
Non-controlling interest	807.95	611.55	379.79	1,843.34	1,492.91	2,292.81
	3,609.17	1,602.13	1,480.33	8,513.99	2,144.30	1,616.43
Paid up Equity Share Capital (Face Value ₹ 2 per share)	131.60	131.59	131.57	131.60	131.57	131.57
Reserve excluding Revaluation Reserves						56,479.67
16 Earnings per Share of Face Value ₹ 2/- each (not annualised)						
(a) Basic - Continuing Operations (₹)	20.66	10.78	10.42	34.59	43.70	65.94
(b) Diluted - Continuing Operations (₹)	20.65	10.78	10.41	34.57	43.67	65.90
(c) Basic - Discontinued Operations (₹)	0.41	3.94	(0.06)	4.79	0.28	0.96
(d) Diluted - Discontinued Operations (₹)	0.41	3.94	(0.05)	4.78	0.28	0.96
(e) Basic - Continuing and discontinued Operations (₹)	21.07	14.72	10.36	39.38	43.98	66.90
(f) Diluted - Continuing and discontinued Operations (₹)	21.06	14.72	10.36	39.35	43.95	66.86

See accompanying notes to the Financial Results

GRASIM INDUSTRIES LIMITED
UNAUDITED CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES
FOR THE THREE MONTHS AND NINE MONTHS ENDED 31-12-2020

₹ Crore

Particulars	Three Months Ended			Nine Months Ended		Year Ended
	31/12/2020	30/09/2020	31/12/2019	31/12/2020	31/12/2019	31/03/2020
	(Unaudited)	(Unaudited - Restated) (Refer Note 6)		(Unaudited)	(Unaudited - Restated) (Refer Note 6)	(Audited - Restated) (Refer Note 6)
1. SEGMENT REVENUE						
Viscose - Pulp, Viscose Staple Fibre and Filament Yarn	2,145.14	1,678.54	2,193.55	4,381.37	7,133.26	9,235.08
Cement - Grey, White and Allied Products	12,254.12	10,387.14	10,439.34	30,312.31	31,567.55	42,421.13
Chemicals - Caustic Soda and Allied Chemicals	1,280.96	1,125.88	1,362.08	3,108.41	4,212.20	5,502.32
Financial Services	5,015.15	4,578.93	4,276.35	13,604.50	11,813.56	16,581.31
Others #	436.00	312.55	560.77	908.85	1,764.93	2,289.18
TOTAL	21,131.37	18,083.04	18,832.09	52,315.44	56,491.50	76,029.02
(Less) : Inter Segment Revenue	(145.02)	(139.31)	(215.33)	(341.95)	(725.74)	(922.75)
Total Operating Income	20,986.35	17,943.73	18,616.76	51,973.49	55,765.76	75,106.27
2. SEGMENT RESULTS						
Viscose - Pulp, Viscose Staple Fibre and Filament Yarn	373.10	83.31	146.22	235.60	756.80	906.22
Cement - Grey, White and Allied Products	2,688.27	2,155.57	1,469.25	6,549.14	5,208.75	7,175.60
Chemicals - Caustic Soda and Allied Chemicals	106.99	116.94	118.44	195.44	708.14	742.44
Financial Services	263.49	229.91	208.49	664.03	768.21	757.33
Others #	12.40	(23.46)	(2.44)	(87.88)	23.17	17.41
TOTAL	3,444.25	2,562.27	1,939.96	7,556.33	7,465.07	9,599.00
Add / (Less) :						
Finance Costs	(430.89)	(442.82)	(530.02)	(1,352.38)	(1,692.33)	(2,275.69)
Net Unallocable Income	24.62	34.17	11.04	77.62	(6.71)	11.27
Profit from Ordinary Activities after Finance Costs but before Share in Profit/(Loss) of Equity Accounted Investees and Exceptional Items	3,037.98	2,153.62	1,420.98	6,281.57	5,766.03	7,334.58
Add : Share in Profit of Equity Accounted Investees {Refer Note 4}	64.72	18.59	38.51	105.88	535.16	562.22
Less : Exceptional Items {Refer Note 1}	-	335.73	10.20	550.83	119.53	1,406.05
Profit before Tax from continuing operations	3,102.70	1,836.48	1,449.29	5,836.62	6,181.66	6,490.75
	As on	As on	As on	As on	As on	As on
	31/12/2020	30/09/2020	31/12/2019	31/12/2020	31/12/2019	31/03/2020
3. SEGMENT ASSETS						
Viscose - Pulp, Viscose Staple Fibre and Filament Yarn	10,232.75	9,992.09	10,308.96	10,232.75	10,308.96	10,591.27
Cement - Grey, White and Allied Products	86,848.11	83,106.55	81,738.08	86,848.11	81,738.08	81,184.63
Chemicals - Caustic Soda and Allied Chemicals	6,177.20	5,857.88	6,053.37	6,177.20	6,053.37	6,186.34
Financial Services	131,167.86	128,489.80	129,193.64	131,167.86	129,193.64	127,132.31
Others #	3,721.28	3,712.79	3,706.19	3,721.28	3,706.19	3,684.34
TOTAL	238,147.20	231,159.11	231,000.24	238,147.20	231,000.24	228,778.89
Add: Inter Company Eliminations	(23.78)	(22.66)	(93.23)	(23.78)	(93.23)	(21.55)
Add: Investment in Associates/ Joint Ventures	6,852.07	6,687.70	6,684.44	6,852.07	6,684.44	6,533.09
Fertilisers (Discontinued Operations)	2,174.65	1,896.37	2,080.71	2,174.65	2,080.71	2,534.03
Add: Unallocated Assets	11,091.70	10,053.22	9,359.35	11,091.70	9,359.35	6,556.79
TOTAL ASSETS	258,241.84	249,773.74	249,031.51	258,241.84	249,031.51	244,381.25
4. SEGMENT LIABILITIES						
Viscose - Pulp, Viscose Staple Fibre and Filament Yarn	2,252.30	1,614.83	1,883.96	2,252.30	1,883.96	2,101.79
Cement - Grey, White and Allied Products	13,314.65	11,571.51	11,300.87	13,314.65	11,300.87	11,284.31
Chemicals - Caustic Soda and Allied Chemicals	1,054.93	818.84	891.82	1,054.93	891.82	980.52
Financial Services	103,066.81	100,702.34	101,505.42	103,066.81	101,505.42	99,656.46
Others #	633.34	759.27	891.67	633.34	891.67	870.93
TOTAL	120,322.03	115,466.79	116,473.74	120,322.03	116,473.74	114,894.01
Add: Inter Company Eliminations	(13.22)	(12.30)	(87.48)	(13.22)	(87.48)	(10.80)
Fertilisers (Discontinued Operations)	359.67	424.82	358.52	359.67	358.52	707.19
Add : Unallocated Liabilities	38,374.32	38,426.95	41,864.25	38,374.32	41,864.25	37,874.82
TOTAL LIABILITIES	159,042.80	154,306.26	158,609.03	159,042.80	158,609.03	153,465.22

Others represent mainly Textiles, Insulators and Solar Power business

Grasim Industries Limited

NOTES:

1. Exceptional Items as included are as under:

Particulars	Three Months Ended			Nine Months Ended		Year Ended
	31-12-2020	30-09-2020	31-12-2019	31-12-2020	31-12-2019	31-03-2020
	(Unaudited)	(Unaudited) (Restated) (Refer Note 6)		(Unaudited)	(Unaudited) (Restated) (Refer Note 6)	(Audited) (Restated) (Refer Note 6)
₹ Crore						
Continued Operations :						
Order issued by the Hon'ble Supreme Court against the Subsidiary's claim of capital investment subsidy, under Rajasthan Investment Promotion Scheme -2003 {Note 5(a)}	-	(6.63)	-	(164.00)	-	-
Additional provision of Stamp duty and registration fees related to merger of erstwhile Aditya Birla Nuvo Limited with the Company {Note 5(b)}	-	-	-	(57.73)	-	-
Impairment of Assets in Subsidiary Company {Note 5(c)}	-	(329.10)	-	(329.10)	-	-
Impairment of Goodwill in Subsidiary Companies of Aditya Birla Capital Limited	-	-	-	-	-	(1,270.27)
Fixed Assets/ Capital WIP Write off	-	-	-	-	-	(17.66)
Contribution towards liquidation expenses and Impairment in value of investment in Aditya Birla Idea Payment Bank Limited	-	-	(10.20)	-	(119.53)	(118.12)
Exceptional Gain/(Loss) from Continued Operations	-	(335.73)	(10.20)	(550.83)	(119.53)	(1,406.05)
Tax Expense on above	-	2.82	6.45	55.87	58.85	56.64
Exceptional Gain/(Loss) [Net of Tax] from Continued Operations	-	(332.91)	(3.75)	(494.96)	(60.68)	(1,349.41)
Discontinued Operations :						
Gain on divestment of a stepdown subsidiary of UNCL. {Note 5(d)}	-	437.68	-	437.68	-	-
Fertilizers subsidy claims (Fixed cost claim approval and provision against claim of additional commercial tax)	-	-	-	-	-	23.95
Tax Expense on above	-	(0.26)	-	(0.26)	-	(8.38)
Exceptional Gain [Net of Tax] from Discontinued Operations	-	437.42	-	437.42	-	15.57

2. (a) As per the directives of the Central and State Governments in the wake of COVID-19 pandemic, the Company had suspended operations across its plants w.e.f. 25th March, 2020, except for Fertiliser business, where operations continued uninterrupted. During the quarter ended 30th June 2020, the Company resumed operations at all its' plants in accordance with the Government guidelines and is continuously in process of further scaling up the operations. The management believes that impact is short term and temporary in nature and there is no significant impact on recoverability of carrying value of its assets and future operations.

(b) Estimation uncertainty relating to COVID-19 global health pandemic in Aditya Birla Capital Limited (ABCL), a subsidiary of the Company:

The Group recognizes the need to make reasonable estimation of the economic impact of this pandemic on the obligation on account of policy liabilities, recoverability of Goodwill, repayment ability of its borrowers, and make additional provisions as considered appropriate, over-and-above the extant provisions as per the Group's ECL policy, for expected credit losses. The Group has segmented its portfolio basis various parameters to ascertain the likely detrimental impact on the credit risk in the portfolio as a result of the economic fallout of COVID-19 and basis its estimates, assumptions and judgements arrived at the additional provision required to take care of the expected credit loss in its financial results. Given the continued uncertainty over the potential macro-economic condition and the final decision of the Hon'ble Supreme Court in relation to NPA classification of accounts under moratorium, the impact of economic fallout of the COVID-19 on the carrying value of assets and obligations of the Group may be different from that expected as at the date of approval of these financial results. The Group will continue to closely monitor any material changes to future economic conditions and suitable adjustments as considered appropriate will be given in the respective future period.

3. Resolution Framework for COVID-19 related Stress in ABCL:

During the quarter ended 31st December, 2020, Lending businesses have provided resolution pertaining to COVID-19 pandemic related stress and otherwise to eligible borrowers with a total outstanding of ₹ 1,067 crore as of 31st December, 2020. The resolution offered to the borrowers is based on the parameters laid down in the resolution policy approved by the respective Board of Directors of the Lending Subsidiaries in accordance with the notifications issued by the Reserve Bank of India. For MSME loans, the implementation will continue till the deadline of 31st March, 2021.

4. Pursuant to the Taxation Laws (Amendment) Act, 2019, a new section 115BAA is inserted in the Income Tax Act, 1961, which provides an option to the domestic companies to pay income tax at lower rate subject to the giving up of certain incentives and deductions. The Company and its subsidiary Ultratech Cement Limited (UltraTech) is continuing to provide for income tax at old rates, based on the available outstanding MAT credit entitlement and various exemptions and deductions available under the Income Tax Act, 1961.

