



**BAYER CROPSCIENCE LIMITED**  
**CIN: L24210MH1958PLC011173**

**Registered Office:** Bayer House, Central Avenue, Hiranandani Estate, Thane (West) - 400 607.  
**Tel.:** +91 22 2531 1234, **Email:** ir\_bcs1@bayer.com, **Website:** www.bayer.in

**MEETING OF THE EQUITY SHAREHOLDERS OF BAYER CROPSCIENCE LIMITED**  
*(convened pursuant to an Order dated 22<sup>nd</sup> day of April, 2019 passed by  
the National Company Law Tribunal, Bench at Mumbai)*

**MEETING:**

|              |   |   |
|--------------|---|---|
| <b>Day</b>   | : | Monday  |
| <b>Date</b>  | : | 3 <sup>rd</sup> day of June, 2019   |
| <b>Time</b>  | : | 11:00 a.m. (1100 hours) (IST)   |
| <b>Venue</b> | : | Yashwantrao Chavan Prathisthan Auditorium, Y. B. Chavan Centre, Near Mantralaya, Gen. J. Bhonsale Marg, Mumbai – 400 021. |

**POSTAL BALLOT AND E-VOTING:**

|                            |   |  |
|----------------------------|---|--|
| <b>Start Date and Time</b> | : | Saturday, 4 <sup>th</sup> day of May, 2019 at 9:00 a.m. (0900 hours) (IST) |
| <b>End Date and Time</b>   | : | Sunday, 2 <sup>nd</sup> day of June, 2019 at 5:00 p.m. (1700 hours) (IST)  |

**INDEX**

| <b>Sr. No.</b> | <b>Contents</b>   | <b>Page No.</b> |
|----------------|---|-----------------|
| 1.             | Notice convening the meeting of the equity shareholders of Bayer CropScience Limited under the provisions of Sections 230-232 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.                   | 3               |
| 2.             | Explanatory Statement under Sections 230(3), 232(1), 232(2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.   | 9               |
| 3.             | <b>Annexure 1</b><br>Scheme of Amalgamation of Monsanto India Limited (the Transferor Company) with Bayer CropScience Limited (the Transferee Company) and their respective shareholders under Sections 230-232 of the Companies Act, 2013.                             | 23              |
| 4.             | <b>Annexure 2</b><br>A copy of the Valuation Report dated November 13, 2018 issued jointly by S. R. Batliboi & Co. LLP and Bansi S. Mehta & Co., Independent Chartered Accountants, describing the methodology adopted by them in arriving at the share exchange ratio. | 45              |
| 5.             | <b>Annexure 3</b><br>A copy of the Fairness Opinion dated November 14, 2018 issued by ICICI Securities Limited, a SEBI registered Merchant Banker (the 'Merchant Banker'), providing the Fairness Opinion on the share exchange ratio.                                  | 55              |

| <b>Sr. No.</b> | <b>Contents</b>   | <b>Page No.</b>      |
|----------------|---|----------------------|
| 6.             | <b>Annexure 4</b><br>Report adopted by the Board of Directors of Bayer CropScience Limited in its meeting held on November 14, 2018 pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013.                                 | 59                   |
| 7.             | <b>Annexure 5</b><br>Report adopted by the Board of Directors of Monsanto India Limited in its meeting held on November 14, 2018 pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013.                                    | 63                   |
| 8.             | <b>Annexure 6</b><br>A copy of the Observation Letter dated February 18, 2019 issued by the BSE Limited to Bayer CropScience Limited conveying their no objection for filing the Scheme before the National Company Law Tribunal, Mumbai Bench. | 66                   |
| 9.             | <b>Annexure 7</b><br>A copy of an unaudited quarterly financial results as on December 31, 2018 of Bayer CropScience Limited.   | 68                   |
| 10.            | <b>Annexure 8</b><br>A copy of an unaudited quarterly financial results as on December 31, 2018 of Monsanto India Limited.  | 69                   |
| 11.            | <b>Annexure 9</b><br>A copy of Complaint report dated December 19, 2018 of Bayer CropScience Limited filed with the BSE Limited in terms of Para 6(a) of Part I(A) of the SEBI circular dated 10 <sup>th</sup> March, 2017.                     | 70                   |
| 12.            | Proxy Form.   | 73                   |
| 13.            | Attendance Slip.  | 75                   |
| 14.            | Route map for the venue of the meeting.   | 76                   |
| 15.            | Postal Ballot Form with instructions and self-addressed postage prepaid Business Reply Envelope.  | Loose Leaf Insertion |

**FORM NO. CAA-2**  
**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL**  
**BENCH AT MUMBAI**  
**COMPANY SCHEME APPLICATION NO. 916 OF 2019**

IN THE MATTER OF the Companies Act, 2013;

AND

IN THE MATTER OF Sections 230 to 232 of the Companies Act, 2013;

AND

IN THE MATTER OF Bayer CropScience Limited;

AND

IN THE MATTER OF Scheme of Amalgamation of Monsanto India Limited  
(the Transferor Company) with Bayer CropScience Limited (the Transferee  
Company) and their respective shareholders.

**BayerCropScience Limited**, CIN:L24210MH1958PLC011173 )  
Company incorporated under the Companies Act, 1956 )  
having its registered office at Bayer House, Central Avenue, )  
Hiranandani Estate, Thane (West) 400 607, Maharashtra, India. ) ... the Transferee Company

**NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF THE TRANSFEREE COMPANY PURSUANT TO  
THE ORDER DATED 22<sup>ND</sup> DAY OF APRIL, 2019 PASSED BY THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, BENCH  
AT MUMBAI.**

To,

**All the Equity Shareholders of Bayer CropScience Limited (the "Transferee Company"):**

**NOTICE** is hereby given that by an Order dated 22<sup>nd</sup> day of April, 2019 (the "Order"), the Hon'ble National Company Law Tribunal, Bench at Mumbai ("NCLT") has directed a meeting to be held of the equity shareholders of the Transferee Company for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme of Amalgamation of Monsanto India Limited (the Transferor Company) with Bayer CropScience Limited (the Transferee Company) and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder ("**Scheme**").

In pursuance of the said Order and as directed therein further notice is hereby given that a meeting of the equity shareholders of the Transferee Company will be held at Yashwantrao Chavan Prathisthan Auditorium, Y. B. Chavan Centre, Near Mantralaya, Gen. J. Bhonsale Marg, Mumbai – 400 021 on **Monday, 3<sup>rd</sup> day of June, 2019 at 11:00 a.m. (1100 hours)** at which time and place you are requested to attend. 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 rules, circulars and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable, and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon'ble National Company Law Tribunal, Bench at Mumbai ("**NCLT**") and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by 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 or 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 Amalgamation of Monsanto India Limited (the Transferor Company) with Bayer CropScience Limited (the Transferee Company) and their respective shareholders ("**Scheme**") placed before this meeting and initialed by the Chairman of the meeting for the purpose of identification, be and is hereby approved.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT 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 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 you may attend and vote at the said meeting in person or by proxy provided that a proxy in the prescribed form, duly signed by you, is deposited at the registered office of the Transferee Company at Bayer House, Central Avenue, Hiranandani Estate, Thane (West) 400 607, Maharashtra, India, not later than 48 (forty eight) hours before the time fixed for the aforesaid meeting. The form of proxy, if required, can be obtained free of charge from the registered office of the Transferee Company.

**TAKE FURTHER NOTICE** that in compliance with the provisions of; (i) Section 230(4) read with Sections 108 and 110 of the Companies Act, 2013; (ii) Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 22 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (v) Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 including its amendments issued by the Securities and Exchange Board of India, the Transferee Company has provided the facility of voting by postal ballot and e-voting so as to enable the equity shareholders, to consider and approve the Scheme by way of the aforesaid resolution. Accordingly, voting by equity shareholders of the Transferee Company to the Scheme shall be carried out through (i) postal ballot or e-voting and (ii) ballot or polling paper or electronic voting at the venue of the meeting to be held on **Monday, 3<sup>rd</sup> day of June, 2019 at 11:00 a.m. (1100 hours).**

Copies of the Scheme and of the Explanatory Statement, under Sections 230(3), 232(1), 232(2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with the enclosures as indicated in the Index, can be obtained free of charge at the registered office of the Transferee Company at Bayer House, Central Avenue, Hiranandani Estate, Thane (West) 400 607, Maharashtra, India.

NCLT has appointed Shri Duraiswami Narain, (DIN: 03310642) Vice Chairman & Managing Director and Chief Executive Officer of the Transferee Company failing him Shri Ulrich Stefer, (DIN: 07447177), Executive Director & Chief Financial Officer of the Transferee Company failing him Shri Sanjay Buch, practicing Advocate and Solicitor in Mumbai, to be the Chairman of the said meeting including for any adjournment or adjournments thereof.

The Scheme, if approved in the aforesaid meeting, will be subject to the subsequent approval of NCLT.

A copy of the Explanatory Statement, under Sections 230(3), 232(1), 232(2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Scheme and the other enclosures as indicated in the Index are enclosed.

Sd/-  
Duraiswami Narain  
DIN: 03310642  
Chairman appointed for the meeting

Dated this 25<sup>th</sup> day of April, 2019.

Registered office: Bayer House,  
Central Avenue, Hiranandani Estate,  
Thane (West) 400 607, Maharashtra, India.  
CIN: L24210MH1958PLC011173

**Notes:**

1. ONLY REGISTERED EQUITY SHAREHOLDERS OF THE TRANSFEREE COMPANY MAY ATTEND AND VOTE EITHER IN PERSON OR BY PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF (AND A PROXY NEED NOT BE A MEMBER/ EQUITY SHAREHOLDER OF THE TRANSFEREE COMPANY) or in the case of a body corporate, by a representative authorised under Section 113 of the Companies Act, 2013 at the meeting of the equity shareholders of the Transferee Company. The authorised representative of a body corporate which is a registered equity shareholder of the Transferee Company may attend and vote at the meeting of the equity shareholders of the Transferee Company provided a copy of the resolution of the board of directors or other governing body of the body corporate authorizing such representative to attend and vote at the meeting of the equity shareholders of the Transferee Company, duly certified to be a true copy by a director, the manager, the secretary or other authorised officer of such body corporate, is deposited at the registered office of the Transferee Company not later than 48 (forty eight) hours before the scheduled time of the commencement of the meeting of the equity shareholders of the Transferee Company.
2. As per Section 105 of the Companies Act, 2013 and the rules made thereunder, a person can act as proxy on behalf of not more than 50 (fifty) equity shareholders holding in aggregate, not more than 10% (ten percent) of the total paid up share capital of the Transferee Company carrying voting rights. Equity shareholders holding more than 10% (ten percent) of the total paid up share capital of the Transferee Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or equity shareholder.
3. The form of proxy can be obtained free of charge from the registered office of the Transferee Company.
4. All alterations made in the form of proxy should be initialed by the equity shareholder.