However, the Company and UltraTech had applied the lower income tax rates on the deferred tax assets / liabilities to the extent these were expected to be realised or settled in the future period when the Group may be subjected to lower tax rate and accordingly reversed opening net deferred tax liability with a one-time corresponding credit of ₹ 2,350.20 Crore under deferred tax during the year ended 31st March 2020, while some of its subsidiaries, joint ventures & associates have availed the option to pay income tax at the lower rate. Consequently, wherever applicable, the opening deferred tax asset/liabilities had been measured at the lower rate, with a one-time corresponding debit of ₹ 15.89 Crore and credit of ₹ 353.98 Crore under deferred tax and share in profit/(loss) of equity accounted investees to the Statement of Profit and Loss respectively for the period nine month ended 31st December 2019 and year ended 31st March 2020.

5. During the period, exceptional item represents:

- (a) an amount of ₹ 164 crore for nine months ended 31st December 2020 and ₹ 6.63 Crores for quarter ended 30th September 2020 booked as a one-time expense, upon receiving an order dated 17th July 2020, issued by the Hon'ble Supreme Court against the UltraTech's claim of capital investment subsidy, under Rajasthan Investment Promotion Scheme -2003.
- (b) an additional provision of Stamp duty and Registration fees amounting to ₹ 57.73 crore related to merger of erstwhile Aditya Birla Nuvo Limited with Company was made based on an order passed by Additional District Magistrate (UP) dated 13th July 2020.
- (c) One of the subsidiary of UltraTech has made an impairment provision of ₹ 57.92 crore towards old advances for purchase of certain land wherein the Company has reassessed its ability to recover such advances and impairment provision of ₹ 271.18 crores which has been made on a loan receivable (asset held for sale).
- (d) During the previous quarter, UltraTech Nathdwara Cement Limited ("UNCL") through its subsidiary, Krishna Holdings Pte. Ltd, ("Krishna"), a company incorporated in Singapore has completed the divestment of its entire equity shareholding of 92.5% in its cement subsidiary at a net consideration of USD 94.70 Mn. and recorded a net gain on divestment of ₹ 437.68 crore.

Grasim Industries Limited

6. **a.** UNCL's wholly owned subsidiary, Star Super Cement Industries LLC ("SSCILLC") was previously classified as 'held for sale'. During the current quarter, it has been decided to make it a part of the continuing operations considering the synergies available with the existing capacity. Consequently, the Group has changed its plan to sell SSCILLC and instead continued its business operations. UNCL has sold SSCILLC to UltraTech Cement Middle East Investments Limited ("UCMEIL"), which is a wholly owned subsidiary of the UltraTech, on 23rd November 2020. Accordingly, SSCILLC has ceased to be classified as 'held for sale' and the financial results of SSCILLC previously presented as discontinued operations have been reclassified as per Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations' and included in income from continuing operations for all periods presented and required adjustments have been made to the carrying amount of assets and liabilities of SSCILLC. Accordingly, consolidated financial results for the quarter and nine months ended 31st December, 2019, quarter ended 30th September 2020 and year ended 31st March, 2020 as included in this Statement have been restated.
- b.** The Company has entered into an agreement on 12th November, 2020 for transfer of its Fertilizer business (Indo Gulf Fertilizers unit), comprising of manufacture, trading and sale of inter alia urea, soil health products and other agri-inputs as a going concern, on a slump sale basis, to Indo Rama India Private Limited under a Scheme of Arrangement under sections 230-232 of the Companies Act, 2013. The transaction is subject to the approval of the shareholders and creditors of the Company, requisite regulatory approvals including from SEBI and the jurisdictional National Company Law Tribunals. Hence, the Company's Fertilizer business has been classified as discontinued operation in the quarter ended 31st December, 2020 with the transaction likely to be completed within one year from then. Accordingly, consolidated financial results for the quarter and nine months ended 31st December, 2019, quarter ended 30th September 2020 and year ended 31st March, 2020 as included in this Statement have been restated.
7. UltraTech had filed appeals against the orders of the Competition Commission of India (CCI) dated 31/08/2016 and 19/01/2017. Upon the NCLAT disallowing its appeal against the CCI order dated 31/08/2016, the Hon'ble Supreme Court has, by its order dated 05/10/2018, granted a stay against the NCLAT order. Consequently, UltraTech has deposited an amount of ₹ 144.95 Crores equivalent to 10% of the penalty amount. UNCL has also filed an appeal in the Hon'ble Supreme Court against a similar CCI order dated 31/08/2016 and has deposited an amount of ₹ 16.73 Crores equivalent to 10% of the penalty amount. UltraTech, backed by legal opinions, believes that it has a good case in said matters and accordingly no provision has been made in the accounts. During the quarter, officers from the CCI visited the UltraTech's premises seeking information for certain periods. UltraTech in process of providing the information sought by them and will co-operate for any further information that may be required. UltraTech presently believes that this does not have any material impact.
8. During the quarter, the Company has allotted 22,786 fully paid up equity shares of ₹ 2 each upon exercise of employee stock options.
9. The above Financial Results of the Company for the three months and Nine months ended 31st December, 2020 are reviewed by the Audit Committee and approved by the Board of Directors of the Company today.
10. Previous periods figures have been regrouped/rearranged wherever necessary to conform to the current period's classification.

Place : Mumbai
Date : 12th February, 2021

For and on behalf of Board of Directors

DILIP ROOPSINGH GAUR Digitally signed by DILIP ROOPSINGH GAUR
Date: 2021.02.12 13:32:43 +05'30'

Dilip Gaur
Managing Director

Grasim Industries Limited

Regd. Office: Birlagram, Nagda 456 331 (M.P.)

An Aditya Birla Group Company

www.adityabirla.com and www.grasim.com

Tel: (07366) 246760-66 | Fax: (07366) 244114, 246024 | CIN: L17124MP1947PLC000410

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Independent Auditor’s limited review report on unaudited quarterly and year to date consolidated financial results of Grasim Industries Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors
Grasim Industries Limited**

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Grasim Industries Limited (“the Parent”) and its subsidiaries (the Parent and its subsidiaries together referred to as “the Group”), its associates and joint ventures for the quarter ended 31 December 2020 and year to date from 1 April 2020 to 31 December 2020 (“the Statement”) attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“the Listing Regulations”).
2. This Statement, which is the responsibility of the Parent’s Management and approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) “Interim Financial Reporting” prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities mentioned in Annexure I to the statement.

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5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 10 and 11 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The statutory auditors of UltraTech Cement Limited ("UltraTech"), a subsidiary Company, without modifying their conclusion on the unaudited consolidated financial results of UltraTech have drawn attention to note 7 to the Statement which describes the following matters:
 - a. In terms of the Order issued by the Competition Commission of India ("CCI") against UltraTech including Demerged Cement Division of Century Textiles and Industries Limited ("Demerged Cement Division") dated 31 August 2016, the CCI had imposed penalty of Rs. 1,449.51 crores for alleged contravention of the provisions of the Competition Act, 2002 by UltraTech (including Demerged Cement Division). UltraTech (including Demerged Cement Division) had filed an appeal against the CCI Order before the Competition Appellate Tribunal ("COMPAT") which was subsequently transferred to the National Company Law Appellate Tribunal ("NCLAT"). In July 2018, NCLAT completed its hearing on the matter and disallowed the appeal filed by UltraTech (including Demerged Cement Division) against the CCI order. Aggrieved by the order of NCLAT, UltraTech (including Demerged Cement Division) has filed an appeal before the Honorable Supreme Court, which has granted a stay against the NCLAT order on the condition that UltraTech (and Demerged Cement Division) deposits 10% of the penalty amounting to Rs. 144.95 crores, which has been deposited. Based on a competent legal opinion obtained by UltraTech (and Demerged Cement Division), UltraTech believes that it has a good case in this matter. Considering the uncertainty relating to the outcome of this matter, no provision has been considered in the books of account.
 - b. In terms of order dated 19 January 2017, the CCI had imposed penalty of Rs. 68.30 crores pursuant to a reference filed by the Government of Haryana for alleged contravention of the provisions of the Competition Act, 2002 in August 2012 by UltraTech. UltraTech had filed an appeal before COMPAT and received the stay order dated 10 April 2017. Consequent to reconstitution of tribunals by the Government, this matter was transferred to the NCLAT for which hearing is pending. Based on a competent legal opinion, UltraTech believes that it has a good case in this matter. Considering the uncertainty relating to the outcome of this matter, no provision has been considered by UltraTech in the books of accounts.

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- c. Statutory auditors of UltraTech Nathdwara Cement Limited (“UNCL”), a wholly owned subsidiary of UltraTech have reviewed the financial information and without modifying their opinion on the unaudited consolidated financial results of UNCL for the period ended 31 December 2020 reported that in terms of the Order issued by the CCI against UNCL dated 31 August 2016, the CCI had imposed penalty of Rs. 167.32 crores for alleged contravention of the provisions of the Competition Act, 2002 by UNCL. UNCL had filed an appeal against the CCI Order before the COMPAT which was subsequently transferred to the NCLAT. In July 2018, NCLAT completed its hearing on the matter and disallowed the appeal filed by UNCL against the CCI order. Aggrieved by the order of NCLAT, UNCL has filed an appeal before the Honorable Supreme Court, which has granted a stay against the NCLAT order on the condition that UNCL deposits 10% of the penalty amounting to Rs. 16.73 crores, which has been deposited. Based on the legal opinion taken by UltraTech on a similar matter, UNCL believes that it has a good case in this matter. Considering the uncertainty relating to the outcome of this matter, no provision has been considered in the books of accounts of UNCL.

Our conclusion is not modified in respect of the above matters.

7. We draw attention to note 6(a) of the Statement, the statutory auditors of UltraTech, without modifying their conclusion on the unaudited consolidated financial results of UltraTech have explained that there has been a change of plan relating to UNCL’s wholly owned subsidiary, Star Super Cement Industries LLC (“SSCILLC”) which was previously classified as held for sale (and discontinued operations). During the current quarter, UltraTech has re-evaluated the decision to sell SSCILLC and instead decided to make it a part of the continuing operations considering the synergies available with the existing capacity. Consequently, UNCL has sold SSCILLC to UltraTech Cement Middle East Investments Limited (“UCMEIL”), which is a wholly owned subsidiary of UltraTech, on 23 November 2020. Accordingly, SSCILLC has ceased to be classified as 'held for sale' and the financial results of SSCILLC previously presented as discontinued operations have been reclassified as per Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations' and included in income from continuing operations for all periods presented and required adjustments have been made to the carrying amount of assets and liabilities of SSCILLC. Accordingly, consolidated financial results for the quarter and nine months ended 31 December 2019, quarter ended 30 September 2020 and year ended 31 March 2020 as included in this Statement have been restated.
8. We draw attention to note 2(b) of the Statement, the statutory auditors of Aditya Birla Capital Limited (“ABCL”), without modifying their opinion on the consolidated financial results of ABCL describes the continuing uncertainties arising from the COVID 19 pandemic. Our conclusion is not modified in respect of this matter.

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9. The statutory auditors of ABCL, a subsidiary company, without modifying their conclusion on the unaudited consolidated financial results of ABCL have stated that the determination of the following as at and for the quarter and nine months ended 31 December 2020 is the responsibility of the Group's Appointed Actuaries':
- a. The actuarial valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at 31 December 2020, in respect of subsidiary engaged in Life Insurance segment and the actuarial valuation of Claims Incurred But Not Reported ("IBNR"), Claims Incurred But Not Enough Reported ("IBNER") and Premium Deficiency Reserve ("PDR") as at 31 December 2020, in respect of subsidiary engaged in Health Insurance segment is the responsibility of the respective subsidiaries' Appointed Actuaries. In their respective opinions, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India (IRDAI) and the Institute of Actuaries of India in concurrence with the IRDAI. The charge of "Change in Valuation of Liabilities" includes charge for actuarial valuation of liabilities for life policies in force and charge for the policies in respect of which premium has been discontinued but liability exists as at 31 December 2020 and "Benefits Paid" includes the estimate of IBNR and IBNER. These charges have been actuarially determined, based on the liabilities duly certified by the respective subsidiaries' Appointed Actuaries; and
 - b. Other adjustments for the purpose of preparation of the Statement, as confirmed by the Appointed Actuaries in the Life Insurance and Health Insurance segments are in accordance with Indian Accounting Standard 104 on Insurance Contracts:
 - i. Assessment of contractual liabilities based on classification of contracts into insurance contracts and investment contracts;
 - ii. Valuation and Classification of Deferred Acquisition Cost and Deferred Origination Fees on Investment Contracts;
 - iii. Grossing up and classification of the Reinsurance Assets; and
 - iv. Liability adequacy test as at the reporting dates.