5. Every equity shareholder entitled to vote at a meeting of the Transferee Company, or on any resolution to be moved thereat, shall be entitled during the period beginning 24 (twenty four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Transferee Company, provided not less than three days' prior notice in writing of the intention so to inspect is given to the Transferee Company.
6. NCLT by its Order has directed that a meeting of the equity shareholders of the Transferee Company shall be convened and held at Yashwantrao Chavan Prathisthan Auditorium, Y. B.Chavan Centre, Near Mantralaya, Gen. J. Bhonsale Marg, Mumbai – 400 021 on **Monday, 3<sup>rd</sup> day of June, 2019 at 11:00 a.m. (1100 hours)** for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme. Equity shareholders would be entitled to vote in the said meeting either in person or through proxy.
7. In compliance with the provisions of; (i) Section 230(4) read with Sections 108 and 110 of the Companies Act, 2013; (ii) Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 22 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (v) Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 including its amendments issued by the Securities and Exchange Board of India, the Transferee Company has provided the facility of voting by postal ballot and e-voting so as to enable the equity shareholders, to consider and approve the Scheme by way of the aforesaid resolution. Accordingly, voting by equity shareholders of the Transferee Company to the Scheme shall be carried out through (i) postal ballot or e-voting and (ii) ballot or polling paper or electronic voting at the venue of the meeting to be held on **Monday, 3<sup>rd</sup> day of June, 2019**.
8. The quorum of the meeting of the equity shareholders of the Transferee Company shall be as prescribed under Section 103 of the Companies Act, 2013. In accordance with the provisions of Sections 230 – 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority of persons representing three fourth in value of the equity shareholders of the Transferee Company consent to the Scheme voting through (i) postal ballot or e-voting and (ii) ballot or polling paper or electronic voting at the venue of the meeting.
9. A registered equity shareholder or his/her proxy, attending the meeting, is requested to bring and submit to the Transferee Company the Attendance Slip duly completed and signed.
10. The registered equity shareholders are informed that in case of joint holders attending the meeting, only such joint holder whose name stands first in the register of members of the Transferee Company, list of beneficial owners as received from National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) in respect of such joint holding, will be entitled to vote.
11. The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the equity shareholders at the registered office of the Transferee Company between 10.00 a.m. and 2.00 p.m. on all working days (except Saturdays, Sundays and public holidays) up to the date of the meeting.
12. Equity shareholders holding equity shares as on **Friday, April 12, 2019**, being the cut-off date, will be entitled to exercise their right to vote on the above resolution.
13. The Notice, together with the documents accompanying the same, is being sent to all the equity shareholders either by registered post or by speed post or by hand delivery, or electronically by e-mail to those equity shareholders who have registered their e-mail IDs with the Transferee Company /registrar and share transfer agents / NSDL / CDSL, whose names appear in the register of members / list of beneficial owners as received from NSDL / CDSL as on **Friday, April 12, 2019 ('Cut-off Date')**. Those who have become shareholders as on the Cut-off Date may download the Notice from Transferee Company's website i.e. [www.bayer.in](http://www.bayer.in) or may write to the Company Secretary, Bayer CropScience Limited at the registered address of the Transferee Company for availing the Notice. The Notice will be displayed on the website of the Transferee Company i.e. [www.bayer.in](http://www.bayer.in) and on the website of NSDL i.e. [www.nsd.co.in](http://www.nsd.co.in).
14. A person, whose name is not recorded in the register of members as on the Cut-off Date shall not be entitled to avail the facility of voting at the meeting to be held on **Monday, 3<sup>rd</sup> day of June, 2019** at Yashwantrao Chavan Prathisthan Auditorium, Y. B. Chavan Centre, Near Mantralaya, Gen. J. Bhonsale Marg, Mumbai – 400 021 . Voting rights shall be reckoned on the paid-up value of the shares registered in the names of equity shareholders as on the Cut-off Date. Persons, who are not equity shareholders of the Transferee Company as on the Cut-off Date should treat this notice for information purposes only.
15. The voting by the equity shareholders (including the Public Shareholders) through the postal ballot or e-voting shall commence at **9.00 a.m. (IST) on May 4, 2019 and shall close at 5.00 p.m. (IST) on June 2, 2019**.
16. The Notice convening the meeting will be published through advertisement in (i) Business Standard (Mumbai Edition) in the English language; and (ii) translation thereof in Navshakti (Mumbai Edition) in Marathi language.
17. In accordance with the provisions of Sections 230-232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority of persons representing three fourth in value of the equity shareholders of the Transferee Company, voting through (i) postal ballot or e-voting and (ii) ballot or polling paper or electronic voting at the venue of the meeting, agree to the Scheme.
18. The Transferee Company has engaged the services of National Securities Depository Limited (NSDL) for facilitating e-voting for the said meeting. Equity Shareholders desiring to exercise their vote by using e-voting facility are requested to follow the instructions mentioned in point no. 31.

19. A postal ballot form along with self-addressed postage pre-paid envelope is also enclosed. Equity shareholders' voting in physical form are requested to carefully read the instructions printed in the enclosed postal ballot form. Equity shareholders who have received the postal ballot form by e-mail and who wish to vote through postal ballot form can download the postal ballot form from the Transferee Company's website i.e. [www.bayer.in](http://www.bayer.in) or seek duplicate postal ballot form from the Transferee Company.
20. Equity shareholders shall fill in the requisite details and send the duly completed and signed postal ballot form in the enclosed self-addressed postage pre-paid envelope to the scrutinizer so as to reach the scrutinizer before **05:00 p.m. on or before June 2, 2019**. Postal ballot form, if sent by courier or by registered post/speed post/hand delivery at the expense of the equity shareholder will also be accepted. Any postal ballot form received after the said date and time period shall be treated as if the reply from the equity shareholders has not been received.
21. Incomplete, unsigned, improperly or incorrectly tick marked postal ballot forms will be rejected by the scrutinizer.
22. The vote on postal ballot cannot be exercised through proxy.
23. There will be only 1 (one) postal ballot form for every registered folio/client ID irrespective of the number of joint equity shareholders.
24. The postal ballot form should be completed and signed by the equity shareholders (as per specimen signature registered with the Transferee Company and/or furnished by the Depositors). In case, shares are jointly held, the postal ballot form should be completed and signed by the first named equity shareholder and, in his/her absence, by the next named equity shareholder. Holder(s) of Power of Attorney ("POA") on behalf of an equity shareholder may vote on the postal ballot mentioning the registration number of the POA with the Transferee Company or enclosing a copy of the POA authenticated by a notary. In case of shares held by companies, societies etc., the duly completed postal ballot form should be accompanied by a certified copy of the board resolution/authorization giving the requisite authority to the person voting on the postal ballot form.
25. Mr. Navnitlal Bhatia, Membership No. 1176, of M/s N. L. Bhatia & Associates, Practicing Company Secretary has been appointed as the scrutinizer to scrutinize the e-voting process and ballot forms and to conduct the voting at the venue of the meeting in a fair and transparent manner.
26. The scrutinizer will submit his combined report to the Chairman of the meeting after completion of the scrutiny of the votes cast by the equity shareholders of the Transferee Company through (i) e-voting process, (ii) postal ballot and (iii) ballot/polling paper/electronic voting at the venue of the meeting. The scrutinizer's decision on the validity of the vote cast via (i) e-voting process, (ii) postal ballot and (iii) ballot/polling paper/electronic voting at the venue of the meeting shall be final. The results of votes cast through (i) e-voting process, (ii) postal ballot and (iii) ballot/polling paper/electronic voting at the venue of the meeting will be announced on or before June 5, 2019 at the registered office of the Transferee Company. The results, together with the scrutinizer's Reports, will be displayed at the registered office of the Transferee Company, on the website of the Transferee Company, [www.bayer.in](http://www.bayer.in) and on the website of NSDL besides being communicated to BSE Limited.
27. The equity shareholders of the Transferee Company can opt only one mode for voting i.e. by postal ballot or e-voting or voting at the venue of the meeting. If an equity shareholder has opted for e-voting, then he/she should not vote by postal ballot form also and vice versa. However, in case equity shareholder(s) casts his/her vote(s) both via postal ballot and e-voting, then voting validly done through e-voting shall prevail and voting done by postal ballot shall be treated as invalid.
28. The equity shareholders of the Transferee Company attending the meeting who have not cast their votes either through postal ballot or e-voting shall be entitled to exercise their votes at the venue of the meeting. Equity shareholders who have cast their votes through postal ballot or e-voting may also attend the meeting but shall not be entitled to cast their votes again.
29. The voting through postal ballot and e-voting period will commence at 9.00 a.m. (0900 hours) (IST) on May 4, 2019 and will end at 5.00 p.m. (1700 hours) (IST) on June 2, 2019. During this period, the equity shareholders of the Transferee Company holding shares either in physical form or in dematerialized form, as on the Cut-off Date, i.e. April 12, 2019 may cast their votes electronically or by postal ballot. The e-voting module shall be disabled by NSDL for voting on June 2, 2019 at 5.00 p.m. (1700 hours) (IST). Once the vote on the resolution is cast by an equity shareholder, he or she will not be allowed to change it subsequently.
30. Any queries/grievances in relation to the voting by postal ballot or e-voting may be addressed to Mr. Rajiv Wani, Company Secretary of the Transferee Company at Bayer House, Central Avenue, Hiranandani Estate, Thane (West) 400 607, Maharashtra, India or through email to [ir\\_bcs1@bayer.com](mailto:ir_bcs1@bayer.com). or can be contacted at +91 22-2531 1234. Any query/grievance related to the e-voting may addressed to NSDL, toll free number 1800-222-990, Email : [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) Website: [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

### 31. E-Voting Instructions:

#### How to vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

#### How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

| <b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b> | <b>Your User ID is:</b>  |
|---|--|
| a) For Members who hold shares in demat account with NSDL.            | 8 Character DP ID followed by 8 Digit Client ID<br>For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.    |
| b) For Members who hold shares in demat account with CDSL.            | 16 Digit Beneficiary ID<br>For example if your Beneficiary ID is 12***** then your user ID is 12*****.   |
| c) For Members holding shares in Physical Form.                       | EVEN Number followed by Folio Number registered with the company<br>For example if folio number is 001*** and EVEN is 110610 then User ID is 1106100001*** |

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
  - a) Click on **“Forgot User Details/Password”** (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **“Physical User Reset Password”** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open. Details on Step 2 is given below:

#### **How to cast your vote electronically on NSDL e-Voting system?**

- 1) After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- 2) After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
- 3) Select “EVEN” of the Company i.e. 110610 for which you wish to cast your vote.
- 4) Now you are ready for e-Voting as the Voting page opens.
- 5) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- 6) Upon confirmation, the message “Vote cast successfully” will be displayed. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- 7) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

- a) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [navnitlb@nlba.in](mailto:navnitlb@nlba.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password” or “Physical User Reset Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL**  
**BENCH AT MUMBAI**  
**COMPANY SCHEME APPLICATION NO. 916 OF 2019**

IN THE MATTER OF the Companies Act, 2013;

AND

IN THE MATTER OF Sections 230 to 232 of the Companies Act, 2013;

AND IN THE MATTER OF Bayer CropScience Limited;

AND

IN THE MATTER OF Scheme of Amalgamation of Monsanto India Limited  
(the Transferor Company) with Bayer CropScience Limited (the Transferee  
Company) and their respective shareholders.

**BayerCropScienceLimited**, CIN:L24210MH1958PLC011173 )  
Company incorporated under the Companies Act, 1956 )  
having its registered office at Bayer House, Central Avenue, )  
Hiranandani Estate, Thane (West) 400 607, Maharashtra, India. ) ... the Transferee Company

**EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1), 232(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 22<sup>nd</sup> day of April, 2019, passed by the Hon'ble National Company Law Tribunal, Bench at Mumbai (the "NCLT"), in Company Scheme Application No. 916 of 2019 ("**Order**"), a meeting of the equity shareholders of Bayer CropScience Limited is being convened at Yashwantrao Chavan Prathisthan Auditorium, Y. B. Chavan Centre, Near Mantralaya, Gen. J. Bhonsale Marg, Mumbai – 400 021 on **Monday, 3<sup>rd</sup> day of June, 2019 at 11:00 a.m. (1100 hours)** for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme of Amalgamation of Monsanto India Limited (hereinafter referred to as the "**Transferor Company**" or "**MIL**" as the context may admit) with Bayer CropScience Limited (hereinafter referred to as the "**Transferee Company**" or "**BCSL**" as the context may admit) and their respective shareholders under Sections 230-232 and other applicable provisions of the Companies Act, 2013 (the "**Scheme**"). MIL and BCSL are together referred to as the "**Companies**". A copy of the Scheme, which has been, inter alia, approved by the Board of Directors of the Transferee Company at its meeting held on November 14, 2018, is enclosed as **Annexure 1**. A copy of the Report under Section 232 (2) (c) adopted by the Board of Directors of the Transferee Company and the Transferor Company are enclosed as **Annexure 4** and **Annexure 5** hereinbelow. Capitalized terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless otherwise stated.
2. In terms of the said Order, the quorum for the aforesaid meeting of the Equity Shareholders of the Transferee Company shall be as prescribed under Section 103 of the Companies Act, 2013. Further in terms of the said Order, NCLT has appointed Shri Duraiswami Narain, (DIN: 03310642) Vice Chairman & Managing Director and Chief Executive Officer of the Transferee Company failing him Shri Ulrich Stefer, (DIN: 07447177), Executive Director & Chief Financial Officer of the Transferee Company failing him Shri Sanjay Buch, practicing Advocate and Solicitor in Mumbai, the Chairman of the meeting of the Transferee Company including for any adjournment or adjournments thereof.
3. This statement is being furnished as required under Sections 230(3), 232(1), 232(2) and 102 of the Companies Act, 2013 (the "**Act**") read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the "**Rules**").
4. As stated earlier, NCLT by its said Order has, *inter alia*, directed that a meeting of the equity shareholders of the Transferee Company shall be convened and held at Yashwantrao Chavan Prathisthan Auditorium, Y. B. Chavan Centre, Near Mantralaya, Gen. J. Bhonsale Marg, Mumbai – 400 021 on **Monday, 3<sup>rd</sup> day of June, 2019 at 11:00 a.m. (1100 hours)** for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme. Equity shareholders would be entitled to vote in the said meeting either in person or through proxy.

In addition, the Transferee Company is seeking the approval of its equity shareholders to the Scheme by way of voting through postal ballot and e-voting. Circular No. CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March, 2017 including its amendments ("**SEBI Circular**") issued by the Securities and Exchange Board of India ("**SEBI**"), *inter alia*, provides that approval of Shareholders of the Transferee Company to the Scheme shall be obtained by way of voting through postal ballot or e-voting. Since, the Transferee Company is seeking the approval of its equity shareholders to the Scheme by way of voting through postal ballot and e-voting, in addition to the said meeting, no separate procedure for voting through postal ballot and e-voting would be required to be carried out by the Transferee Company for seeking the approval to the Scheme by its Shareholders in terms of SEBI Circular.

NCLT, by its Order, has, *inter alia*, held that since the Transferee Company is directed to convene a meeting of its equity shareholders and the voting in respect of the equity shareholders is through postal ballot and e-voting the same is in sufficient compliance of SEBI Circular.

5. In accordance with the provisions of Sections 230-232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority of persons representing three fourth in value of the equity shareholders of the Transferee Company, voting through (i) postal ballot or e-voting and (ii) ballot or polling paper or electronic voting at the venue of the meeting, to provide their consent to the Scheme.
6. In terms of the Order dated 22<sup>nd</sup> day of April, 2019, passed by the NCLT, in Company Scheme Application No. 916 of 2019, if the entries in the books/register of the Transferee Company in relation to the number or value, as the case may be, of the equity shares 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 and his decision in that behalf would be final.

**7. Particulars of Bayer CropScience Limited ("BCSL" or the "Transferee Company")**

- a. BCSL was originally incorporated as "Bayer-Agrochem Private Limited" on September 9, 1958 in the State of Maharashtra as a private limited company under the Companies Act, 1956. Subsequently, the name of BCSL was changed to "Bayer (India) Limited" on May 21, 1963. Further, the name of BCSL was finally changed to "Bayer CropScience Limited" on April 5, 2004. There has been no further change in the name of BCSL in the last five (5) years.
- b. The Corporate Identification Number of BCSL is L24210MH1958PLC011173 and its permanent account number is AAACB9651K. BCSL is a public listed company with its equity shares listed on BSE Limited (BSE) and are also permitted to be traded on National Stock Exchange of India Limited (NSE).
- c. The Registered Office of BCSL is situated at Bayer House, Central Avenue, Hiranandani Estate, Thane (West) 400 607, Maharashtra, India. The web site address of BCSL is www.bayer.in.
- d. The objects for which BCSL has been established are set out in its Memorandum of Association. The main objects of BCSL are, *inter alia*, as follows:
  - *To carry on business in India as manufacturers, producers, processors and refiners of insecticides, fungicides, weedicides, rodenticides and other chemicals for plant protection purposes, domestic insecticides, disinfectants, fumigants, public health products and chemicals, chemical products and preparations of all kinds, and natural and chemical fertilizers of every kind and other articles, compounds, ingredients and products or other things of any description whether analogous to the forgoing or not;*
  - *To carry on business in India as importers and dealers in, wholesale or retail and to distribute insecticides, fungicides, weedicides, rodenticides and other chemicals for plant protection purposes, domestic insecticides, disinfectants, fumigants, public health products and chemicals, chemical products and preparations of all kinds and natural and chemical fertilizers of every kind and all other articles, compounds, ingredients and products or other things of any description as aforesaid;*
  - *To breed, develop, grow, raise, plant, cultivate, manufacture, produce, process, harvest, convert, pack, buy, sell, trade, stock, export, import and deal in all kinds of seeds, including hybrids and high yielding varieties, traits, seed extracts or derivatives from seed, grains, crop development, regulator and protection products, planting and farming materials, agricultural products, commodities, establish, develop, maintain and aid in the establishment, development and maintenance of breeding and product development stations, seed production farms, green houses, growing rooms, climate chambers, nurseries, farms, stores, including cold stores, outlets, shops, training centers, guidance centers, information centers for all kinds of seeds, planting material, agricultural products, produce and processes, processing facilities including dressing with seed, warehousing and distribution centers, quality control facilities, laboratories including facilities for marker assisted breeding and genetic modification of germplasm using biotechnology or other technology, gene expression, research stations, programmes for improvement of foundation stock of seeds, purchase, import, lease, repair, alter any plant, machinery, equipment, implements, tools and accessories.*
- e. BCSL is presently engaged *inter alia* in the business of manufacturing, selling, marketing of pesticides and pest control products, distribution of seeds and the provision of services in the field of agriculture.

Details of subsidiaries, joint ventures and associates of BCSL are as follows:

| Name | Status | % of shares held | Nature of Business |
|------|--------|------------------|--------------------|
| Nil  |        |                  |                    |



f. The Authorised, Issued, Subscribed and Paid up Share Capital of BCSL as on December 31, 2018 and as on date is as under:

| <b>Particulars</b>                                       | <b>Amount (INR)</b> |
|--|---------------------|
| <b>Authorised Share Capital</b>                          |                     |
| 46,300,000 Equity Shares of INR. 10/- each               | 463,000,000         |
| <b>Total</b>   | <b>463,000,000</b>  |
| <b>Issued, Subscribed and Paid Up Share Capital</b>      |                     |
| 34,333,593 Equity Shares of INR. 10/- each fully paid up | 343,335,930         |
| <b>Total</b>   | <b>343,335,930</b>  |

Subsequent to December 31, 2018, there is no change in the authorized, issued, subscribed and paid up share capital of BCSL.

#### 8. Particulars of Monsanto India Limited ("MIL" or the "Transferor Company")

- a. MIL was incorporated on December 8, 1949 as a private limited company with the name and style of "Monsanto Chemicals of India Private Limited" in the State of Maharashtra under the Companies Act, 1913. Subsequently, name of MIL was changed to "Monsanto Chemicals of India Limited" on July 1, 1978. With effect from July 21, 2000, the name of MIL was finally changed to "Monsanto India Limited". There has been no further change in the name of MIL in the last five (5) years.
- b. The Corporate Identification Number of MIL is L74999MH1949PLC007912 and its permanent account number is AAACM2875L. MIL is a public listed company with its equity shares listed on the BSE and NSE respectively.
- c. MIL's registered office is situated at Ahura Centre, 5<sup>th</sup> Floor, 96, Mahakali Caves Road, Andheri (East), Mumbai – 400 093, Maharashtra, India. The web site address of MIL is [www.monsantoindia.com](http://www.monsantoindia.com).
- d. The objects for which MIL has been established are set out in its Memorandum of Association which inter alia are as follows:
  - *To carry on the business of manufacturing, chemists, carbolic acid, manufacturers, pleric acid makers, coke, tar and gas production, tar distilling, refining of tar products and manufacture of finished products from same for all purposes including explosives, pharmaceutical and fine chemicals, essences, dyes and intermediate products, refining of vegetables and mineral oils and manufacture of any products therefrom, manufacture of acids, alkalies and salts, including all processes in connection with same, refining of metals, preparation of alloys, and of any chemicals or substances which may be thought advisable to undertake and any other trade or business whatsoever, which, can in the opinion of the Company be advantageously or conveniently carried on by the Company by way of extension of or in connection with such business or is calculated directly or indirectly to develop any branch of the Company's business or to increase the value of or turn to account any assets, property of rights.*
  - *To carry on the business of erectors and designers of plants, engineers, fillers and millwrights, and to do all work in connection with erection plants.*

There has been no change in the Objects clause of MIL in the last 5 years.

- e. MIL is presently engaged in the business *inter alia* of production and sale of agricultural inputs, namely, chemicals and hybrid seeds.
- f. MIL manufactures and markets Glyphosate under the brand name "Roundup<sup>®</sup>". Glyphosate-based herbicides, such as Roundup<sup>®</sup>, have been on the market around the world including in India for around 40 years and are among the most thoroughly studied products of their kind. There is an extensive body of research on glyphosate and glyphosate-based herbicides, including more than 800 rigorous registration studies required by EPA, European and other regulators, that confirms that these products are safe when used as directed.

Glyphosate has been a breakthrough for farming. Not only do glyphosate products work well to control problematic weeds, but they also help farmers grow crops more sustainably. Over the last many years, farmers, governments, gardeners, and other users have depended on glyphosate as an efficient and cost-effective tool. Like all pesticides, regulatory authorities around the world routinely review the latest safety data on glyphosate and approved glyphosate-based products on this basis.

In India, Roundup<sup>®</sup>, one of the many glyphosate-based herbicides marketed in India by over 50 players, has been approved by the regulators for use in non-cropped areas, tea plantations and for pre-planting of paddy. Farmers today require the best products and techniques to overcome challenges in their fields and the arbitrary decisions by some states in India to restrict the usage of glyphosate is against the interests of farmers utilizing the product for weed control. Such actions will only aid in significantly increasing farmers' cost of cultivation. As for product liability lawsuits involving Roundup<sup>®</sup>, we are currently not aware of any such litigation having arisen in India. As a responsible entity, we continue to engage with the various stakeholders to inform about the safety of glyphosate and advocate for the best interests of farmers.



g. Details of subsidiaries, joint ventures and associates of MIL are as follows:

| Name | Status | % of shares held | Nature of Business |
|------|--------|------------------|--------------------|
| Nil  |        |                  |                    |

h. The Authorised, Issued, Subscribed and Paid up Share Capital of MIL as on December 31, 2018 and as on date is as follows:

| Particulars  | Amount (INR)       |
|--|--------------------|
| <b>Authorised Share Capital</b>                          |                    |
| 20,000,000 Equity Shares of INR.10/- each                | 200,000,000        |
| <b>Total</b>   | <b>200,000,000</b> |
| <b>Issued, Subscribed and Paid Up Share Capital</b>      |                    |
| 17,262,748 Equity Shares of INR.10/- each, fully paid up | 172,627,480        |
| 300* Equity Shares of INR.10/- each, fully paid up       | 3,000              |
| <b>Total</b>   | <b>172,630,480</b> |

\* The Transferor Company has not allotted a total of 300 Equity Shares, which are part of its total issued and subscribed equity share capital without voting rights attached to it. These 300 Equity Shares are a subject matter of pending disputes/ court proceedings between the concerned shareholders. Pursuant to this Scheme being sanctioned by the Tribunal, the Transferee Company shall abide by the court orders when passed in so far as the allotment of shares is concerned subject to Applicable Law.

As BCSL holds 7.82% of issued, subscribed and paid up share capital of MIL as on the date, upon amalgamation of MIL with BCSL, these equity shares will stand cancelled as provided in the Scheme.

## 9. Rationale and Salient features of the Scheme

a. The Scheme provides for, *inter alia*;

- I. the amalgamation of MIL with BCSL which will result in consolidation of the business carried out by the Transferor Company and the Transferee Company in one entity, i.e. the Transferee Company;
- II. cancellation of the equity shares held by BCSL in MIL;
- III. dissolution without winding up of MIL;
- IV. merger of the authorized share capital of MIL with BCSL; and
- V. various other matters consequential to or otherwise integrally connected with the above.