The auditors of ABCL and respective subsidiaries have relied upon the certificates of the Appointed Actuaries in respect of above matters in forming their conclusion on the interim financial results of the said subsidiaries.

Our conclusion is not modified in respect of the above matters.

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10. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of:

- a. 10 subsidiaries (including subsidiaries, associates and joint ventures of the said subsidiaries), whose unaudited interim financial results include total revenues of Rs 17,339.62 crores and Rs 44,073.05 crores, total net profit after tax of Rs. 1,809.46 crores and Rs. 4,215.49 crores and total comprehensive income of Rs. 1,861.54 crores and Rs. 4,273.99 crores, for the quarter and nine month period ended 31 December 2020 respectively, as considered in the Statement which have been reviewed either singly by one of us or jointly by one of us with other auditors or by other auditors, whose reports have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries is based solely on the report of the respective auditors and procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matter.
- b. 1 associate and 2 joint ventures of the Parent, whose unaudited interim financial results and other financial information include Group's share of net loss of Rs. 3.62 crores and Rs. 9.87 crores and Group's share of total comprehensive income of Rs. 16.13 crores and Rs. 40.87 crores for the quarter ended 31 December 2020 and for the period from 1 April 2020 to 31 December 2020 respectively, as considered in the Statement whose interim financial results and other financial information have been reviewed singly by one of us or by other auditors, whose reports have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these joint ventures and associate is based solely on the report of the respective auditors and procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matter.

The independent auditor's reports on interim financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries, joint ventures and associate is based solely on the report of such auditors and procedures performed by us as stated in paragraph above.

11. Certain of these joint ventures are located outside India whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the financial results of such joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent's management. Our conclusion in so far as it relates to the balances and affairs of such joint ventures located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Parent and reviewed by us.

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12. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of:
- a. 21 subsidiaries, whose interim financial results and other financial information reflect total revenues of Rs. Nil crores and Rs. Nil crores, total net profit after tax of Rs. 0.50 crores and Rs. 3.00 crores and total comprehensive income of Rs. 0.50 crores and Rs. 2.81 crores, for the quarter and nine months period ended 31 December 2020 respectively and;
 - b. 3 associates and 5 joint ventures, whose interim financial results includes the Group's share of net loss of Rs. 5.16 crores and Rs. 59.75 crores and Group's share of total comprehensive income of Rs. 13.74 crores and total comprehensive loss of Rs. 12.39 crores for the quarter and nine months period ended 31 December 2020 respectively.

The unaudited interim financial results and other unaudited financial information of these subsidiaries, joint ventures and associates have not been reviewed by their auditor(s) and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries, joint ventures and associates, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 10, 11 and 12 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial results certified by the Management.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

**VIKAS R
KASAT** Digitally signed by
VIKAS R KASAT
Date: 2021.02.12
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Vikas R Kasat
Partner
Membership No: 105317
UDIN: 21105317AAAABA6548

12 February 2021
Mumbai

For **S R B C & CO LLP**
Chartered Accountants
Firm's Registration No: 324982E/E300003

**Vijay
Maniar** Digitally signed by Vijay Maniar
DN: cn=Vijay Maniar,
email=Vijay.Maniar@srb.in
Date: 2021.02.12 13:41:35
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Vijay Maniar
Partner
Membership No: 36738
UDIN: 21036738AAAABW4018

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Annexure I to Auditor's Report**Name of the Entity**

1. Samruddhi Swastik Trading and Investments Limited
2. ABNL Investment Limited
(including its following component)

Subsidiary:

Sun God Trading and Investments Limited

3. Aditya Birla Renewables Limited
(Including its following components)

Subsidiaries:

Aditya Birla Renewables Subsidiary Limited
Aditya Birla Renewables SPV 1 Limited
Aditya Birla Utkal Limited (w.e.f 27 May 2019)
Aditya Birla Renewables Solar Limited (w.e.f 10 April 2020)
Aditya Birla Renewables Energy Limited (w.e.f 13 April 2020)
Aditya Birla Renewables SPV 2 Limited (w.e.f 28 December 2020)

Associates:

Waacox Energy Private Limited

4. Aditya Birla Solar Limited
5. Grasim Premium Fabric Private Limited
(formerly Suktas India Private Limited)
6. UltraTech Cement Limited (UltraTech)
(Including its following components)

Subsidiaries:

Dakshin Cements Limited (under striking off)
Harish Cement Limited
Gotan Lime Stone Khanij Udyog Private Limited
Bhagwati Limestone Company Private Limited
UltraTech Cement Middle East Investments Limited
(including its following components)

Subsidiaries:

Star Cement Co. LLC, Dubai
Star Cement Co. LLC, Ras-Al-Khaimah
Al Nakhla Crusher LLC, Fujairah
Arabian Cement Industry LLC, Abu Dhabi
UltraTech Cement Bahrain Company, WLL, Bahrain
(formerly known as Arabian Gulf Cement Co WLL)
Emirates Cement Bangladesh Limited, Bangladesh
(upto 5 December 2019)
Emirates Power Company Limited, Bangladesh
(upto 5 December 2019)
Star Super Cement Industries LLC
(formerly known as Binani Cement Factory LLC)
(Step down subsidiary of MHL and MKHL upto 30 September 2020)
(including its following components)

Subsidiaries:

Relationship

Wholly Owned Subsidiary
Wholly Owned Subsidiary

Wholly Owned Subsidiary

Wholly Owned Subsidiary
Wholly Owned Subsidiary

Subsidiary

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BC Tradelink Limited, Tanzania
 Binani Cement (Tanzania) Limited
 Binani Cement (Uganda) Limited
 (subsidiary of UCMIL from 1 December 2020)

PT UltraTech Investments, Indonesia
 (including its following components)

Subsidiaries:

PT UltraTech Mining, Sumatera
 PT UltraTech Cement, Indonesia

PT UltraTech Mining, Indonesia
 UltraTech Cement Lanka Private Limited
 UltraTech Nathdwara Cement Limited
 (including its following components)

Subsidiaries:

Murari Holdings Limited (MHL)
 Mukandan Holdings Limited
 (including its following components)

Subsidiaries:

Krishna Holdings PTE Limited
 Shandong Binani Rongan Cement Company Limited, China
 (upto 30 July 2020)

Swiss Merchandise Infrastructure Limited

Merit Plaza Limited

Bahar Ready Mix Concrete Limited (under striking off)
 (formerly known as Binani Ready Mix Concrete Limited)

Smooth Energy Private Limited (under striking off)
 (formerly known as Binani Energy Private Limited)

Bhumi Resources (Singapore) PTE Limited
 (including its following components)

Subsidiaries:

PT Anggana Energy Resources (Anggana), Indonesia

Associates:

Madanpur (North) Coal Company Private Limited

Aditya Birla Renewables SPV 1 Limited

Aditya Birla Renewables Energy Limited (w.e.f 13 April 2020)

Joint Venture:

Bhaskarpara Coal Company Limited

7. Aditya Birla Capital Limited

Subsidiary

(including its following components)

Subsidiaries:

Aditya Birla Finance Limited
 Aditya Birla Housing Finance Limited
 Aditya Birla Trustee Company Private Limited
 Aditya Birla PE Advisors Private Limited
 Aditya Birla Capital Technology Services Limited
 (formerly known as Aditya Birla MyUniverse Limited)
 Aditya Birla Finance Shared Services Limited
 Aditya Birla Money Limited
 Aditya Birla Money Mart Limited

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Aditya Birla Money Insurance Advisory Services Limited
 Aditya Birla Insurance Brokers Limited
 Aditya Birla Health Insurance Company Limited
 ABCAP Trustee Company Private Limited
 Aditya Birla Sun Life Insurance Company Limited
 Aditya Birla Sun Life Pension Management Limited
 Aditya Birla ARC Limited
 ABCSL-Employee Welfare Trust
 Aditya Birla Stressed Asset AMC Private Limited
 ABARC-AST-001-Trust
 Aditya Birla Special Situation Fund - I

Joint Ventures:

- | | |
|---|---------------|
| Aditya Birla Sun Life AMC Limited | |
| Aditya Birla Sun Life AMC (Mauritius) Limited, Mauritius | |
| Aditya Birla Sun Life AMC Pte. Limited, Singapore | |
| Aditya Birla Sun Life AMC Limited, Dubai | |
| Aditya Birla Sun Life Trustee Private Limited | |
| Aditya Birla Wellness Private Limited | |
| 8. AV Terrace Bay Inc., Canada | Joint Venture |
| 9. AV Group NB Inc., Canada | Joint Venture |
| 10. Aditya Birla Elyaf Sanayi Ve Ticaret Anonim Sirketi, Turkey | Joint Venture |
| 11. Aditya Group AB, Sweden | Joint Venture |
| 12. Aditya Birla Power Composites Limited
(w.e.f 15 October 2019) | Joint Venture |
| 13. Bhubaneswari Coal Mining Limited | Joint Venture |
| 14. Birla Jingwei Fibres Company Limited, China | Joint Venture |
| 15. Aditya Birla Science & Technology Company Private Limited | Associate |
| 16. Aditya Birla Idea Payment Bank Limited
(under liquidation w.e.f 18 September 2019) | Associate |

Indorama India Private Limited (Formerly known as IRC Agrochemicals Private Limited)
Special Purpose unaudited Condensed Interim Balance Sheet as at 31 December 2020

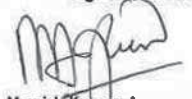
All amount in Rs. Lakhs, unless otherwise stated

Sl. No.	Particulars	Note	As at 31 December 2020	As at 31 March 2020
ASSETS:				
I. Non-current Assets				
	Property, Plant and Equipment	5A	35,442.07	25,685.28
	Capital Work-in-Progress	5C	1,682.53	5,488.15
	Right-of-use assets	5D	19,092.07	20,613.58
	Intangible Assets	5B	4,360.77	4,368.02
	Financial Assets			
	(i) Loans	6	506.46	462.01
	Non-Current Tax Assets (Net)	7	-	11.98
	Other Non Current Assets	8	123.29	797.71
	Total Non-Current Assets		61,207.19	57,426.73
Current Assets				
	Inventories	9	39,310.34	29,290.23
	Financial Assets			
	(i) Investments	10	-	5,500.07
	(ii) Trade Receivables	11	1,13,332.27	1,06,528.99
	(iii) Cash and Cash Equivalents	12	429.83	1,658.37
	(iv) Others Financial Assets	13	7,691.30	8,441.06
	Other Current Assets	14	4,611.79	4,921.36
	Asset Held for Disposal	15	-	-
	Total Current Assets		1,65,375.53	1,56,340.08
	TOTAL ASSETS		2,26,582.72	2,13,766.81
II. EQUITY AND LIABILITIES:				
Equity				
	Equity Share Capital	16 A	29,995.14	29,995.14
	Other Equity	16 B	65,951.16	36,634.10
			95,946.30	66,629.24
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
	(i) Lease Liabilities	17	19,403.91	20,437.99
	(iii) Other Financial Liabilities	18	1,853.73	886.21
	Provisions	19	1,224.32	1,090.28
	Deferred tax liabilities (Net)	20	4,762.22	3,999.82
	Non-Current Tax Liabilities (net)	21	268.36	-
	Total Non Current Liabilities		27,512.54	26,414.30
Current Liabilities				
Financial Liabilities				
	(i) Borrowings	22	62,123.35	85,391.57
	(ii) Lease Liabilities	23	1,213.24	1,053.25
	(iii) Trade Payables	24		
	(a) total outstanding dues of micro enterprises and small enterprises; and		142.18	199.58
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises		20,414.88	25,187.97
	(iv) Other Financial Liabilities	25	2,725.55	1,556.29
	Other Current Liabilities	26	9,081.24	5,586.83
	Provisions	27	171.36	87.83
	Current Tax Liabilities (net)	28	7,252.08	1,659.95
	Total Current Liabilities		1,03,123.88	1,20,723.27
	TOTAL EQUITY AND LIABILITIES		2,26,582.72	2,13,766.81

The accompanying Notes form an integral part of these Financial Statements.

This is the unaudited Condensed Interim Balance Sheet referred to in our report of even date.

For Indorama India Private Limited
(Formerly known as IRC Agrochemicals Private Limited)



Manish Kumar Agarwal
Chief Financial Officer and Authorized Signatory



Indorama India Private Limited (Formerly known as IRC Agrochemicals Private Limited)

Special Purpose unaudited Condensed Interim Statement of Profit and Loss for the Nine months ended 31st December 2020


All amount in Rs. Lakhs, unless otherwise stated

Sl. No.	Particulars	Note	Nine months ended 31 December 2020	Year ended 31 March 2020
INCOME				
I	Revenue from Operations	29	3,64,678.50	3,40,086.54
II	Other Income	30	2,641.80	1,659.83
III	Total Income		3,67,320.30	3,41,746.37
IV EXPENSES				
	Cost of Materials Consumed	31	1,47,636.84	1,66,824.51
	Purchases of Stock-in-Trade	32	1,34,236.45	96,499.74
	Changes in Inventories of Finished Goods and Stock-in-Trade	33	(3,883.22)	9,953.51
	Employee Benefit Expense	34	3,782.51	4,747.17
	Finance Costs	35	5,510.31	11,063.53
	Depreciation and Amortization Expense	36	3,768.69	5,541.91
	Other Expenses	37	42,517.62	35,276.54
	Total Expenses		3,33,569.20	3,29,906.92
V	Profit/(Loss) before Exceptional Items and Tax		33,751.10	11,839.46
VI	Exceptional Items		-	-
VII	Profit/(Loss) before Tax		33,751.10	11,839.46
VIII	Tax Expenses	38		
	1) Current Tax		9,333.74	3,976.96
	2) Deferred Tax		(662.63)	316.76
	Total Tax Expenses		8,671.11	4,293.72
IX	Profit (Loss) for the period		25,079.99	7,545.74
X	Other comprehensive income			
A(i)	Items that will not be reclassified to profit or loss	39		
	Re-measurement of Defined benefit plans		(67.98)	(148.35)
	Revaluation of property, plant and equipment		5,730.09	-
A(ii)	Income tax relating to items that will not be reclassified to profit or loss			
	Re-measurement of Defined benefit plans		17.11	37.34
	Revaluation of property, plant and equipment		(1,442.15)	-
B(i)	Items that will be reclassified to profit or loss (net of tax)		-	-
XI	Total Comprehensive Income for the period		29,317.07	7,397.39
XII	Earnings/(Loss) per Equity Share (in Rs.)(Face value of Rs.10 per Share)			
	1) Basic	40	8.36	2.52
	2) Diluted		8.36	2.52

The accompanying Notes form an integral part of these Condensed Interim Financial Statements.

This is the unaudited Condensed Interim Statement of Profit and Loss referred to in our report of even date.

For Indorama India Private Limited
(Formerly known as IRC Agrochemicals Private Limited)


Manish Kumar Agarwal
Chief Financial Officer and Authorized Signatory



Indorama India Private Limited (Formerly known as IRC Agrochemicals Private Limited)

Special Purpose unaudited Condensed Interim Statement of Cash Flow for the Nine months ended 31 December 2020

All amount in Rs. Lakhs, unless otherwise stated

	Nine months ended 31 December 2020	Year ended 31 March 2020
A. Cash Flow from Operating Activities		
Profit before tax for the Period	33,751.10	11,839.46
Adjustments for:		
Depreciation and amortization expenses	3,768.69	5,541.91
Finance Costs	5,510.31	11,063.53
Interest Income	(4.08)	(26.58)
Liabilities no longer required written back	(1,935.64)	(988.06)
Irrecoverable balances written off	342.51	-
Provision for expected credit loss	(355.23)	400.48
Property, Plant and Equipment Written Off	269.60	40.06
Impairment of Property, plant and equipment	546.05	-
Interest Income on Financial Assets measured at amortised cost	(13.23)	(16.45)
Unrealised Forex Loss / (Gain) [Net]	(5,023.87)	5,186.32
[Gain]Loss in Fair Value of Derivatives	1,950.68	(3,583.69)
[Gain]Loss in Fair Value of Investment	-	(0.07)
Profit on Sale of Investments	(124.11)	(91.23)
Operating Profit/ (Loss) before Working Capital Changes	38,682.78	29,365.68
Changes in Working Capital:		
(Increase) in Trade Receivables	(6,790.55)	19,381.68
Change in other Financial/Non Financial Assets	1,702.54	(3,809.56)
(Increase) in Inventories	(10,020.11)	20,347.82
Increase/(Decrease) in Trade payables	2,129.02	(14,830.90)
Change in Financial/Non-Financial Liabilities	1,876.46	10,914.61
Cash (used In) Operations	27,580.13	61,369.33
Direct Taxes (paid)/ refund	(3,771.29)	(2,354.54)
Net Cash (used In) Operating Activities	23,808.84	59,014.79
B. Cash Flow from Investing Activities		
Purchase of property, plant and equipment/Capital Work in Progress	(3,204.72)	(6,096.78)
Sale of property, plant and equipment	-	0.32
[Purchase]/Sale of Current Investment (net)	5,624.18	(5,408.77)
Interest received	4.08	26.58
Net Cash from Investing Activities	2,423.54	(11,478.65)
C. Cash Flow from Financing Activities		
Principal payment of lease Liabilities	(874.09)	(990.51)
Proceeds/(Repayment) of Short term borrowings to Banks	(21,335.20)	(35,614.19)
Finance Cost on leases	(1,416.68)	(1,964.33)
Finance Cost paid	(3,834.96)	(9,207.30)
Net Cash from / (used In) Financing Activities	(27,460.93)	(47,776.33)
Net Increase in Cash and cash equivalents [A+B+C]	(1,228.54)	(240.19)
[A+B+C]		
D. Cash and cash equivalents		
Net Increase in Cash and Cash Equivalents	(1,228.54)	(240.19)
Cash and cash equivalents at the Beginning	1,658.37	1,898.56
Cash and cash equivalents at the end of the Period	429.83	1,658.37

(1) Cash and cash equivalents consist of cash on hand and balance with banks and deposits with banks.

(i) Balance with Banks in

Current Account

Deposit accounts (with original maturity less than 3 months)

428.11

1,657.27

-

(ii) Cash on hand

Cash and cash equivalents as at 30 September (Refer Note 12)

1.72

1.10

429.83

1,658.37

The accompanying Notes form an integral part of these Financial Statements.

This is the unaudited Statement of Condensed Interim Cash Flow referred to in our report of even date.

For Indorama India Private Limited
(Formerly known as IRC Agrochemicals Private Limited)

Mahish Kumar Agarwal

Mahish Kumar Agarwal
Chief Financial Officer and Authorized Signatory



Indorama India Private Limited (Formerly known as IIC Agrochemicals Private Limited)
Notes to Unaudited Condensed Interim Financial Statements as of and for the Nine months ended 31 December, 2020

All amount in Rs. Lakhs, unless otherwise stated

5A Property, Plant & Equipment

Particulars	Gross Carrying Value					Depreciation				Net Carrying Value			
	As at 1 April 2020	Additions during the period	Addition on account of revaluation of PPE	Disposal/adjustments during the period	Adjustment of Accumulated Depreciation on account of Revaluation	Downward revaluation of PPE	As at 31 December 2020	As at 1 April 2020	For the period	Adjustment of Accumulated Depreciation on account of Revaluation	Disposal/adjustments during the period	As at 31 December 2020	As at 31 March 2020
Owned	159.25	1,307.33	12.75	3.55	1,054.61	344.19	172.00	796.20	357.37	1,054.61	0.01	172.00	159.25
Land, Freehold	6,947.54	1,120.51	4,596.84	451.39	6,810.53	201.86	27,973.04	5,715.64	1,830.61	6,810.53	186.05	7,874.08	6,151.34
Buildings	24,848.27	5,445.08	-	35.16	65.29	-	117.09	89.62	16.31	65.29	34.68	549.67	19,326.63
Plant & Machinery	134.53	83.01	-	1.20	66.81	-	79.60	57.61	14.22	66.81	1.19	111.13	44.91
Computers	108.43	38.98	-	0.55	35.92	-	69.06	29.87	7.88	35.92	0.12	75.76	51.02
Office Equipment	104.06	1.27	-	-	11.33	-	66.56	5.95	6.92	11.33	-	1.70	74.19
Furniture & Fixtures	77.89	-	-	-	-	-	-	-	-	-	-	1.54	71.94
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-
Under Finance Lease	-	-	-	-	-	-	-	-	-	-	-	-	-
Plant & Machinery-Finance Lease	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	32,380.17	7,075.65	5,730.09	491.44	8,044.48	546.05	36,103.74	6,694.89	2,233.29	8,044.48	222.03	43,147	25,885.28

5A Property, Plant & Equipment

Particulars	Gross Carrying Value					Depreciation				Net Carrying Value			
	As at 1 April 2019	Additions during the year	Reclassified on Right of use Assets	Disposal/adjustments during the year	Adjustment of Accumulated Depreciation on account of Revaluation	Downward revaluation of PPE	As at 31 March 2020	As at 1 April 2019	For the year	Reclassified on Right of use Assets	Disposal/adjustments during the year	As at 31 March 2020	As at 31 March 2019
Owned	159.25	792.11	16,481.77	53.70	-	-	159.25	383.87	415.98	-	3.65	159.25	159.25
Land, Freehold	6,209.13	232.41	-	53.65	-	-	6,441.54	2,715.31	3,015.70	-	15.37	6,151.34	5,825.26
Buildings	24,689.71	41.65	-	0.52	-	-	24,848.27	70.75	19.38	-	0.51	19,132.63	21,954.40
Plant & Machinery	93.40	9.31	-	0.25	-	-	134.53	30.08	27.77	-	0.24	44.91	22.65
Computers	99.57	5.37	-	-	-	-	108.63	17.22	12.65	-	-	51.02	69.49
Office Equipment	98.69	64.80	-	-	-	-	104.06	1.86	4.09	-	-	74.19	81.47
Furniture & Fixtures	13.09	-	-	-	-	-	77.89	1.86	-	-	-	71.94	11.23
Vehicles	-	-	-	-	-	-	-	-	-	-	-	5.95	-
Under Finance Lease	-	-	-	-	-	-	-	-	-	-	-	-	-
Plant & Machinery-Finance Lease	16,481.77	-	16,481.77	-	-	-	-	1,396.76	-	1,396.76	-	-	15,085.01
Total	47,824.61	1,145.65	16,481.77	108.32	-	-	32,380.17	4,615.65	3,495.57	1,396.76	19.77	43,994.89	43,208.74

i. Property, Plant and equipment taken on finance lease in earlier year has been reclassified to right of use assets as on 01st April 2019 on implementation of Ind AS 116.

ii. None of the above Property, Plant and equipment are pledged and hypothecated against borrowings.