The proposal is to be implemented in terms of the Scheme under Sections 230 - 232 of the Act.

b. The Scheme shall become operative from the Effective Date with effect from the Appointed Date i.e. April 1, 2019. Effective Date of the Scheme shall be taken as the date on which the certified copies of the orders of National Company Law Tribunal sanctioning this Scheme, is filed by the Transferor Company and the Transferee Company with the jurisdiction Registrar of Companies and if filed by the Transferor Company and the Transferee Company on different dates, then the later of those dates.

c. Relationship between BCSL and MIL:

Both the Transferor and the Transferee Companies are commonly controlled subsidiaries of Bayer AG, the Acquirer.

d. The rationale of amalgamation is stated in recital clause of the Scheme (Annexure 1) and is as under:

The Scheme provides for the amalgamation of MIL with BCSL pursuant to Section 230 to 232 of the Companies Act, 2013 (the 'Act') and other applicable provisions of the Act with the view to achieve the following benefits to the stakeholders and the shareholders:

- a. Combined business under "BAYER" brand with complementary agriculture offerings and geographical footprint leading to stronger market presence, to be best suitable for long term growth market like India;
- b. Access to globally combined research and development technology platform for faster and more efficient development of innovative solutions for farmers;
- c. Merger shall result in consolidation of the respective operations served by one platform thereby leveraging the capability of the merged entity;

- d. *The Transferor Company and the Transferee Company to operate businesses that complement each other; the combination to result in stronger consolidated revenue and profitability, with diversification in product portfolio thereby reducing business risks for mutual benefit of the shareholders of the Companies;*
- e. *Ensuring a streamlined group structure by reducing the number of legal entities in the group structure in India, and thereby eliminating administrative duplications and consequently reducing the administrative costs of maintaining separate companies; and*
- f. *Pooling of assets, proprietary information, personnel, financial, managerial and technical resources of the Companies, thereby contributing to the future growth of the merged entity.*

## 10. Major Developments / Actions post announcement of the Scheme

The major developments / actions have taken place since announcement of the scheme, the details of which are as under:

- (a) The Board members of BCSL have appointed Ms. Ketaki Bhagwati (DIN: 07367868) as an Additional Independent Director of the Company with effect from January 15, 2019.
- (b) The Board members of BCSL at the Board meeting held on February 4, 2019, appointed Mr. Jens Hartmann (DIN: 08338494) as an Additional Non-Executive Director of the Company with effect from February 4, 2019.
- (c) Dr. Miriam Colling- Hendelkens (DIN: 07839649) resigned as a Non-Executive Director of the Company with effect from February 5, 2019.
- (d) Mr. Sharad Kulkarni (DIN: 00003640) and Mr. Vimal Bhandari (DIN: 00001318) completed their term as Independent Directors of the Company with effect from March 31, 2019.

## 11. Corporate Approvals

### BCSL:

- a. The proposed Scheme was placed before the Audit Committee of BCSL at its meeting held on November 14, 2018. The Audit Committee of BCSL based on the aforesaid, *inter alia*, recommended the Scheme to the Board of Directors of BCSL.
- b. The Scheme was placed before the Board of Directors of BCSL, at its meeting held on November 14, 2018. The report of the Audit Committee was also submitted to the Board of Directors of BCSL. Based on the aforesaid as well as the Valuation Report dated November 13, 2018 issued jointly by, S. R. Batliboi & Co. LLP and Bansi S. Mehta & Co., Independent Chartered Accountants, describing the methodology adopted by them in arriving at the share exchange ratio and a copy of the Fairness Opinion dated November 14, 2018 prepared by ICICI Securities Limited, a SEBI Registered Merchant Banker, the Board of Directors of BCSL approved the Scheme. The meeting of the Board of Directors of BCSL, held on November 14, 2018, was attended by 8 (eight) directors, namely, Mr. Pankaj Patel (DIN: 00131852), Mr. Richard van der Merwe (DIN: 06768305), Mr. Vimal Bhandari (DIN: 00001318), Mr. Sharad Kulkarni (DIN: 00003640), Mr. Ulrich Stefer (DIN: 07447177), Mr. Duraiswami Narain (DIN: 03310642) in person and Mr. Peter Mueller (DIN: 03582162) and Dr. (Ms.) Miriam Colling-Hendelkens (DIN: 07839649) (Through video conferencing). None of the Directors of BCSL who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the Directors of BCSL who attended and voted at the meeting.

### MIL:

- c. The proposed Scheme was placed before the Audit Committee of MIL at its meeting held on November 14, 2018. The Audit Committee of MIL based on the aforesaid, *inter alia*, recommended the Scheme to the Board of Directors of MIL.
- d. The Scheme was placed before the Board of Directors of MIL, at its meeting held on November 14, 2018. The report of the Audit Committee was also submitted to the Board of Directors of MIL. Based on the aforesaid as well as the Valuation Report dated November 13, 2018 issued jointly by, S. R. Batliboi & Co. LLP and Bansi S. Mehta & Co., Independent Chartered Accountants, describing the methodology adopted by them in arriving at the share exchange ratio and a copy of the Fairness Opinion dated November 14, 2018 prepared by Citigroup Global Markets India Private Limited, a SEBI Registered Merchant Banker, the Board of Directors of MIL approved the Scheme. The meeting of the Board of Directors of MIL, held on November 14, 2018, was attended by 6 (six) directors, namely, Mr. Hemraj Chaturbhuj Asher (DIN: 00024863), Mr. Pradeep Narendranath Poddar (DIN: 00025199), Mr. Sekhar Natarajan (DIN: 01031445), Ms. Shilpa Shridhar Divekar (DIN: 06619353), Mr. Bangla Bose Radhakrishna Mallipeddi (DIN: 07999286) and Mr. Ravishankar Cherukuri (DIN: 06755061) in person. None of the Directors of MIL who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the Directors of MIL who attended and voted at the meeting.

## 12. Approvals and actions taken in relation to the Scheme

- a. The shares of BCSL, the Transferee Company are listed on the BSE and are also permitted to be traded on NSE. The provisions of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 including its amendments shall apply to the Scheme. Accordingly BCSL as per the requirement of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 had filed draft Scheme on November 26, 2018 with the Manager, Listing Department, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, for obtaining an approval from the BSE under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 for the Scheme, under sections 230 to 232 of the Act. The BSE issued an Observation letter dated February 18, 2019 received on February 18, 2019, giving in-principle approval to the amalgamation of MIL with BCSL under Section 230 to 232 of the Act and granting permissions for filing an applications / petitions with the Hon'ble NCLT.
- b. The Companies or any of them would obtain such 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.
- c. The Company Scheme Applications along with the annexure thereto (which includes the Scheme) were filed by the Companies with the NCLT, on February 21, 2019 and an e-Form GNL1 has also been filed by each of BCSL and MIL with their respective jurisdictional Registrar of Companies respectively pursuant to receipt of the NCLT Order.
- d. This notice convening Meeting of the Equity Shareholders of the Transferee Company along with aforesaid documents are placed on the website of the Company viz. www.bayer.in.

## 13. Salient extracts of the Scheme

The salient extracts of the Scheme are as under:

Scheme of Amalgamation under sections 230 to 232 and other applicable provisions of the Act for merger of Monsanto India Limited (the “Transferor Company”) with Bayer CropScience Limited (the “Transferee Company”) with an appointed date of April 1, 2019.

Scheme provides for transfer of all assets / liabilities / rights / obligations of MIL into BCSL.

Consideration for merger: “2 (Two) equity shares of INR. 10/- (Rupees Ten only) each credited as fully paid-up of the Transferee Company for every 3 (Three) equity shares of INR. 10/- (Rupees Ten only) held in the Transferor Company and whose names are recorded in the register of members on the Record Date. No allotment of any shares to the Transferee Company shall be made against those 7.82% of the total equity shares held by the Transferee Company in the Transferor Company. The equity shares so held by the Transferee Company shall stand cancelled and be extinguished in terms of Clause 6.1 of the Scheme.”

**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.**

## 14. Other matters

- a. 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 Deloitte Haskins & Sells LLP, Statutory Auditors, is open for inspection.
- b. Under the Scheme, an arrangement is sought to be entered into between BCSL and its equity shareholders. *Upon the effectiveness of the Scheme, BCSL shall without any further application, act or deed, issue and allot 2 (Two) equity shares of INR. 10/- (Rupees Ten only) each credited as fully paid-up of BCSL for every 3 (Three) equity shares of INR. 10/- (Rupees Ten only) held in MIL and whose names are recorded in the register of members on the Record Date.*

A copy of the Valuation Report dated November 13, 2018 issued jointly by S. R. Batliboi & Co. LLP and Bansi S. Mehta & Co., Independent Chartered Accountants, describing the methodology adopted by them in arriving at the share exchange ratio, is enclosed as **Annexure 2** and a copy of the Fairness Opinion dated November 14, 2018 prepared by ICICI Securities Limited, a SEBI Registered Merchant Banker, providing the Fairness Opinion on the share exchange ratio, is enclosed as **Annexure 3**.

### **BCSL:**

- c. As far as the Equity shareholders of BCSL are concerned (promoter shareholders as well as Non Promoter shareholders), pursuant to issue and allotment of shares of BCSL to the Shareholders of MIL, the Promoter Holding in BCSL will increase from 68.69% to 71.43%. The overall public shareholding in BCSL will reduce from 31.31% to 28.57%.
- d. In respect of the Scheme, there is no arrangement with the creditors of BCSL. No compromise is offered under the Scheme to any of the creditors of BCSL. The liability of the creditors of BCSL, under the Scheme, is neither being reduced nor being extinguished.
- e. As on date, BCSL has no outstanding towards any public deposits and therefore, the effect of the Scheme on any such public deposit holders does not arise. As on date, BCSL has not issued any debentures. In the circumstances, the effect of the Scheme on the debenture trustee does not arise.

- f. Under the Scheme, no rights of the Employees of BCSL are being affected. The services of the Employees of BCSL, under the Scheme, shall continue with BCSL, on the same terms and conditions on which they were engaged by BCSL. In the circumstances, the rights of the Employees of BCSL, engaged in, would in no way be affected by the Scheme.
- g. There is no effect of the Scheme on the key managerial personnel and/or the Directors of BCSL.
- h. Further, none of the Directors, the Key Managerial Personnel (as defined under the Act and rules framed thereunder) of BCSL and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent that the said Director(s) are common director(s) of the Companies, if any, and/or to the extent the said Director(s) are holding shares in MIL as nominee of the equity shares held by them and/or to the extent that the said Director(s), Key Managerial Personnel and their respective relatives are the directors, members of the companies that hold shares in the respective Companies. Save as aforesaid, none of the said Directors or the Key Managerial Personnel has any material interest in the Scheme.

**MIL:**

- i. Under the Scheme, an arrangement is sought to be entered into between MIL and its equity Shareholders. Upon the effectiveness of the Scheme, MIL shall stand dissolved without winding up. Upon the effectiveness of the Scheme, the equity shares held by BCSL in the paid-up equity share capital of MIL shall stand cancelled.
- j. In respect of the Scheme, there is no arrangement with the creditors, either secured or unsecured of MIL. No compromise is offered under the Scheme to any of the creditors of MIL. The liability of the creditors of MIL, under the Scheme, is neither being reduced nor being extinguished.
- k. As on date, MIL has no outstanding towards any public deposits and therefore, the effect of the Scheme on any such public deposit holders does not arise. As on date, MIL has not issued any debentures. In the circumstances, the effect of the Scheme on the debenture trustee does not arise.
- l. Under the Scheme, on and from the Effective Date, BCSL undertakes to engage the permanent Employees of MIL, on the same terms and conditions on which they are engaged by MIL without any interruption of service and in the manner provided under the Scheme. In the circumstances, the rights of the permanent Employees of MIL, engaged in, would in no way be affected by the Scheme.
- m. Chief Financial Officer and Company Secretary of MIL shall cease to be KMPs in the merged company; however, their employments shall continue with all the other terms of employment remaining unchanged post-merger with BCSL.
- n. Upon the effectiveness of the Scheme, the directors of MIL shall cease to be its directors as MIL shall stand dissolved without winding up.
- o. Further, none of the Directors, the Key Managerial Personnel (as defined under the Act and rules framed thereunder) of MIL and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of the equity shares held by them in MIL and/or to the extent that the said Director(s) are common director(s) of the Companies, if any, and/or to the extent the said Director(s) are holding shares in BCSL as nominee and/or to the extent that the said Director(s), Key Managerial Personnel and their respective relatives are the directors, members of the companies that hold shares in the respective Companies. Save as aforesaid, none of the said Directors or the Key managerial Personnel has any material interest in the Scheme. The Company Secretary, Chief Executive Officer, and Chief Financial Officer and their respective relatives do not hold any equity shares in the paid-up share capital of each of the Companies.
- p. The Scheme does not involve any capital or debt restructuring and therefore the requirement to disclose details of capital or debt restructuring is not applicable.
- 15. In compliance with the provisions of Section 232(2)(c) of the Act, the Board of Directors of BCSL and MIL have in their separate meetings held on November 14, 2018 respectively, have adopted a report, inter alia, explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders amongst others. Copy of the Reports adopted by the respective Board of Directors of BCSL and MIL are enclosed as **Annexure 4** and **Annexure 5** respectively.
- 16. None of the Companies is required to be registered under the Competition Commission of India Act, 2002 or under the corresponding provisions of the Monopolies & Restrictive Trade Practices Act, 1969 and no investigation is pending against either of these Companies under Sections 210 to 229 of Chapter XIV of the Companies Act, 2013 or under the corresponding provisions of the Companies Act, 1956. Further no proceedings are pending under the Act or under the corresponding provisions of the Companies Act, 1956 against any of the Companies.
- 17. To the best of knowledge of the Companies, there are no winding up petitions or resolution process under the provisions of the Insolvency and Bankruptcy Code, 2016 pending against the Companies in any Court or the National Company Law Tribunal in India.
- 18. The copy of the observation letter dated February 18, 2019 issued by the BSE Limited to BCSL is enclosed as **Annexure 6**.

19. The copy of the proposed Scheme has been filed by the respective Companies before the concerned Registrar of Companies on April 24, 2019.
20. A copy of an unaudited quarterly financial results as on December 31, 2018 of BCSL are enclosed as **Annexure 7**.
21. A copy of an unaudited quarterly financial results as on December 31, 2018 of MIL are enclosed as **Annexure 8**.
22. A copy of Complaint report dated December 19, 2018 of BCSL filed with the BSE Limited in terms of Para 6(a) of Part I(A) of the SEBI circular dated March 10, 2017 is enclosed as **Annexure 9**.
23. As per the books of accounts (as on December 31, 2018) of MIL and BCSL the amount due to the secured creditors is INR. Nil and INR. Nil respectively.
24. As per the books of accounts (as on December 31, 2018) of MIL and BCSL, the amount due to the unsecured creditors is INR. 58,30,27,031/- (Rupees Fifty Eight Crore Thirty Lakh Twenty Seven Thousand and Thirty One only) and INR. 1,705,395,224/- (Rupees One Seventy Crore Fifty Three lakhs Ninety Five Thousand Two Hundred and Twenty Four Only) respectively.
25. The name and addresses of the Promoters of BCSL including their shareholding in the Company as on 5<sup>th</sup> day of April, 2019 are as under:

| Sr. No. | Name and address of Promoters and Promoter Group                           | BCSL                           |       |
|---------|--|--------------------------------|-------|
|         |  | No. of Shares of INR.10/- each | %     |
| 1.      | Bayer AG, Leverkusen, Germany  | 3,572,577                      | 10.41 |
| 2.      | Bayer CropScience AG, Monheim, Germany                                     | 5,354,030                      | 15.59 |
| 3.      | Bayer SAS, Lyon, France  | 6,618,105                      | 19.28 |
| 4.      | Bayer Vapi Private Limited, Plot No. 306/3, II Phase, GIDC, Vapi - 396 195 | 8,039,736                      | 23.42 |

26. The name and addresses of the Promoters of MIL including their shareholding in the Company as on 5<sup>th</sup> day of April, 2019 are as under:

| Sr. No. | Name and address of Promoters and Promoter Group  | MIL                            |       |
|---------|---|--------------------------------|-------|
|         |   | No. of Shares of INR.10/- each | %     |
| 1.      | Monsanto Company, USA   | 2,316,920                      | 13.42 |
| 2.      | Monsanto Investments India Private Limited<br>Ahura Centre, B Wing, 5 <sup>th</sup> Floor, 96, Mahakali Caves Road, Andheri (East), Mumbai – 400 093. | 10,137,124                     | 58.72 |
| 3.      | Bayer AG, Leverkusen, Germany   | 323,784                        | 1.87  |
| 4.      | Bayer CropScience Limited<br>Bayer House, Central Avenue, Hiranandani Estate, Thane (West) 400 607, Maharashtra                                       | 1,350,000                      | 7.82  |

27. The details of the Directors of BCSL as on the date of this notice are as follows:

| Sr. No. | Name of Director      | Designation   | Address   | DIN      |
|---------|-----------------------|---|---|----------|
| 1.      | Mr. Pankaj Patel      | Chairman – Independent Director                               | Shri Udhyan,<br>Near Iskon Temple, Bopal Road, Bopal,<br>Ahmedabad - 380015, Gujarat  | 00131852 |
| 2.      | Mr. Duraiswami Narain | Vice Chairman & Managing Director and Chief Executive Officer | 54E, Ladue Estates, DR Saint, Louis MO, 63141,<br>United States of America.   | 03310642 |
| 3.      | Mr. Ulrich Stefer     | Executive Director and Chief Financial Officer                | Flat No. 32, 1 <sup>st</sup> Floor, 2, Bhojwani Enclave,<br>Apsara Compound, 32 Nargis Dutt Road, Pali Hill, Bandra (West), Mumbai - 400050 | 07447177 |
| 4.      | Mr. Peter Mueller     | Non-Executive Non-Independent Director                        | Am Muhlenberg 53a, 51465 Bergisch Gladbach,<br>Germany  | 03582162 |
| 5.      | Ms. Ketaki Bhagwati   | Additional Independent Director                               | 7 B Saker Apartment, Pochkhanawala Road,<br>Near Vaitarna Bldg., Worli, Mumbai - 400030   | 07367868 |

| Sr. No. | Name of Director  | Designation                                       | Address                                   | DIN      |
|---------|-------------------|---|---|----------|
| 6.      | Mr. Jens Hartmann | Additional Non-Executive Non-Independent Director | 25, First Ave Singapore, Singapore 268759 | 08338494 |

28. The details of the Directors of MIL as on the date of this notice are as follows:

| Sr. No. | Name of Director                         | Designation                       | Address   | DIN      |
|---------|--|-----------------------------------|---|----------|
| 1.      | Mr. Hemraj Chaturbhuj Asher              | Independent Director              | Building No. 32, 4 <sup>th</sup> Floor, 32 Modi Street, Opp Gowardhan Nath Temple, Fort, Mumbai – 400001. | 00024863 |
| 2.      | Mr. Pradeep Narendranath Poddar          | Independent Director              | 222- Mont Blanc, Dadyseth Hill, August Kranti Marg Off. Kemp's Corner, Mumbai -400036.                    | 00025199 |
| 3.      | Mr. Sekhar Natarajan                     | Chairman – Non-Executive Director | No. 17, Gauri Giridhar Road No. 2, Pestom Sagar, Chembur, Mumbai - 400089.                                | 01031445 |
| 4.      | Ms. Shilpa Shridhar Divekar              | Non-Executive Director            | 1501, P: 845/848, Raheja Princess, S K Bole Marg, Agar Bazar, Dadar (West), Mumbai – 400028               | 06619353 |
| 5.      | Mr. Ravishankar Cherukuri                | Managing Director                 | B-1/8, Brighton CHS, 68-D, Rungta Lane Napean Sea Road, Mumbai - 400006                                   | 06755061 |
| 6.      | Mr. Bangla Bose Radha Krishna Mallipeddi | Non-Executive Director            | 6-33 Anupuram, Near Radhika Theatre, ECIL, Hyderabad 500062   | 07999286 |
| 7.      | Ms. Aarti Arun Sathe                     | Additional Independent Director   | 5, Ashirwad, 16 <sup>th</sup> Cross Road, Khar (West), Mumbai – 400 052                                   | 06925030 |

29. The details of the shareholding of the Directors and the Key Managerial Personnel of BCSL in MIL as on 5<sup>th</sup> day of April, 2019 are as follows:

| Name of Director and KMP | Position | Equity Shares held in MIL |
|--------------------------|----------|---------------------------|
| Nil                      |          |                           |

30. The details of the shareholding of the Directors and the Key managerial Personnel of MIL in BCSL as on 5<sup>th</sup> day of April, 2019 are as follows:

| Name of Director and KMP | Position | Equity Shares held in BCSL |
|--------------------------|----------|----------------------------|
| Nil                      |          |                            |

31. The Pre-Amalgamation shareholding pattern of MIL as on April 5, 2019 and the Pre and Post-Amalgamation (expected) shareholding pattern of BCSL are as under:

Pre- Amalgamation shareholding pattern of MIL as on April 5, 2019:

| Sr. No. | Category                                   | No. of fully paid up equity shares held | Shareholding as a % of total no. of shares |
|---------|--|---|--|
| (A)     | <b>Promoter</b>                            |   |  |
| (a)     | <b>Individuals</b>                         | <b>0</b>                                | <b>0.00</b>                                |
|         | <b>Sub-Total (A)(1)</b>                    | <b>0</b>                                | <b>0.00</b>                                |
| (b)     | Central Government/State Government        | 0                                       | 0.00                                       |
| (c)     | Financial Institutions/ Banks              | 0                                       | 0.00                                       |
| (d)     | Any Other (specify)                        |   |  |
| (d-1)   | Bodies Corporate                           |   |  |
| (a)     | Monsanto Investments India Private Limited | 10,137,124                              | 58.72                                      |
| (b)     | Monsanto Company                           | 2,316,920                               | 13.42                                      |



| Sr. No.    | Category   | No. of fully paid up equity shares held | Shareholding as a % of total no. of shares |
|------------|--|---|--|
| (c)        | Bayer CropScience Limited  | 1,350,000                               | 7.82                                       |
| (d)        | Bayer AG   | 323,784                                 | 1.87                                       |
|            | <b>Sub-Total (A)(2)</b>  | <b>14,127,828</b>                       | <b>81.84</b>                               |
|            | <b>Total Shareholding of Promoter (A)=(A)(1)+(A)(2)</b>            | <b>14,127,828</b>                       | <b>81.84</b>                               |
| <b>(B)</b> | <b>Public</b>  |   |  |
| <b>(1)</b> | <b>Institutions</b>  |   |  |
| (a)        | Mutual Fund  | 33,123                                  | 0.19                                       |
| (b)        | Venture Capital Funds  | 0                                       | 0.00                                       |
| (c)        | Alternate Investment Funds   | 120                                     | 0.00                                       |
| (d)        | Foreign Venture Capital Investors                                  | 0                                       | 0.00                                       |
| (e.)       | Foreign Portfolio Investors  | 517,783                                 | 2.99                                       |
| (f)        | Financial Institutions/ Banks                                      | 8,807                                   | 0.05                                       |
| (g)        | Insurance Companies  | 0                                       | 0.00                                       |
| (h)        | Provident Funds/ Pension Funds                                     | 0                                       | 0.00                                       |
|            | <b>Sub-Total (B)(1)</b>  | <b>559,833</b>                          | <b>3.24</b>                                |
| <b>(2)</b> | <b>Central Government/ State Government(s)/ President of India</b> | <b>0</b>                                | <b>0.00</b>                                |
|            | Sub-Total (B)(2)   | 0                                       | 0.00                                       |
| <b>(3)</b> | <b>Non-institutions</b>  |   |  |
| (a)        | Individuals  | 1,658,890                               | 9.60                                       |
| (b)        | NBFCs registered with RBI  | 3,775                                   | 0.02                                       |
| (c)        | <b>Any Other (specify)</b>   |   |  |
| i          | Trusts   | 2,765                                   | 0.01                                       |
| ii         | Foreign Companies  | 0                                       | 0.00                                       |
| iii        | Bodies Corporate   | 395,002                                 | 2.28                                       |
| iv         | IEPF   | 464                                     | 0.00                                       |
| v          | HUF  | 445,272                                 | 2.57                                       |
| vi         | NRI – Non Repatriable  | 35,498                                  | 0.20                                       |
| vii        | NRI - Repatriable  | 24,866                                  | 0.14                                       |
| viii       | Clearing Members   | 7,642                                   | 0.04                                       |
| ix         | Other Directors  | 800                                     | 0.00                                       |
| x          | Market Maker   | 113                                     | 0.00                                       |
|            | <b>Sub-Total (B)(3)</b>  | <b>2,575,087</b>                        | <b>14.91</b>                               |
|            | <b>Total Shareholding of Public (B)=(B)(1)+(B)(2)+(B)(3)</b>       | <b>3,134,920</b>                        | <b>18.16</b>                               |
| <b>(C)</b> | <b>Non Promoter- Non Public</b>                                    | <b>0</b>                                | <b>0.00</b>                                |
|            | <b>Grand Total (A)+(B)</b>   | <b>17,262,748</b>                       | <b>100.00</b>                              |