Indorama India Private Limited (Formerly known as IIC Agrochemicals Private Limited)

Notes to unaudited Condensed Interim Financial Statements as of and for the Nine months ended 31 December, 2020

All amount in Rs. Lakhs, unless otherwise stated

58 Intangible Assets

Particulars	Gross Carrying Value						Depreciation			Net Carrying Value		
	As at 1 April 2020	Additions during the period	Added on Business Combination during the period	Disposal/adjustments during the period	Adjustment of Accumulated Depreciation on account of revaluation	Downward revaluation	As at 31 December 2020	As at 1 April 2020	For the period	Disposal/adjustments during the period	As at 31 December 2020	As at 31 March 2020
Computer Software	53.45	6.66	-	-	-	-	60.11	35.43	13.90	-	49.23	10.77
Trademarks	4,350.00	-	-	-	-	-	4,350.00	-	-	-	4,350.00	4,350.00
Total	4,403.45	6.66	-	-	-	4,410.11	35.43	13.90	-	49.33	4,340.77	4,348.02

58 Intangible Assets

Particulars	Gross Carrying Value						Depreciation			Net Carrying Value		
	As at 1 April 2019	Additional during the year	Added on Business Combination during the year	Disposal/adjustments during the Year	Reclassified as assets held for sale		As at 31 March 2020	As at 1 April 2019	For the year	Disposal/adjustments during the Year	As at 31 March 2020	As at 31 March 2019
Computer Software	53.45	-	-	-	-	-	53.45	17.76	17.67	-	35.43	18.02
Trademarks	4,350.00	-	-	-	-	-	4,350.00	-	-	-	4,350.00	4,350.00
Total	4,403.45	-	-	-	-	4,403.45	17.76	17.76	17.67	35.43	4,348.02	4,385.49



Indorama India Private Limited (Formerly known as IRC Agrochemicals Private Limited)

Notes to unaudited Condensed Interim Financial Statements as at and for the nine months ended 31 December, 2020

All amount in Rs. Lakhs, unless otherwise stated

5C Capital Work-in-Progress

	As of	As of
	31 December 2020	31 March 2020
Opening	5,488.15	503.06
Additions	3,146.79	6,009.61
Transferred to Property, Plant & Equipment/ Adjustments	6,952.41	1,024.52
Closing*	1,482.53	5,488.15

* Represents mainly plant and machinery which are under construction.

5D Right-of-use assets

	Land	Plant and Machinery	Total
Reclassified on Account of adoption of Ind As 116 as on 01.04.2019	-	16,481.77	16,481.77
On adoption of Ind As 116	-	-	-
At 31st March 2020	7,557.24	-	7,557.24
Additions/Adjustments	7,557.24	16,481.77	24,039.01
At 31st December 2020	7,557.24	16,481.77	24,039.01
Accumulated Depreciation	-	1,396.76	1,396.76
Reclassified on Account of adoption of Ind As 116 as on 01.04.2019	-	1,676.11	1,676.11
Depreciation charge for the year	352.56	3,072.87	3,425.43
At 31st March 2020	264.42	1,257.08	1,521.50
Depreciation charge for the period	616.98	4,329.96	4,946.94
At 31st December 2020	7,204.48	13,408.90	20,613.58
Net Book Value	6,940.26	12,151.82	19,092.07
At 31st March 2020	-	-	-
At 31st December 2020	6,940.26	12,151.82	19,092.07



All amount in Rs. Lakhs, unless otherwise stated

	As at 31 December 2020	As at 31 March 2020
6 Non-Current - Loans		
Unsecured, considered good		
Security Deposits*	506.46	462.01
	<u>506.46</u>	<u>462.01</u>
*Security Deposit are hypothecated to secure Short-term borrowings (Refer Note-22).		
7 Non-Current Tax Assets (Net)		
Advance Payment of Income Tax (net)	-	11.98
	<u>-</u>	<u>11.98</u>
8 Other Non Current Assets		
Capital Advances (refer note (a) below)		
Considered Good	90.55	783.75
Bank deposit against guarantee	20.22	-
Prepaid Expenses	12.52	13.96
	<u>123.29</u>	<u>797.71</u>
(a) Capital Advance are hypothecated to secure Short-term borrowings (Refer Note-22).		
9 Inventories: (at lower of cost or net realizable value)		
Raw Materials	28,987.70	23,238.28
Finished Goods	6,189.27	3,015.37
Stock-in-Trade	2,674.99	1,965.67
Stock-in-Trade -SIT	-	-
Stores and Spares	1,166.26	892.33
Packing Material	292.12	178.58
	<u>39,310.34</u>	<u>29,290.23</u>
(a) Inventories are hypothecated to secure Short-term borrowings (Refer Note-22).		

10 Current Investments

Particulars	Face Value per share / unit (₹)	As at 31st December 2020		As at 31 st March 2020	
		Shares/Units	Amount	Shares/Units	Amount
<i>(fully paid-up unless otherwise stated)</i>					
INVESTMENT AT FAIR VALUE THROUGH PROFIT OR LOSS					
Investments in Mutual Funds (Quoted)					
AXIS Overnight Fund Direct Growth	1,000		-	5,21,077.934	5,500.07
			-		<u>5,500.07</u>
Aggregate Book Value of Quoted Investments			-		5,500.07
Aggregate Fair Value of Quoted Investments			-		5,500.07



	As at 31 December 2020	As at 31 March 2020
11 Current - Trade Receivables		
Secured, Considered good	-	-
Unsecured, Considered Good (Including Subsidy receivable from Govt. Rs. 109070.68 Lakhs (31st March'2020: Rs. 80,479.18 Lakhs))	1,13,332.27	1,06,528.99
Trade Receivables which have significant increase in Credit Risk	-	-
Unsecured, Credit impaired	45.25	400.48
Less: Allowance for expected credit loss	(45.25)	(400.48)
	<u>1,13,332.27</u>	<u>1,06,528.99</u>
Movement of Impairment allowances for doubtful debts		
Particulars	As at 31 December 2020	As at 31 March 2020
Balance at the beginning of the year	(400.48)	-
Recognized during the period	(45.25)	(400.48)
Reversal during the period	400.48	-
Balance at the end of the period	<u>(45.25)</u>	<u>(400.48)</u>
(a) Trade receivables are hypothecated to secure Short-term borrowings (Refer Note-22).		
(b) No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Further, no trade or other receivable are due from firms or private companies respectively in which any director is a partner, or director or member.		
(c) There is no amount receivable from related parties as on December 31, 2020 and 31st March'2020.		
12 Cash and cash equivalents		
Balance with Banks (In Current Account & Cash Credit Account) in Current Account	428.11	1,657.27
Cheque in Hand	-	-
Cash on hand	1.72	1.10
	<u>429.83</u>	<u>1,658.37</u>
(a) There is no repatriation restriction with regard to cash and cash equivalents at the end of reporting period and prior periods.		
13 Other Current Financial Assets		
Derivative Assets at fair value through profit and loss	-	3,583.69
Indirect Tax Refundable	7,691.30	4,857.57
	<u>7,691.30</u>	<u>8,441.06</u>
14 Other Current Assets		
Advances other than Capital Advances		
Advance payments to Vendor	740.65	224.45
Other Advances		
Employee Advance	24.63	18.32
Prepaid Expenses	231.19	228.99
Recoverable taxes from government authorities	3,515.32	4,449.60
	<u>4,611.79</u>	<u>4,921.36</u>
(a) Other Advance are hypothecated to secure Short-term borrowings (Refer Note-22).		
15 Asset Held for Disposal		
Property, plant and equipment - Reclassified as Asset held for disposal.	-	350.90
Less: Sold during the year	-	(350.90)
	<u>-</u>	<u>-</u>



Indorama India Private Limited (Formerly known as IRC Agrochemicals Private Limited)
Notes to unaudited Condensed Interim Financial Statements as at and for the
Nine months ended 31 December, 2020

All amount in Rs. Lakhs, unless otherwise stated

	As at 31 December 2020	As at 31 March 2020
16 Equity Share Capital and Other Equity		
A Equity Share Capital		
Authorised		
100,00,00,000 Equity Shares (31st March 2020: 100,00,00,000) of Rs.10/- each	1,00,000.00	1,00,000.00
Issued, Subscribed and Paid-up		
29,99,51,427 Equity Shares (31st March 2020 : 29,99,51,427) of Rs.10/- each fully paid up	29,995.14	29,995.14

	As at 31 December 2020		As at 31 March 2020	
	Number of Shares	Amount	Number of Shares	Amount
Equity shares outstanding at the beginning of the period	29,99,51,427	29,995.14	29,99,51,427	29,995.14
Add : Shares allotted	-	-	-	-
Equity shares outstanding at the end of the period	29,99,51,427	29,995.14	29,99,51,427	29,995.14

(b) Details of shareholders holding more than 5% Equity shares in the Company and shares held by Holding Company on reporting date:

	As at 31 December, 2020		As at 31 March, 2020	
	Number of Shares Held	Percentage of Holding	Number of Shares Held	Percentage of Holding
M/s Indorama Holdings B.V.	29,99,51,426	99.99	29,99,51,426	99.99

c) The Company has one class of issued shares i.e., equity shares having par value of ₹ 10 per share. Each holder of ordinary shares is entitled to one vote per share. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held.

d) The Holding Company is M/s Indorama Holdings B.V. and Ultimate Holding Company is Indorama Corporation Pte. Ltd

e) The Company has been incorporated on 26th September, 2017 and no shares have been bought back since then.

f) No shares have been reserved for issue under options and contracts / commitments for the sale of shares / divestment as at the balance sheet date.

g) No convertible securities have been issued by the Company during the period.

h) No calls are unpaid by any Director and officer of the Company during the period.

B Other Equity

Reserves and Surplus		
Capital Reserve	21,837.56	21,837.56
Retained Earnings	39,994.70	14,796.54
Revaluation of property, plant and equipment	4,118.90	-
Total	65,951.16	36,634.10

Capital Reserve [Refer (a) below]		
Balance at the beginning of the year	21,837.56	19,597.11
Add: Adjustment for Remeasurement of Deferred Tax on adoption of new tax regime	-	2,240.45
Balance at the end of the period	21,837.56	21,837.56

Retained Earnings		
Balance at the beginning of the year	14,796.54	7,361.81
Add : Net (Loss) / Profit after Tax transferred from Statement of Profit and Loss	25,079.99	7,545.74
Less: Remeasurement Gain/ (Loss) of defined benefit Plan (net of tax)	(50.87)	(111.01)
Add : Transfer of Depreciation on Revaluation	169.04	-
Net Surplus	39,994.70	14,796.54
Balance as at the end of the period	39,994.70	14,796.54

Revaluation of property, plant and equipment (net of tax)		
Balance at the beginning of the year	-	-
On account of Revaluation of PPE (net of tax)	4,287.94	-
Transfer of Depreciation on Revaluation	(169.04)	-
Balance at the end of the period	4,118.90	-
Total	65,951.16	36,634.10

Nature and purpose of Reserves

(a) Capital Reserve represents amount arisen pursuant to Business Combination in the financial year 2018-19 and consequent impact on the adoption of new tax regime.

(b) Retained earnings generally represents undistributed profit/amount of accumulated earnings of the Company.