Pre-Amalgamation shareholding pattern of BCSL as on April 5, 2019:

| Sr. No.    | Category                            | No. of fully paid up equity shares held | Shareholding as a % of total no. of shares |
|------------|-------------------------------------|---|--|
| <b>(A)</b> | <b>Promoter</b>                     |   |  |
| <b>(a)</b> | <b>Individuals</b>                  | 0                                       | 0.00                                       |
|            | <b>Sub-Total (A)(1)</b>             | <b>0</b>                                | <b>0.00</b>                                |
| (b)        | Central Government/State Government | 0                                       | 0.00                                       |
| (c)        | Financial Institutions/ Banks       | 0                                       | 0.00                                       |



| Sr. No.    | Category   | No. of fully paid up equity shares held | Shareholding as a % of total no. of shares |
|------------|--|---|--|
| (d)        | Any Other (specify)  |   |  |
| (d-1)      | Bodies Corporate   |   |  |
| (a)        | Bayer AG   | 3,572,577                               | 10.41                                      |
| (b)        | Bayer CropScience AG   | 5,354,030                               | 15.59                                      |
| (c)        | Bayer SAS  | 6,618,105                               | 19.28                                      |
| (d)        | Bayer Vapi Private Limited   | 8,039,736                               | 23.42                                      |
|            | <b>Sub-Total (A)(2)</b>  | <b>23,584,448</b>                       | <b>68.69</b>                               |
|            | <b>Total Shareholding of Promoter (A)=(A)(1)+(A)(2)</b>            | <b>23,584,448</b>                       | <b>68.69</b>                               |
| <b>(B)</b> | <b>Public</b>  |   |  |
| <b>(1)</b> | <b>Institutions</b>  |   |  |
| (a)        | Mutual Funds/UTI   | 3,901,160                               | 11.36                                      |
| (b)        | Venture Capital Funds  | 0                                       | 0.00                                       |
| (c)        | Alternate Investment Funds   | 109,485                                 | 0.32                                       |
| (d)        | Foreign Venture Capital Investors                                  | 0                                       | 0.00                                       |
| (e.)       | Foreign Portfolio Investors  | 1,236,950                               | 3.60                                       |
| (f)        | Financial Institutions/ Banks                                      | 23,575                                  | 0.07                                       |
| (g)        | Insurance Companies  | 1,441,722                               | 4.20                                       |
| (h)        | Provident Funds/ Pension Funds                                     | 0                                       | 0.00                                       |
|            | <b>Sub-Total (B)(1)</b>  | <b>6,712,892</b>                        | <b>19.55</b>                               |
| <b>(2)</b> | <b>Central Government/ State Government(s)/ President of India</b> | 0                                       | 0.00                                       |
|            | <b>Sub-Total (B)(2)</b>  | <b>0</b>                                | <b>0.00</b>                                |
| <b>(3)</b> | <b>Non-institutions</b>  |   |  |
| (a)        | Individuals  | 2,385,953                               | 6.95                                       |
| (b)        | NBFCs registered with RBI  | 95                                      | 0.00                                       |
| (c)        | <b>Any Other (specify)</b>   |   |  |
| i          | Trusts   | 824                                     | 0.00                                       |
| ii         | Foreign Companies  | 0                                       | 0.00                                       |
| iii        | Bodies Corporate   | 1,046,730                               | 3.05                                       |
| iv         | IEPF account   | 91,979                                  | 0.27                                       |
| v          | HUF  | 51,372                                  | 0.15                                       |
| vi         | NRI  | 421,471                                 | 1.23                                       |
| vii        | Clearing Members   | 32,546                                  | 0.09                                       |
| viii       | LLP  | 5,283                                   | 0.02                                       |
|            | <b>Sub-Total (B)(3)</b>  | <b>1,650,205</b>                        | <b>4.81</b>                                |
|            | <b>Total Shareholding of Public (B)=(B)(1)+(B)(2)+(B)(3)</b>       | <b>10,749,145</b>                       | <b>31.31</b>                               |
| <b>(C)</b> | <b>Non Promoter- Non Public</b>                                    | 0                                       | 0.00                                       |
|            | <b>Grand Total (A)+(B)</b>   | <b>34,333,593</b>                       | <b>100.00</b>                              |

Post-Amalgamation (expected) shareholding pattern of BCSL as on April 5, 2019:

| Sr. No.    | Category                            | No. of fully paid up equity shares held | Shareholding as a % of total no. of shares |
|------------|-------------------------------------|---|--|
| <b>(A)</b> | <b>Promoter</b>                     |   |  |
| <b>(a)</b> | <b>Individuals</b>                  | 0                                       | 0.00                                       |
|            | <b>Sub-Total (A)(1)</b>             | <b>0</b>                                | <b>0.00</b>                                |
| (b)        | Central Government/State Government | 0                                       | 0.00                                       |

| <b>Sr. No.</b> | <b>Category</b>  | <b>No. of fully paid up equity shares held</b> | <b>Shareholding as a % of total no. of shares</b> |
|----------------|--|--|---|
| (c)            | Financial Institutions/ Banks                                      | 0  | 0.00  |
| (d)            | Any Other (specify)  |  |   |
| (d-1)          | Bodies Corporate   |  |   |
| (a)            | Bayer AG   | 3,788,433                                      | 8.43  |
| (b)            | Bayer CropScience AG   | 5,354,030                                      | 11.91   |
| (c)            | Bayer SAS  | 6,618,105                                      | 14.73   |
| (d)            | Bayer Vapi Private Limited   | 8,039,736                                      | 17.89   |
| (e)            | Monsanto Company   | 1,544,613                                      | 3.44  |
| (f)            | Monsanto Investments India Private Limited                         | 6,758,082                                      | 15.04   |
|                | <b>Sub-Total (A)(2)</b>  | <b>32,102,999</b>                              | <b>71.43</b>                                      |
|                | <b>Total Shareholding of Promoter (A)=(A)(1)+(A)(2)</b>            | <b>32,102,999</b>                              | <b>71.43</b>                                      |
| <b>(B)</b>     | <b>Public</b>  |  |   |
| <b>(1)</b>     | <b>Institutions</b>  |  |   |
| (a)            | Mutual Funds/UTI   | 3,923,239                                      | 8.73  |
| (b)            | Venture Capital Funds  | 0  | 0.00  |
| (c)            | Alternate Investment Funds   | 109,565  | 0.24  |
| (d)            | Foreign Venture Capital Investors                                  | 0  | 0.00  |
| (e)            | Foreign Portfolio Investors  | 1,582,128                                      | 3.52  |
| (f)            | Financial Institutions/ Banks                                      | 29,378   | 0.07  |
| (g)            | Insurance Companies  | 1,565,728                                      | 3.48  |
| (h)            | Provident Funds/ Pension Funds                                     | 0  | 0.00  |
|                | <b>Sub-Total (B)(1)</b>  | <b>7,210,038</b>                               | <b>16.04</b>                                      |
| <b>(2)</b>     | <b>Central Government/ State Government(s)/ President of India</b> | 0  | 0.00  |
|                | <b>Sub-Total (B)(2)</b>  | <b>0</b>                                       | <b>0.00</b>                                       |
| <b>(3)</b>     | <b>Non-institutions</b>  |  |   |
| (a)            | Individuals  | <b>3,485,744</b>                               | 7.76  |
| (b)            | NBFCs registered with RBI  | <b>2,611</b>                                   | 0.01  |
| (c)            | <b>Any Other (specify)</b>   |  |   |
| i              | Trusts   | 10,001   | 0.02  |
| ii             | Foreign Companies  | 0  | 0.00  |
| iii            | Bodies Corporate   | 1,173,939                                      | 2.61  |
| iv             | IEPF account   | 92,288   | 0.21  |
| v              | HUF  | 347,916  | 0.77  |
| vi             | NRI  | 461,523  | 1.03  |
| vii            | Clearing Members   | 49,608   | 0.11  |
| viii           | LLP  | 5,425  | 0.01  |

| Sr. No. | Category   | No. of fully paid up equity shares held | Shareholding as a % of total no. of shares |
|---------|--|---|--|
|         | <b>Sub-Total (B)(3)</b>                                      | <b>2,140,700</b>                        | <b>4.76</b>                                |
|         | <b>Total Shareholding of Public (B)=(B)(1)+(B)(2)+(B)(3)</b> | <b>12,839,093</b>                       | <b>28.57</b>                               |
| (C)     | Non Promoter- Non Public                                     | 0                                       | 0.00                                       |
|         | <b>Grand Total (A)+(B)</b>                                   | <b>44,942,092</b>                       | <b>100.00</b>                              |

32. The Pre and Post-Amalgamation (expected) capital structure of BCSL will be as follows (assuming the continuing capital Structures as on 5<sup>th</sup> day of April, 2019):

#### PRE AMALGAMATION

|   | Amount (Rupees)    |
|---|--------------------|
| <b>Authorised Share Capital</b>           |                    |
| 46,300,000 Equity shares of INR 10/- each | 463,000,000        |
|   |                    |
| <b>Total</b>                              | <b>463,000,000</b> |
| <b>Issued Capital</b>                     |                    |
| 34,333,593 Equity shares of INR 10/- each | 343,335,930        |
|   |                    |
| <b>Total</b>                              | <b>343,335,930</b> |
| <b>Subscribed and Paid Up Capital</b>     |                    |
| 34,333,593 Equity shares of INR 10/- each | 343,335,930        |
|   |                    |
| <b>Total</b>                              | <b>343,335,930</b> |

#### POST AMALGAMATION (EXPECTED)

|   | Amount (Rupees)    |
|---|--------------------|
| <b>Authorised Share Capital</b>           |                    |
| 66,300,000 Equity shares of INR 10/- each | 663,000,000        |
|   |                    |
| <b>Total</b>                              | <b>663,000,000</b> |
| <b>Issued Capital</b>                     |                    |
| 44,942,092 Equity shares of INR 10/- each | 449,420,920        |
|   |                    |
| <b>Total</b>                              | <b>449,420,920</b> |
| <b>Subscribed and Paid Up Capital</b>     |                    |
| 44,942,092 Equity shares of INR 10/- each | 449,420,920        |
|   |                    |
| <b>Total</b>                              | <b>449,420,920</b> |

33. 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.
34. The following documents will be open for inspection by the equity shareholders of the Transferee Company at its registered office at Bayer House, Central Avenue, Hiranandani Estate, Thane (West) 400 607, Maharashtra, India between 10.00 a.m. and 2.00 p.m. on all days (except Saturdays, Sundays and public holidays) up to the date of the meeting:
- I. Copy of the Order passed by NCLT in Company Scheme Application No. 916 of 2019 dated 22<sup>nd</sup> day of April, 2019 directing the Transferee Company to, inter alia, convene the meeting of its equity shareholders;
  - II. Copy of Company Scheme Application No. 916 of 2019 along with annexure filed by the Transferee Company before NCLT;
  - III. Copy of the Memorandum and Articles of Association of MIL and BCSL;
  - IV. Copy of the annual reports of BCSL and MIL for the financial years ended March 31, 2016, March 31, 2017 and March 31, 2018;
  - V. Copy of the supplementary Unaudited Financial Results of BCSL and MIL, for the quarter ended on December 31, 2018;

- VI. Nil list of Subsidiary Companies, joint ventures and associates of MIL and BCSL as on April 5, 2019;
- VII. Copy of the Register of Directors' shareholding of BCSL and MIL;
- VIII. Copy of Audit Committee Report dated November 14, 2018 of BCSL and MIL;
- IX. Copy of the resolutions, dated November 14, 2018, passed by the Board of Directors of MIL and BCSL approving the Scheme;
- X. Copy of the extracts of the minutes of the meetings, held on November 14, 2018, of the Board of Directors of MIL and BCSL, in respect of the approval of the Scheme;
- XI. Copy of the Valuation Report dated November 13, 2018 issued jointly by S. R. Batliboi & Co. LLP and Bansil S. Mehta & Co., Independent Chartered Accountants, describing the methodology adopted by them in arriving at the share exchange ratio;
- XII. Copy of the Fairness Opinion dated November 14, 2018 prepared by ICICI Securities Limited, a SEBI Registered Merchant Banker, providing the Fairness Opinion on the share exchange ratio as recommended by S. R. Batliboi & Co. LLP and Bansil S. Mehta & Co.;
- XIII. Copy of the Statutory Auditors' certificate dated November 13, 2018 issued by M/s. MSKA & Associates Chartered Accountants to MIL and Copy of the Statutory Auditors' Certificate dated November 12, 2018 issued by Deloitte Haskins & Sells LLP to BCSL, confirming the compliance of the accounting treatment as specified by Central Government in Section 133 of the Companies Act, 2013;
- XIV. Copy of the observation letter dated February 18, 2019 issued by BSE Limited to BCSL;
- XV. A copy of Complaint report dated December 19, 2018 of BCSL filed with the BSE Limited in terms of Para 6(a) of Part I(A) of the SEBI circular dated 10<sup>th</sup> March, 2017;
- XVI. Copy of Form No.GNL-1 filed by BCSL with the concerned Registrar of Companies along with challan dated April 24, 2019, evidencing filing of the Scheme with the concerned Registrar of Companies;
- XVII. Copy of the certificate, dated April 22, 2019, issued by R. S. Kelkar & Co. Chartered Accountants, certifying the amount due to the Secured and Unsecured Creditors of MIL as on December 31, 2018;
- XVIII. Copy of the certificate dated April 16, 2019, issued by Milind Joshi & Associates & Co. Chartered Accountants, certifying the amount due to the Secured and Unsecured Creditors of BCSL as on December 31, 2018;
- XIX. Copy of the Scheme; and
- XX. Copy of the Report dated February 7, 2019 adopted by the Board of Directors of BCSL at its meeting held on November 14, 2018, pursuant to the provisions of Section 232(2)(c) of the Act and Copy of the Report dated November 14, 2018 adopted by the Board of Directors of MIL at its meeting held on November 14, 2018, pursuant to the provisions of Section 232(2)(c) of the Act.