17 Lease liabilities

	Non-current		Current		Total	
	As at 31 December 2020	As at 31 March 2020	As at 31 December 2020	As at 31 March 2020	As at 31 December 2020	As at 31 March 2020
Lease Obligation	19,403.91	20,437.99	1,213.24	1,053.25	20,617.16	21,491.24
	<u>19,403.91</u>	<u>20,437.99</u>	<u>1,213.24</u>	<u>1,053.25</u>	<u>20,617.16</u>	<u>21,491.24</u>

18 Other Financial Liabilities

Security Deposit Received						
From Vendor					115.60	107.60
From Customer					1,738.13	778.61
					<u>1,853.73</u>	<u>886.21</u>

19 Non Current Provisions

Provision for Employee Benefits						
Leave					693.95	624.42
Gratuity					472.10	414.31
Long Service Award					58.26	51.55
					<u>1,224.32</u>	<u>1,070.28</u>

20 Deferred tax assets and liabilities (net)

Particulars	As at 1 April 2020	Charge/ (Credit) recognised due to adoption of New Tax Regime with effect from 01.04.2019		Charge/ (Credit) recognised in Profit or Loss	Charge/ (Credit) recognised in other comprehensive Income	As at 31 December 2020
		Transferred to Capital Reserve	Profit & Loss			
Deferred tax liabilities						
Property, plant and equipments including intangible assets	4,772.86	-	-	(436.80)	1,442.15	5,778.21
Total	4,772.86	-	-	(436.80)	1,442.15	5,778.21
Deferred tax assets						
Derivatives Instruments designated at fair value through Profit & Loss	66.53	-	-	(122.62)	-	(56.09)
Lease obligation	(458.95)	-	-	(155.20)	-	(614.15)
Provisions - employee benefits U/s 43B of Income Tax Act	(279.83)	-	-	(37.42)	(17.11)	(334.36)
Provision for Doubtful Debt	(100.79)	-	-	89.40	-	(11.39)
Total	(773.04)	-	-	(225.83)	(17.11)	(1,015.99)
Net deferred tax liabilities / (assets)	3,999.82	-	-	(662.63)	1,425.04	4,762.22

20 Deferred tax assets and liabilities (net)

Particulars	As at 1 April 2019	Charge/ (Credit) recognised due to adoption of New Tax Regime with effect from 01.04.2019		Charge/ (Credit) recognised in Profit or Loss*	Charge/ (Credit) recognised in other comprehensive Income	As at 31 March 2020
		Transferred to Capital Reserve	Profit & Loss			
Deferred tax liabilities						
Property, plant and equipments including intangible assets	7,312.39	(2,299.33)	253.60	(493.80)	-	4,772.86
Total	7,312.39	(2,299.33)	253.60	(493.80)	-	4,772.86
Deferred tax assets						
Derivatives Instruments designated at fair value through Profit & Loss	(779.34)	-	218.03	627.84	-	66.53
Lease obligation	(288.78)	-	80.79	(250.96)	-	(458.95)
Provisions - employee benefits U/s 43B of Income Tax Act	(283.42)	58.88	20.41	(36.36)	(37.34)	(279.83)
Provision for Doubtful Debt	-	-	-	(100.79)	-	(100.79)
Total	(1,351.54)	58.88	319.23	237.78	(37.34)	(773.04)
Net deferred tax liabilities / (assets)	5,940.85	(2,240.45)	572.83	(256.02)	(37.34)	3,999.82

* Includes Rs.511.75 lakhs related to earlier years

21 Non-Current Tax Liabilities (net)

Non-Current Tax Liabilities (net)					268.34	-
					<u>268.34</u>	<u>-</u>



	As at 31 December 2020	As at 31 March 2020
22 Current - Borrowings		
Secured - From Banks		
(i) Buyer's credit	-	48,492.25
(ii) Supplier's credit	48,823.35	13,499.32
(iii) Working Capital Demand Loans	13,300.00	23,400.00
	<u>62,123.35</u>	<u>85,391.57</u>
23 Lease Liabilities		
Current Maturities of Lease Obligations	1,213.24	1,053.25
	<u>1,213.24</u>	<u>1,053.25</u>
24 Current - Trade Payables		
Payable for Goods & Services		
Dues to Micro and Small Enterprises	142.18	199.58
Dues to other than Micro and Small Enterprises	20,414.88	25,187.97
	<u>20,557.06</u>	<u>25,387.55</u>
25 Other Financial Liabilities, Current		
Derivative Instruments of fair value through Profit & Loss	1,950.68	-
Employees related liabilities	536.73	645.56
Interest accrued but not due on borrowings	15.86	67.22
Payable to Capital Creditor	222.28	843.51
	<u>2,725.55</u>	<u>1,556.29</u>
26 Other Current Liabilities		
Customer refund liability (a)	8,164.92	4,842.95
Contract Liabilities - Advance from Customers	525.22	334.21
Statutory Liabilities (includes Tax Deducted at Source, Provident Fund, Employee State Insurance etc.)	391.10	409.67
	<u>9,081.24</u>	<u>5,586.83</u>
(a) Customer refund liability are in the nature of discount payable to the Customers under various schemes.		
27 Current Provisions		
Provision for Employee Benefits		
Leave	162.45	73.13
Long Service Award	8.91	14.70
	<u>171.36</u>	<u>87.83</u>
28 Current Tax Liabilities (Net)		
Current Tax Liabilities (Net)	7,252.08	1,659.95
	<u>7,252.08</u>	<u>1,659.95</u>



Indorama India Private Limited (Formerly known as IRC Agrochemicals Private Limited)

**Notes to unaudited Condensed Interim Financial Statements as at and for the
Nine months ended 31 December, 2020**

All amount in Rs. Lakhs, unless otherwise stated

	For the Nine months ended 31 December 2020	For the year ended 31 March 2020
29 Revenue from Operations		
(a) Sale of Products*		
Manufactured Goods	1,93,548.32	2,16,032.29
Traded Goods	1,70,941.45	1,23,796.03
Total	3,64,489.77	3,39,828.32
(b) Other Operating Revenues		
Market Development Fees	135.78	225.66
Scrap Sales	52.95	32.56
Total	188.73	258.22
Total revenue from operations (a+b)	3,64,678.50	3,40,086.54
*Revenue from operations includes subsidy income of Rs. 1,16,385.23 lakhs (31st March'2020: Rs. 1,05,870.73 lakhs)		
30 Other Income		
(a) Interest Income		
On Bank Deposits	0.22	-
On Financial Assets measured at amortised cost	13.23	16.45
Others	4.08	26.58
(b) Other Non-Operating Income		
Gain/ (Loss) on Current Investments measured at FVTPL (Net)		
- On Sale of Investment (i)	124.11	91.23
- On change of Fair Value of Financial Assets	-	0.07
Service Charges	290.31	422.27
Liabilities no longer required written back	1,935.64	988.06
Others	274.21	115.17
	2,641.80	1,659.83
(i) Profit on sale of current investment is related to gain against sale of Debt instruments-Mutual Fund.		
(ii) Other Non-Operating Income-Others includes mainly amount of Rs.142.77 lakhs (31st March'2020: Rs.97.31 lakhs) related to Duty Scrips benefits.		
31 Cost of Materials Consumed		
Raw Materials Consumed	1,47,636.84	1,66,824.51
	1,47,636.84	1,66,824.51
32 Purchases of Stock-In-Trade		
Purchase of Traded Goods	1,34,236.45	96,499.74
	1,34,236.45	96,499.74



Indorama India Private Limited (Formerly known as IRC Agrochemicals Private Limited)Notes to unaudited Condensed Interim Financial Statements as at and for the
Nine months ended 31 December, 2020

All amount in Rs. Lakhs, unless otherwise stated

	For the Nine months ended 31 December 2020	For the year ended 31 March 2020
33 Changes in Inventories of Finished Goods and Stock-in-Trade		
Opening Stock		
Finished Goods	3,015.37	7,829.69
Stock-In-Trade	<u>1,965.67</u>	<u>7,104.86</u>
	<u>4,981.04</u>	<u>14,934.55</u>
Less : Closing Stock		
Finished Goods	6,189.27	3,015.37
Stock-In-Trade	<u>2,674.99</u>	<u>1,965.67</u>
	<u>8,864.26</u>	<u>4,981.04</u>
(Increase)/ Decrease in Stock	<u>(3,883.22)</u>	<u>9,953.51</u>
34 Employee benefit expenses		
Salaries and Wages	3,264.64	4,057.71
Contribution to Provident and Other Funds	228.49	286.44
Staff Welfare Expenses	<u>289.38</u>	<u>403.02</u>
	<u>3,782.51</u>	<u>4,747.17</u>



Indorama India Private Limited (Formerly known as IRC Agrochemicals Private Limited)
Notes to unaudited Condensed Interim Financial Statements as at and for the Nine months ended 31 December, 2020

	All amount in Rs. Lakhs, unless otherwise stated	
	For the Nine months ended	For the year ended
	31 December 2020	31 March 2020
35 Finance Costs		
Borrowing Cost relating to:		
Banks	1,056.96	4,769.43
Lease	1,416.68	1,964.33
Interest on Income Tax	310.03	39.12
Applicable loss on foreign currency transaction and translation	2,726.64	4,290.65
	<u>5,510.31</u>	<u>11,063.53</u>
36 Depreciation and amortisation expense		
Depreciation Expense on Property, Plant and Equipment	2,233.29	3,495.57
Amortisation Expense on Intangible Assets	13.90	17.67
Depreciation Expense on Right-of-use assets	1,521.50	2,028.67
	<u>3,768.69</u>	<u>5,541.91</u>
37 Other Expenses		
Consumption of Stores and Spare Parts	624.51	850.57
Consumption of Packing Materials	3,379.59	3,316.72
Power and Fuel	2,435.84	2,965.64
Rent		
Godown & Warehouse	1,216.00	1,973.35
Leasehold Land	45.59	69.06
Machinery & Equipment Hire	170.42	222.36
Charges		
Office	49.04	53.34
Repair & Maintenance		
Buildings	65.83	0.63
Machinery	835.81	967.60
Others	339.84	0.49
Insurance Expenses	341.98	356.44
Rates and Taxes, Excluding Taxes on Income	121.09	156.21
Bank Charges	340.50	303.20
Material Handling Expenses	655.25	829.52
Freight and Selling Expenses	22,190.06	20,793.45
Sales promotion expenses	540.70	644.28
[Gain/Loss on Foreign Currency transaction and translation	2,134.25	2,357.17
Provision for expected credit loss	(355.23)	400.48
[Gain/Loss on Fair Value of Derivatives Instruments through Profit & Loss	1,930.68	(3,583.69)
Payment to Auditors	86.98	86.53
Legal & professional charges	284.07	263.32
ROC Filing Fees	-	0.31
House keeping & security expenses	226.78	308.83
Travelling expenses including director's travelling	77.06	329.67
Agronomists expenses	238.44	278.14
Corporate Social Responsibility expenses	226.42	74.41
Impairment of Property, plant and equipment	546.05	-
Irrecoverable balances written off	342.51	-
Miscellaneous Expenses	3,407.58	1,258.51
	<u>42,517.62</u>	<u>35,276.54</u>
38 Tax Expenses		
Current Tax	9,333.74	3,976.96
Deferred tax expenses/ (credit)		
In respect of Current period	(662.63)	(767.82)
In respect of earlier year	-	511.75
Changes due to adoption of new tax regime	-	572.83
	<u>(662.63)</u>	<u>316.74</u>
Total	<u>8,671.11</u>	<u>4,293.72</u>



Reconciliation of tax expense and accounting profit multiplied by Indian domestic tax rate		
Particulars	For the Nine months ended 31 December 2020	For the year ended 31 March 2020
Profit before tax from operations	33,751.10	11,839.46
Tax using the Company's domestic tax rate 25.168%	8,494.48	2,979.75
Tax effect of :-		
Adjustment for Remeasurement of Deferred Tax on adoption of new tax regime	-	572.83
Deferred tax of earlier year	-	511.75
Due to other adjustments	174.63	229.39
Tax Expense recognised in profit or loss	8,671.11	4,293.72

**39 Other Comprehensive Income
Items that will not be reclassified to
profit or loss**

	For the Nine months ended 31 December 2020	For the year ended 31 March 2020
Remeasurements of the Defined Benefit Plans (net of tax)	(50.87)	(111.01)
Revaluation of property, plant and equipment (net of tax)	4,287.94	-
	4,237.07	(111.01)

40 Earning / (Loss) Per Equity Share

	For the Nine months ended 31 December 2020	For the year ended 31 March 2020
(I) Basic		
a. (Loss) / Profit After Tax (Rs. In lakhs)	25,079.99	7,545.74
b. (i) Number of Equity Shares at the Beginning of the Year	29,99,51,427	29,99,51,427
(ii) Number of Equity Shares at the End of the Period	29,99,51,427	29,99,51,427
(iii) Weighted Average Number of Equity Shares Outstanding During the Period	29,99,51,427	29,99,51,427
(iv) Face Value of each Equity Share (Rs.)	10	10
c. Basic Earning / (Loss) per Share [a / (b)(iii)] (Rs.)	8.36	2.52
(II) Diluted		
a. Dilutive Potential Equity Shares	-	-
b. Weighted Average number of Equity Shares for computing Dilutive Earning / (Loss) per Share	29,99,51,427	29,99,51,427
c. Diluted Earning / (Loss) per Share [same as (I)(c) above] (Rs.)	8.36	2.52



Abridged Prospectus

This is an Abridged Prospectus prepared in connection with the proposed Scheme of Arrangement between Grasim Industries Limited (hereinafter referred to as “Transferor Company” or “Grasim”), and Indorama India Private Limited (hereinafter referred to as “Transferee Company” or “IIPL”) and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 (“Scheme”).

INDORAMA INDIA PRIVATE LIMITED

Indorama India Private Limited (“IIPL”) was incorporated as IRC Agrochemicals Private Limited on 26th September, 2017 under the Companies Act, 2013. The Corporate Identification Number of the Company is U74999WB2017FTC222920. The name of the Company was changed from “IRC Agrochemicals Private Limited” to “Indorama India Private Limited” w.e.f. 18th February, 2020.

Corporate and Registered Office: Ecocentre EM-4, 12th Floor, Unit No. ECSL, Sector V, Salt Lake, Kolkata- 700 091, West Bengal

Tel.: +91 33 6634 3100, **Fax:** +91 33 6634 3102, **E-mail:** indorama.secretarial@indorama.co
Contact Person: Mr. Manish Kumar Agarwal

Promoter of Indorama India Private Limited: Indorama Holdings B.V. (IHBV) Limited

Please ensure that you also read the Scheme approved by the Audit Committee, Committee of Independent Directors and Board of Directors of Grasim Industries Limited vide their respective resolutions dated 12.11.2020 and Audit Committee and Board of Directors of Indorama India Private Limited vide their respective resolutions dated 21.11.2020.

The shareholders are advised to retain a copy of the Abridged Prospectus for their future reference.

FOR PRIVATE CIRCULATION TO THE SHAREHOLDERS OF GRASIM INDUSTRIES LIMITED ONLY. NOTHING IN THIS ABRIDGED PROSPECTUS CONSTITUTES AN OFFER OR AN INVITATION BY OR ON BEHALF OF EITHER GRASIM OR IIPL TO SUBSCRIBE OR PURCHASE ANY OF THE SECURITIES OF IIPL.

THIS ABRIDGED PROSPECTUS CONTAINS 9 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

ABRIDGED PROSPECTUS

This document is prepared to comply with the requirement of Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (as amended from time to time, ‘SEBI Circular’), and sets out the disclosures in an abridged prospectus format as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (‘SEBI ICDR Regulations’), to the extent applicable. This Abridged



Prospectus does not purport to include complete information of IIPL, including its business, operations, assets and liabilities.

There is no issue/ transfer of shares by any entity, including the Transferor Company and the Transferee Company under the Scheme. Further, the shares of the Transferee Company shall not be listed pursuant to the Scheme. Accordingly, there shall be no price band or minimum bid lot size applicable, the eligibility conditions under Regulations 6(1) and 6(2) of the SEBI ICDR Regulations are not applicable and the procedures set out under the General Information Document will not be applicable. The requirements with respect to General Information Document are not applicable and this Abridged Prospectus should be read accordingly.

This Abridged Prospectus dated 01.03.2021 should be carefully read together with the Scheme and the notice being sent to the shareholders/ creditors of Grasim. The Scheme would also be available on the websites of Grasim, BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) at www.grasim.com, www.bseindia.com and www.nseindia.com respectively.

The Scheme is subject to the approvals from the applicable statutory and regulatory authorities, such as, among other, the National Company Law Tribunal ("NCLT") and shall come into effect from the Effective Date, as defined in the Scheme. Given that the Scheme requires approval of various regulatory authorities including, the NCLT, the time frame cannot be established with certainty. However, the Scheme provides that the Long Stop Date shall mean February 12, 2022, or such other date as may be mutually agreed in writing between the Parties.

GENERAL RISK

Shareholders are advised to read the risk factors carefully in relation to the Scheme. Specific attention of the shareholders is invited to the statement of Risk Factors appearing in the Abridged Prospectus. No shares are being issued pursuant to the Scheme of Arrangement. This Abridged Prospectus under the Scheme have not been recommended or approved by the Securities and Exchange Board of India (SEBI), nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of the investors is invited to the section titled "Risk Factors" at page 7 of this Abridged Prospectus.

COMPANY'S ABSOLUTE RESPONSIBILITY

The Transferee Company (Indorama India Private Limited), having made all reasonable inquiries, accepts responsibility for and confirms that the Abridged Prospectus contains all information with regard to Transferee Company, which is material in the context of the Scheme, that the information contained in the Abridged Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which will make the Abridged Prospectus as a whole, or any of such information or the expression of any such opinions or intentions, misleading in any material respect.



GENERAL INFORMATION

Statutory Auditor of the Transferee Company

Singhi & Co., (Reg No 304153E)

Chartered Accountants,

161, Sarat Bose Road,

Kolkata – 700 026

Tel.: +91 33 2419 6000

E-mail: kolkata@singhico.com

Website: www.singhico.com

Merchant Banker for Due Diligence*:



VC Corporate Advisors Private Limited

CIN: U67120WB2005PTC106051

SEBI REGN No.: INM000011096

Validity of Registration: Permanent

(Contact Person: Ms. Urvi Belani)

31 Ganesh Chandra Avenue, 2nd Floor,

Suite No. –2C, Kolkata-700 013

Tel. No.: 033- 2225 3940;

Fax No.: 033 2225 3941

Email Id: mail@vccorporate.com

Website: www.vccorporate.com

** The price information of the Merchant Banker is not relevant since this Abridged Prospectus is being issued in relation to a Scheme.*

Appointment of the Registrar, Syndicate Members, Credit Rating Agency, Debenture Trustee, Self-Certified Syndicate Banks and Non-Syndicate Registered Brokers is not applicable.

PROMOTER OF INDORAMA INDIA PRIVATE LIMITED

Indorama Holdings B.V. (IHBV) the Holding Company of Indorama India Private Limited was incorporated in Netherlands on 13-07-2012. The registered office of Indorama Holdings B.V., is at Beursplein 37, Unit no-406, 4th Floor, Postbus 30065, 3001 DB Rotterdam, 3011 AA Rotterdam, Netherlands with the RSIN as 85182552 and Establishment No. as 000025329243. The equity shares of IHBV are not listed on any stock exchanges. IHBV is presently holding 299,951,426 equity shares of the Transferee Company. IHBV is an investment holding company, having investments in subsidiaries engaged in the business of manufacturing petrochemicals and fertilisers in Nigeria, Senegal, and the USA. For more information in relation to IHBV, please refer to its website : www.indorama.com



JOINT VENTURES/ ASSOCIATES, GROUP COMPANIES AND SUBSIDIARIES,

Joint Venture/ Associate Company: Nil

Group Company: Nil

Subsidiary Company: Nil

BUSINESS OVERVIEW AND STRATEGY OF INDORAMA INDIA PRIVATE LIMITED

I IPL manufactures and markets phosphatic and speciality fertilizers to the farming community in India. I IPL is a part of Indorama Corporation, a multinational group having businesses in diversified sectors such as polymers, chemicals, fertilizers and other downstream sectors operating in 35 countries across the Globe. I IPL markets its products in the brand name 'Paras'. Paras continues to be a leading brand for over last 30 years in the Eastern region of the country enjoying farmers' strong patronage. The Brand Equity Index (BEI) at 7.6 (AC Nielsen, 2018) is World class. Paras is highly preferred by farmers for its quality offering, focussed and devoted customer service resulting in customer delight. Strongly promoting balanced fertilizer usage for crop nutrition, I IPL provides various fertilizers such as Muriate of Potash (MOP), Di-Ammonium Phosphate (DAP), Single Super Phosphate (SSP) and other Complex fertilizers(NPKs) providing primary nutrients namely Nitrogen, Phosphorus and Potash. It also provides Secondary Nutrients such as Calcium Nitrate, Micronutrients such as Zinc and Boron, Plant growth Regulators, Organic fertilizers to nourish variety of crops and improve soil health through its product offerings.

Upon the Scheme becoming effective, the Divestment Business Undertaking (as defined in the Scheme) of the Transferor Company will be transferred to the Transferee Company, which will benefit from the vibrant and growing agricultural sector in the country. This will create value for shareholders of the Transferee Company on acquisition of the Divestment Business Undertaking, which is ready-to-use assets, and reducing time to markets, and also allow the expansion of the range of the products offered by the Transferee Company and its affiliates in India.

This acquisition will enable I IPL to add scale, breadth and capabilities to offer a complete range of agri-inputs to its farmer consumer base in Eastern, Northern and Central India. Upon the Scheme becoming effective, Shaktiman and the Paras brands will be able to join hands to offer a complete range of products for our farmers including urea, phosphate fertilizers, potash, soil health products, seeds, and crop protection products. We are excited about this union and believe it will facilitate greater access and development of high quality agri inputs for the farming community."



DETAILS OF BOARD OF DIRECTORS OF INDORAMA INDIA PRIVATE LIMITED

Sr. No.	Name	DIN	Designation	Experience
1.	Mr. Ashvini Hiran	07484872	Managing Director & CEO	Mr. Ashvini Hiran is associated with the Company with 35 years of rich experience with Indian and multinational groups such as Tatas, Unilever, AV Birla, GCMF in domains of general business management, sales and marketing, supply chain, people management in FMCG, consumer durables; crop nutrition & agri business (CNAB) industries. His education includes bachelor of engineering and post graduate diploma in management.
2.	Mr. Vishwajit Kumar Sinha	02702645	Director	Mr. Vishwajit Kumar Sinha has over 30 years of rich experience in fertilizer operations, project development, strategy, and mergers & acquisitions. He has spent considerable time in agribusinesses including ammonia, urea, and phosphates, including international ventures. He has a bachelors in technology from Indian Institute of Technology, Kanpur.
3.	Mr. Anurag Aggarwal	06954443	Director	Mr. Anurag Aggarwal has over 30 years of experience in corporate finance, commercial operations, mergers & acquisitions, investment management, and running businesses with P&L responsibility. He is an Honors graduate in the field of commerce and is a chartered accountant.

OBJECTS OF THE ISSUE

To transfer the Divestment Business Undertaking (as defined in the Scheme) of the Transferor Company to the Transferee Company as a going concern by way of slump sale, for a lump sum consideration, being the final consideration (subject to adjustments as set out in the Scheme) payable by the Transferee Company to the Transferor Company in accordance with the terms of the Scheme and pursuant to the provisions of Sections 230- 232 of the Companies Act, 2013 and other applicable rules and provisions of the Companies Act, 2013. Please note that the Scheme does not propose to raise any capital and the equity shares of the Transferee Company are unlisted and thus, Object of the Issue is not applicable.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/rights issues, if any, of the Transferee Company in the preceding 10 years. Indorama India Private Limited is an unlisted company and has not undertaken any public/ rights issue since incorporation.

Details of means of finance: Not Applicable

Name of Monitoring Agency, if any: Not Applicable



Terms of Issuance of Convertible Security, if any: Not Applicable

CAPITAL STRUCTURE OF IPL AS ON DATE OF THIS ABRIDGED PROSPECTUS

Authorised Share Capital	Rs. 10,00,00,00,000/- comprising of 100,00,00,000 equity shares of Rs. 10/- each
Issued, Subscribed and Paid- up Capital	Rs. 2,99,95,14,270/- comprising of 29,99,51,427 equity shares of Rs. 10/- each

SHAREHOLDING PATTERN OF IPL PRE AND POST SCHEME AS ON DATE OF THIS ABRIDGED PROSPECTUS

Sl. No.	Particulars	Pre- Scheme of Arrangement		Post Scheme of Arrangement	
		No. of shares	%age	No. of shares	%age
1	Promoter*	29,99,51,427	100%	29,99,51,427	100%
2	Public	-	-	-	-
3	Non- Promoter Non- Public (Employee Benefit Trust under SEBI (Share Based Employee Benefit) Regulations, 2014	-	-	-	-

*As on date, 29,99,51,426 equity shares are held by IHBV and one share by Mr. Rajeev Kshetrapal.