The shareholders shall be entitled to obtain the extracts from or for making or obtaining the copies of the documents listed above.

35. This statement may be treated as an Explanatory Statement under Sections 230(3), 232(1), 232(2) and 102 of the Act read with Rule 6 of the Rules. A copy of the Scheme, Explanatory Statement, Postal Ballot Form and Form of Proxy shall be furnished by BCSL to its shareholders, free of charge, within one (1) day (except Saturdays, Sundays and public holidays) on a requisition being so made for the same by the shareholders of BCSL.
36. After the Scheme is approved, by the equity shareholders of BCSL it will be subject to the approval / sanction by NCLT.

Sd/-  
Duraiwami Narain  
DIN: 03310642  
Chairman appointed for the meeting

Dated this 25<sup>th</sup> day of April, 2019.

**Registered office:** Bayer House,  
Central Avenue, Hiranandani Estate,  
Thane (West) 400 607, Maharashtra, India.  
CIN: L24210MH1958PLC011173

**SCHEME OF AMALGAMATION  
OF  
MONSANTO INDIA LIMITED  
(THE TRANSFEROR COMPANY OR “MIL”)  
WITH  
BAYER CROPSCIENCE LIMITED  
(THE TRANSFEREE COMPANY OR “BCSL”)  
AND  
THEIR RESPECTIVE SHAREHOLDERS**

**A) PREAMBLE**

This Scheme of Amalgamation (**the “Scheme”** or **this “Scheme”** as defined hereinafter) provides for amalgamation of ‘Monsanto India Limited’ with ‘Bayer CropScience Limited’ pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013. This Scheme also provides for various other matters consequential thereto or otherwise integrally connected therewith.

**B) DESCRIPTION OF COMPANIES**

1. **‘Monsanto India Limited’** (hereinafter referred to as **the “Transferor Company”** or **“MIL”**) was incorporated on December 8, 1949 as a private limited company with the name and style of “Monsanto Chemicals Of India Private Limited” in the State of Maharashtra under the Companies Act, 1913. Subsequently, name of the Transferor Company was changed to “Monsanto Chemicals Of India Limited” on July 1, 1978. With effect from July 21, 2000, the name of the Transferor Company was finally changed to “Monsanto India Limited” and is currently having its Registered Office at Ahura Centre, 5th Floor, 96, Mahakali Caves Road, Andheri (East), Mumbai – 400 093, Maharashtra. The Corporate Identity Number (CIN) of the Transferor Company is L74999MH1949PLC007912. The Transferor Company is in the business interalia of production and sale of agricultural inputs, namely, chemicals and hybrid seeds. The equity shares of the Transferor Company are listed on BSE Limited and the National Stock Exchange of India Limited.
2. **‘Bayer CropScience Limited’** (hereinafter referred to as **the “Transferee Company”** or **“BCSL”**) was incorporated as “Bayer-Agrochem Private Limited” on September 9, 1958 in the State of Maharashtra as a private limited company under the Companies Act, 1956. Subsequently, name of the Transferee Company was changed to “Bayer (India) Limited” on May 21, 1963. Further, the name of the Transferee Company was changed to “Bayer CropScience Limited” on April 5, 2004. The Transferee Company is currently having its Registered Office at Bayer House, Central Avenue, Hiranandani Estate, Thane (West) 400 607, Maharashtra. The Corporate Identity Number (CIN) of the Transferee Company is L24210MH1958PLC011173. The Transferee Company is in the business interalia of manufacturing, selling, marketing of pesticides and pest control products, distribution of seeds and the provision of services in the field of agriculture. The equity shares of the Transferee Company are listed on BSE Limited and are also permitted to be traded on National Stock Exchange of India Limited.

**C) BACKGROUND AND OVERVIEW OF THE SCHEME**

The global acquisition of Monsanto Company, a company incorporated under the laws of Delaware, United States of America (“Monsanto Co.”) by Bayer Aktiengesellschaft, Germany (“Bayer AG” or the “Acquirer”) was completed on June 07, 2018 (the “Primary Transaction”). Upon the completion of the Primary Transaction Monsanto Co. became a wholly owned subsidiary of Bayer AG. Prior to the completion of the Primary Transaction, Monsanto Co. directly as well as indirectly held 72.14% voting share capital in MIL. As a consequence of completion of the Primary Transaction on June 07, 2018, the Acquirer indirectly

acquired 72.14% of the fully diluted voting rights in MIL, the Transferor Company herein, resulting in change in control of MIL, the Transferor Company herein.

Pursuant to the indirect acquisition of voting rights and control by the Acquirer over MIL as a result of the Primary Transaction, it was mandatory for the Acquirer to make an open offer to the minority shareholders of MIL under the relevant regulations of SEBI (Substantial Acquisition of Shares & Takeover Regulations, 2011) (the “SAST Regulations”). Consequently, the Acquirer and BCSL, a publicly listed and the Transferee Company herein (as a Person acting in Concert) jointly made an Open Offer (the “Open Offer”) to all the public shareholders of MIL to acquire upto 4,488,315 (Four Million, Four Hundred and Eighty Eight Thousand Three Hundred and Fifteen) equity shares representing 26% of the voting share capital of MIL at the price of INR. 2,926.87 per equity share to be paid in cash in accordance with the Regulations. The Open Offer opened on August 24, 2018 and was closed on September 06, 2018. Based on the tender offer submissions by the minority shareholders of MIL, BCSL, the Transferee Company acquired and now holds 7.82% shareholding in MIL, the Transferor Company. Both the Transferor and the Transferee Companies are commonly controlled subsidiaries of Bayer AG, the Acquirer.

**D) RATIONALE FOR THE SCHEME**

This Scheme provides for the amalgamation of Transferor Company with Transferee Company pursuant to Section 230 to 232 of the Act (defined hereunder) and other applicable provisions of the Act with the view to achieve the following benefits to the stakeholders and the shareholders:

- a. Combined business under “BAYER” brand with complementary agriculture offerings and geographical footprint leading to stronger market presence, to be best suitable for long term growth market like India;
- b. Access to globally combined research and development technology platform for faster and more efficient development of innovative solutions for farmers;
- c. Merger shall result in consolidation of the respective operations served by one platform thereby leveraging the capability of the merged entity;
- d. The Transferor Company and the Transferee Company to operate businesses that complement each other, the combination to result in stronger consolidated revenue and profitability, with diversification in product portfolio thereby reducing business risks for mutual benefit of the shareholders of the Companies;
- e. Ensuring a streamlined group structure by reducing the number of legal entities in the group structure in India, and thereby eliminating administrative duplications and consequently reducing the administrative costs of maintaining separate companies; and
- f. Pooling of assets, proprietary information, personnel, financial, managerial and technical resources of the Companies, thereby contributing to the future growth of the merged entity.

- E)** Under the Scheme, there is no arrangement proposed to be entered into with the creditors, either secured and/or unsecured of the Transferor and/or the Transferee Company. No compromise is offered under this Scheme to any of the creditors of the Transferor and/or the Transferee Company. The liability of the creditors of the Transferor and/or the Transferee Company, under the Scheme, is neither being reduced nor being extinguished but shall be assumed and discharged by the Transferee Company in its ordinary course of business.

**F) PARTS OF THIS SCHEME :**

This Scheme is divided into the following parts:

- (i) **Part I** deals with definitions of the terms used in this Scheme and sets out the share capital of the Transferor Company and the Transferee Company;
- (ii) **Part II** deals with the transfer and vesting of the Undertaking (as hereinafter defined) of the Transferor Company to and in the Transferee Company;
- (iii) **Part III** deals with the issue of new equity shares by the Transferee Company to the eligible shareholders of the Transferor Company, as applicable and the cancelation of shares of the Transferee Company held in the Transferor Company;
- (iv) **Part IV** deals with the accounting treatment for this Scheme in the books of the Transferee Company;
- (v) **Part V** deals with the conduct of business until this scheme becomes effective and the general terms and conditions applicable to this Scheme of Amalgamation and other matters consequential and integrally connected thereto.

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**PART – I**

**DEFINITIONS AND SHARE CAPITAL**

**1. DEFINITIONS**

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

- 1.1 **“Act” or the “Act”** means the Companies Act, 2013 (including any statutory modifications(s) or re-enactment(s) thereof) and rules and regulations made thereunder, for the time being in force, and which may relate or are applicable to the amalgamation;
- 1.2 **“Applicable Law”** means any applicable statute, notification, bye laws, rules, regulations, guidelines, rule of common law, policy, code, directives, circulars, master circulars, ordinances, orders or instructions having the force of law enacted or issued by any Appropriate Authority, including any statutory modification or re-enactment thereof for the time being in force;
- 1.3 **“Appointed Date”** means April, 1, 2019 or such other date as may be fixed by the National Company Law Tribunal;
- 1.4 **“Appropriate Authority”** means any applicable central, state or local government, legislative body, regulatory, administrative or statutory authority, agency or commission or department or public or judicial body or authority, including, but not limited, to Securities and Exchange Board of India, Stock Exchanges, Reserve Bank of India, Regional Director, Official Liquidator, Registrar of Companies and National Company Law Tribunal;
- 1.5 **“Board of Directors” or “Board”** means the board of directors of the Transferor Company or the Transferee Company, as the context may require, and shall include a committee duly constituted by such board of directors;



- 1.6 **“BSE”** means BSE Limited;
- 1.7 **“Effective Date”** or **“Coming into effect of this Scheme”** or **“upon the Scheme becoming effective”** or **“effectiveness of the Scheme”** means the date on which the certified copies of the orders of National Company Law Tribunal sanctioning this Scheme, is filed by the Transferor Company and the Transferee Company with the jurisdiction Registrar of Companies and if filed by the Transferor Company and the Transferee Company on different dates, then the later of those dates;
- 1.8 **“IT Act”** means the Income Tax Act, 1961, of India, including any statutory modifications, re-enactments or amendments thereof for the time being in force;
- 1.9 **“IND-AS”** means the accounting standards prescribed under the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- 1.10 **“Intellectual Property Rights”** means rights of any patent, plant varieties protection (PVP), copyright, trademark or service mark, trade secret, trade dress and packaging material and styles, logos, colour schemes, product registrations owned by or licensed to the Transferor Company or any other proprietary rights protection legally available under common law or otherwise.
- 1.11 **“National Company Law Tribunal”** or **“Tribunal”** or **“NCLT”** means the National Company Law Tribunal Bench at Mumbai including National Company Law Appellate Tribunal as constituted and authorized as per the provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of companies under Sections 230 to 232 of the Companies Act, 2013;
- 1.12 **“NSE”** means the National Stock Exchange of India Limited;
- 1.13 **“Record Date”** means the date fixed by the Board of Directors or a committee duly constituted by the Board, if any, of the Transferee Company for the purpose of determining the shareholders of the Transferor Company to whom new equity shares will be allotted by the Transferee Company according to the Share Exchange Ratio determined by the Independent Valuers pursuant to Clause 5 of the Scheme;
- 1.14 **“Registrar of Companies”** means the Registrar of Companies, Maharashtra at Mumbai;
- 1.15 **“Scheme”** or **“the Scheme”** or **“this Scheme”** means the Scheme of Amalgamation in its present form or with any modification(s) and amendments made under Clause 20 of this Scheme as approved or directed by the NCLT;
- 1.16 **“SEBI”** means the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992;
- 1.17 **“SEBI Circular”** means the circular issued by the SEBI, being Circular Ref. No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and any amendments thereof or modifications issued pursuant to Regulations 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- 1.18 **“SGST, CGST and IGST”** means the State Goods and Services Tax, the Central Goods and Services Tax and Integrated Goods and Services Tax;