No./ amount of equity shares proposed to be sold by selling shareholders, if any: Not Applicable

SUMMARY OF FINANCIAL STATEMENTS

The summary of the financial position of IPL for the last 5 years is give below: -

Details of Standalone financial position of IPL of last five years:

(Amount Rupees in Crores)

Particulars	Six months period ended	FY 2019-20	FY 2018-19	FY 2017-18	FY 2016-17	FY 2015-16
	30.09.2020	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Total income from operations (net)	2179.43	3417.46	3629.00	0.002	NA	NA
Net Profit/ (Loss) before tax and extraordinary items	173.63	118.39	115.10	-1.11	NA	NA
Net Profit/ (Loss) after tax and extraordinary items	128.28	75.46	75.67	-1.11	NA	NA
Equity Share Capital	299.95	299.95	299.95	3.95	NA	NA
Reserves and Surplus	494.29	366.34	269.59	-1.11	NA	NA
Net worth*	575.87	447.92	373.57	2.84	NA	NA
Basic & Diluted earnings per share (Rs.)	4.28	2.52	2.98	-65.51	NA	NA
Return on net worth (%)	22.28%	16.85%	20.26%	-39.08%	NA	NA
Net Asset Value Per Share (Rs.)	26.48	22.21	18.99	7.19	NA	NA

*Source: Networth excludes Capital Reserve.



Details of Consolidated financial position of last five years: Not Applicable

Note: I IPL was incorporated on September 26, 2017. Accordingly, financial statements for FY 2016-17 and FY 2015-16 are not available. Further, I IPL does not have any subsidiaries and accordingly consolidated financials are not applicable.

INTERNAL RISK FACTORS

- The agricultural industry is largely monsoon dependent and seasonal in our country, which has direct impact on the demand for our fertilizers. Any delays and/or defaults in payments from customers and subsidy payments from government could affect the financial conditions of our business. We source a significant proportion of our raw material requirement such as ammonia, phosphoric acid, rock phosphate, sulphur from foreign suppliers. Any fluctuations in the price, availability and quality of raw materials could cause delay and increase our costs and result in production loss.
- We do not have long-term sale agreements for majority for our products. Any deterioration in demand of any of our key products could have an adverse effect on our business, results of operations, financial condition and cash flows.
- Our operations are subject to operational risks such as industrial accidents, breakdown of equipment and labour disputes. If any of these risks were to materialize, our business and results of operations could be adversely affected.
- We are subjected to certain risks consequent to our operations involving the manufacture, usage and storage of various hazardous substances. Accidents could result in the slowdown or stoppage of our operations and could also cause damage to life and property.
- Our inability to meet the quality norms prescribed by the Government may be detrimental to our business and any non-compliance of such norms may result in imposition of penalties or other adverse action by regulatory and statutory authorities.
- Any change in environmental laws, health and safety regulations may have a significant impact on our business.
- We rely on information technology systems, networks and infrastructure to operate our business and any interruption or breakdown in such systems, networks or infrastructure or our technical systems could impair our ability to effectively deliver our products and services.
- We have long term leasehold rights of the properties on which our Registered and Corporate Office and a few of our manufacturing facilities are located.
- Our inability to attract, train and retain qualified personnel and successfully operate our logistics centers and warehouses may have an effect on our results of operations.

ANY OTHER MATERIAL INFORMATION OF I IPL

A separate scheme of arrangement between I IPL and Indorama Industries Limited for transfer of spandex business unit of Indorama Industries Limited to I IPL is pending approval from the National Company Law Tribunal, Kolkata as on date. Clause 15 the said scheme provides for issuance of 90,62,140 fully paid-up equity shares of Rs. 10/- (Rupees Ten Only) each by I IPL to certain equity shareholders of Indorama Industries Limited, upon the scheme becoming effective with effect from the appointed date. The appointed date is defined in such scheme to mean 01 October, 2019 or such other date as may be fixed or approved by the National Company Law Tribunal or any other appropriate authority.



SUMMARY OF MATERIAL OUTSTANDING LITIGATIONS, PENAL ACTIONS

1. IPL is involved in certain legal proceedings. Any adverse decision in such proceedings may adversely affect our business and results of operations. Our Company is currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The summary of outstanding litigation as on date in relation to criminal matters, tax matters and actions by regulatory/ statutory authorities against our Company have been set out below:
 - Non-provision and payment of Integrated Goods and Service Tax [“IGST”] on reverse charge basis on Ocean Freight amounting to Rs. 9.91 crores from 01.04.2019 till 30.03.2020 based on legal opinion obtained by the company, levy of GST on ocean freight on import of goods is unconstitutional w.e.f 01.04.2019 and informed the dept. of its stand. Further, a writ petition has been filed by the Company before Hon’ble Cal. High court relying the ruling of the Hon’ble Gujarat high court in the matter of M/s Mohit minerals Pvt Ltd versus UOI (11410 of 2019) and the matter presently under sub-judice
 - GST refund amounting to Rs. 26.49 crores recognised on inputs transferred on the acquisition of business from Tata Chemicals Limited on 01.06.2018 and claim was subsequently rejected by the adjudicating authorities under own motion and based on a legal opinion obtained, the company preferred to file a writ before Cal. High court and matter presently under sub-judice.
 - GST refund amounting to Rs 6.48 crore claimed under inverted duty structure rejected by the Jurisdictional authority under insubstantial ground. Based on the legal opinion the company had preferred appeals before Jt. Commissioner (Appeals) Vijayawada, AP, hence the matters are pending for hearing before Jt. Commissioner (appeals).
2. Total number of outstanding litigations against IPL [3 no’s] litigations involving an amount of approximately INR [Rs 9.91 crores – non-payment of GST and Rs 32.97 crores – rejection of refund claims] in the aggregate as at 31.03.2020.
3. Brief details of top 5 material outstanding litigations against IPL and amount involved:

Sr. No.	Particulars	Opposite Party	Current Status	Amount involved (in Rs. crores)
1.	Non-payment of IGST on Ocean freight on import of goods	UOI & Ors.	The matter pending before Hon’ble Cal. High Court for hearing	Rs 9.91 Cr (as on 31.03.2020)
2.	Rejection of refund claim under [IDS – Inverted duty structure]	UOI & Ors.	The matter pending before hon’ble Cal. High court for hearing	Rs 26.49 Cr



	provision of GST Law			
3.	Rejection of refund claim under IDS provision of GST Law in the state of Andhra Pradesh	Assistant commissioner, Kakinada Circle, Andhra Pradesh	The matter pending before Jt. Commissioner (appeals) Vijayawada, Andhra Pradesh for hearing	Rs 6.48 Cr (as on 31.03.2020)

Further, there are no criminal cases involving IIPL and there are no regulatory proceedings involving IIPL.

Note: A materiality threshold has not been adopted as on the date of this abridged prospectus there are only three (3) pending litigations.

4. Regulatory Action, if any – including any disciplinary action taken by SEBI or Stock Exchanges against the Promoters/ group company in last 5 financial years including outstanding action, if any: Nil
5. Brief details of outstanding criminal proceedings against Promoters: Nil

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 1956/ 2013 ('Act') and the guidelines / regulations issued by the Government of India or the guidelines, as the case may be, have been complied with and no statement made in this Abridged Prospectus is contrary to the provisions of the Act, SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Part-E of Schedule VI of the SEBI ICDR Regulations, to the extent applicable or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in this Abridged Prospectus are true and correct.

For **Indorama India Private Limited**



Manish Kumar Agarwal
Chief Financial Officer &
Authorised Signatory
Date: 01.03.2021
Place: Kolkata





VC CORPORATE ADVISORS PVT LTD.

31, Ganesh Chandra Avenue, 2nd Floor, Suite No. 2C, Kolkata-700 013
Tel. : 033 2225 3940, Fax : 033 2225 3941
CIN - U67120WB2005PTC106051

E-mail : mail@vccorporate.com
Website : www.vccorporate.com

Date: 01.03.2021

VCC/03/21/01

To,
The Board of Directors,
Indorama India Private Limited,
Ecocentre, EM-4, 12th Floor, Unit No. ECSL, Sector V,
Salt Lake, Kolkata- 700 091

Dear Sir,

Sub: Scheme of Arrangement of Grasim Industries Limited (hereinafter referred to as “Transferor Company” or “Grasim”), and Indorama India Private Limited (hereinafter referred to as “Transferee Company” or “IPL”) and their respective shareholders and creditors (“Scheme”).

Re: Due Diligence Certificate in adherence with clause I(A)3(a) of Annexure I of SEBI circular CFD/DIL3/CIR/2017/21 Dated March 10, 2017.

PURPOSE:

This has reference to our engagement for providing Due Diligence Certificate(‘**Report**’) on the accuracy and adequacy of the disclosure made in the Abridged Prospectus by the Transferee Company as per the format provided in Part E of Schedule VI of SEBI (ICDR) Regulations 2018, as amended, read with SEBI Circular CIR/CFD/DIL/7/2015 dated October 30, 2015 pursuant to the Scheme approved by the board of directors of the Company on 21.11.2020 under section 230 and section 232 and other applicable provisions of the Companies Act, 2013 (including any statutory modifications(s) thereof).

The information contained herein and our Report is intended only for the sole use of captioned purpose including for the purpose of obtaining requisite approvals as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and compliance of SEBI circular CFD/DIL3/CIR/2017/21 Dated March 10, 2017.

SOURCES OF INFORMATION: -

For the purposes of providing our Report, we have relied upon the following sources of information: –

- a. Memorandum and Articles of Association of the Company.
- b. Audited Annual Accounts for the Financial Years ended 31st March 2018, 31st March 2019, 31st March 2020 and for 6 (six) months period ended 30th September, 2020.



SEBI AUTHORISED MERCHANT BANKERS

- c. Scheme of Arrangement,
- d. List of shareholders as on the date of Board Meeting approving the Scheme,
- e. Discussion with and other relevant information as provided by the Management of the Transferee Company,
- f. Such other information, representation and explanations that have been provided to us by the Management of the Transferee Company.

EXCLUSIONS AND LIMITATIONS: -

Our conclusion is based on the information furnished to us being, complete and accurate in all material aspects. We have relied upon the financials and the information and representations furnished to us and have not carried out any audit of such information. Our work does not constitute audit of financials including the working results of the Company and accordingly, we are unable to and do not express an opinion on the fairness of any financial information referred to in the Abridged Prospectus.

Our analysis and result are specific to the purposes of the exercise of giving our Due Diligence Certificate on the accuracy and adequacy of information provided in the Abridged Prospectus. It may not be valid for any other purpose of if provided on behalf of any other entity.

Our due diligence and result are also specific to the date of this report and based on information as at 01.02.2021. An exercise of this nature involves consideration of various facts. This Report is issued on the understanding that the Transferee Company has drawn our attention to all the matters, which they are aware of concerning inter-alia the financial position of the Transferee Company, its business, and any other matter, which may have an impact on our Report, including any material risk concerning the Transferee Company or are likely to take place in the financial position of the Transferee Company or its business subsequent to the proposed Appointed Date for the proposed Scheme. Also, we understand that the Transferee Company's management has not omitted any relevant and material factors for the purpose of the work which we have undertaken in connection with this Report. We have no responsibility to update this Report on the circumstances or events after the date hereof.

Our Report is not, nor should it be construed as our opining or certifying the compliance of the Scheme with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon, except for the purpose expressly mentioned herein.

CONCLUSION: -

In the circumstances, having regard to all relevant factors, on the basis of information and explanation given to us and basis the due diligence conducted by us, we certify as on the date hereof, that the disclosures made in the Abridged Prospectus dated 01.03.2021 is accurate as well as adequate.

Yours Faithfully,

For VC Corporate Advisors Private Limited



Urvi Belani
(Vice President)
SEBI REGN No.: INM00001109