- 1.19 **"Share Exchange Ratio"** means the ratio in which equity shares of the Transferee Company are to be issued and allotted to the shareholders of the Transferor Company under Clause 5;
- 1.20 **"Stock Exchanges"** collectively means BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE');
- 1.21 **"Tax(es)"** means the advance tax, the tax deducted at source, deferred tax payment, the income tax under IT Act (including Minimum Alternate Tax) and any such direct taxes or indirect taxes such as Sales tax, excise duty, entry tax, custom duty, service tax, luxury tax, VAT, SGST, CGST, IGST and such indirect tax as may be applicable to the Transferor and Transferee Companies;
- 1.22 **"Transferor Company"** or **"MIL"** means **'Monsanto India Limited'**, a company incorporated under the Companies Act, 1956, having Corporate Identity Number: L74999MH1949PLC007912, and having its Registered Office at Ahura Centre, 5th Floor, 96, Mahakali Caves Road, Andheri (East), Mumbai – 400 093, Maharashtra.
- 1.23 **"Transferee Company"** or **"BCSL"** means **'Bayer CropScience Limited'**, a company incorporated under the Companies Act, 1956, having Corporate Identity Number: L24210MH1958PLC011173, and having its Registered Office at Bayer House, Central Avenue, Hiranandani Estate, Thane (West) 400 607, Maharashtra.
- 1.24 **"Undertaking"** means the whole of the undertaking and entire business of the Transferor Company as a going concern, including (without limitation):
- I. All the assets, investments, properties, rights, titles and benefits, whether movable or immovable properties, both on freehold basis and leasehold basis, including but not limited to real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building (whether owned, leased, licensed), all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, provisions, funds, statutory licenses, registrations, approvals, consents, permissions, sanctions, grants, subsidy(ies), permits, no-objections, authorizations, benefits, incentives, tax credits, tax refunds and all other interest, rights, titles, liberties, claims, actionable claims, insurance claims, insurance policies, authorities, allotments and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, all intangible assets, goodwill (recognised or otherwise) and Intellectual Property Rights of any kind and nature, copyrights, trademarks, trade names, brand names, patents, patent rights, logos, designs, domain names, technical knowhow, formulations, molecules, germplasm, assignments and grants in respect thereof, import quotas and other quota rights, right to use and avail of telephone, telex, facsimile, internet and other communication facilities, connections, installations and equipments, utilities, electricity, electronic and all other services of every kind, nature and description whatsoever, tenancy rights, premises, hire purchase and lease arrangements, lending arrangements, all plant and machinery and office equipment, contracts, engagements, arrangements, powers, authorities, permits, benefit and advantage, deposits, advances, receivables, dues, funds, cash, bank balances, accounts (including demat accounts with depository participants) and all other rights, benefits of all agreements, assets held in trust, subsidies, grants, tax credits [including but not limited to benefits of tax relief including under the Income Tax Act such as credit for advance tax, minimum alternate tax, taxes deducted at source, etc., Goods and Service Tax (GST) credit], GST (TDS), advance licenses, whether in physical, electronic form in connection/relating to the Transferor Company and other claims and powers, of whatsoever nature and wheresoever situated belonging to or in the possession of or granted or to be granted in favour of or enjoyed by the Transferor Company;

- II. All liabilities including, without being limited to, secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations of the Transferor Company, of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised;
- III. All records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the business activities and operations of the Transferor Company;
- IV. All permanent employees engaged by the Transferor Company as on the Effective Date;
- V. All agreements, contract, memoranda of understanding, approval, authorisation, concession consents, engagements, arrangements, securities arrangements (to the extent provided herein), authorities, allotments, quotas, rights, entitlements, export/import incentives and benefits including license, advance licenses, MEIS (Merchandise Exports from India Scheme), all kinds of duty drawbacks, bids, tenders (at any stage as it may be), letters of intent, expressions of interest, development rights (whatever vested or potential and whether under agreements or otherwise), subsidies, tenancies in relation to office, benefit of any deposits / privileges, guarantees, reversions, all other rights, receivables, powers and facilities of every kind, nature and description whatsoever, of the Transferor Company, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, provisions and benefits of all agreements, contracts and arrangements, including technological licensing agreements, and benefits including but not limiting to all other interests in connection with or relating thereto;
- VI. All brand names, trademarks, trade names, patents and domain names, whether owned and/or licensed; applications and authorizations of products, including without limiting hybrids, varieties, germplasm, herbicides, with governmental authorities in any jurisdiction, filings, dossiers copyrights, industrial designs, trade secrets, know-how; ongoing research projects, data, formulations, technology, methodology, manufacturing procedures and techniques, test procedures, product registrations, trails and other data, applications and authorizations, recognition and other intellectual property (in India or outside India) and all other interests exclusively relating to the goods or services being dealt with by the Transferor Company;
- VII. All Intellectual Property Rights created, developed or invented by employees concentrated on the research, development or marketing of products (including process development or enhancement) in connection with the Transferor Company;
- VIII. All benefits and privileges under letters of permission and letters, of approvals in respect of Special Economic Zones and Export Oriented Units and the benefits related thereto, all tax credits, including SGST, CGST and IGST credits, GST (TDS) refunds, reimbursements, claims, exemptions, benefits under service tax laws, value added tax, purchase tax, sales tax, MEIS, entry tax or any other duty or tax or cess or imposts under central or state law including sales tax deferrals, advance taxes, tax deducted at source, right to carry forward and set-off unabsorbed losses, if any and depreciation, MAT Credit (Minimum Alternate Tax credit), deductions, exemptions and benefits under the IT Act, as well as any recognition of the In-house Research and Development unit with the Department of Scientific & Industrial Research or any Government Authority;

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, and other applicable laws, rules, regulations, bye-laws or under the Act as the case may be, or any statutory modification or re-enactment thereof from time to time.

## 2. SHARE CAPITAL

2.1 The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on March 31, 2018 is as under:

| <b>Particulars</b>                                       | <b>Amount in INR</b> |
|--|----------------------|
| <b><u>Authorised Capital</u></b>                         |                      |
| 20,000,000 Equity Shares of INR.10/- each                | 200,000,000          |
| <b>TOTAL</b>   | <b>200,000,000</b>   |
| <b><u>Issued, Subscribed and Paid-up Capital</u></b>     |                      |
| 17,262,748 Equity Shares of INR.10/- each, fully paid up | 172,627,480          |
| 300* Equity Shares of INR.10/- each, fully paid up       | 3,000                |
| <b>TOTAL</b>   | <b>172,630,480</b>   |

*\* The Transferor Company has not allotted a total of 300 Equity Shares, which are part of its total issued and subscribed equity share capital without voting rights attached to it. These 300 Equity Shares are a subject matter of pending disputes /court proceedings between the concerned shareholders. Pursuant to this Scheme being sanctioned by the Tribunal, the Transferee Company shall abide by the court orders when passed in so far as the allotment of shares is concerned subject to Applicable Law.*

Subsequent to March 31, 2018 and until the date of the Scheme being approved by the Board of Directors, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company. The shares of the Transferor Company are listed on the Stock Exchanges.

2.2 The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on March 31, 2018 is as under:

| <b>Particulars</b>                                      | <b>Amount in INR</b> |
|---|----------------------|
| <b><u>Authorised Capital</u></b>                        |                      |
| 46,300,000 Equity Shares of INR.10/- each               | 463,000,000          |
| <b>TOTAL</b>  | <b>463,000,000</b>   |
| <b><u>Issued, Subscribed and Paid-up Capital</u></b>    |                      |
| 34,333,593 Equity Shares of INR.10/- each fully paid up | 343,335,930          |
| <b>TOTAL</b>  | <b>343,335,930</b>   |

Subsequent to March 31, 2018 and until the date of the Scheme being approved by the Board of Directors, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferee Company. The shares of the Transferee Company are listed on BSE and permitted to trade on NSE.

**3. DATE OF TAKING EFFECT**

This Scheme as set out herein in its present form or with any modification(s), as may be approved or imposed or directed by the NCLT or any other statutory authority, or made as per Clause 20 of this Scheme, shall become effective from the Appointed Date, but shall become operative from the Effective Date.

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**PART II**  
**MERGER OF THE TRANSFEROR COMPANY**  
**WITH THE TRANSFEE COMPANY**

**4. VESTING OF ASSETS AND LIABILITIES OF THE TRANSFEROR COMPANY**

- 4.1 With effect from the Appointed Date, the whole of the Undertaking of the Transferor Company as a going concern, along with all debts, liabilities and obligations (including obligations to hold assets in trust) of every kind, nature and description of the Transferor Company, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company so as to become as from the Appointed Date the undertaking of the Transferee Company and to vest in the Transferee Company with all the rights, title, interest or obligations, of the Transferor Company therein. In so far as various incentives, subsidies, special status and other benefits or privileges granted by any Government body, local authority or by any other person or enjoyed or availed by the Transferor Company shall vest with and be available with the Transferee Company on the same terms and conditions.
- 4.2 Without prejudice to the generality of Clause 4.1 above, all the assets and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets and properties which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date shall be deemed to be and shall under the provisions of Section 230 to 232 and all other applicable provisions, if any of the Act, without any further act, instruments or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Section 230 to 232 of the Act.
- 4.3 Without prejudice to the generality of Clause 4.1 above, it is expressly provided that such of the assets of the Transferor Company that are tangible and movable including cash in hand, etc., shall with effect from the Appointed Date and subject to the provisions of this Scheme, be transferred by physical or constructive delivery and/or endorsement and delivery to the Transferee Company to the end and intent that the property therein passes to the Transferee Company upon such delivery.
- 4.4 Without prejudice to the generality of Clause 4.1 above, movable assets, other than those specified in Clause 4.3 above, including sundry debtors, outstanding loans recoverable in cash or in kind or value to be received, bank balances and deposits of the Transferor Company shall with effect from the Appointed Date and subject to provisions of this Scheme, stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors and the debtors shall be obliged to

make payment to the Transferee Company. The Transferee Company may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositee that pursuant to the Scheme, the said person, debtor or depositee should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Transferee Company to recover or realize the same is in substitution of the right of the Transferor Company.

- 4.5 All lease and licence agreements, if any, entered into by the Transferor Company with landlords, owners and lessors in connection with the use of the assets of the Undertaking of the Transferor Company, together with security deposit, shall stand automatically transferred in favour of the Transferee Company on the same terms and conditions, subject to applicable law, without any further act, instruments, deed, matter or thing being made, done or executed. The Transferee Company shall continue to pay rent amounts as provided for in such agreement and shall comply with the other terms, conditions and covenants thereunder and shall also be entitled to refund of security deposits paid under such agreement by the Transferor Company.
- 4.6 All immovable properties of the Transferor Company, if any, including land together with the building and structures standing thereon and rights and interest in immovable properties of the Transferor Company, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall be vested in and/or be deemed to have been vested in the Transferee company on the same terms and conditions, subject to the applicable law, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to such immovable properties and shall be liable to pay the ground rent, taxes and fulfil all obligation in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall upon this Scheme becoming effective be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of this Scheme by the Tribunal and upon the coming into effect of this Scheme in accordance with the terms thereof.
- 4.7 Until the owned property, leasehold property and related rights thereto, licence or right to use the immovable property, tenancy rights, liberties and special status are transferred, vested, recorded, effected and/or perfected in the record of the appropriate authorities in favour of the Transferee Company, the Transferee Company shall be deemed to be authorised to carry on business in the name and style of the Transferor Company under the relevant agreement, deed lease and/or licence, as the case may be and Transferee Company shall keep a record and account of such transactions.
- 4.8 For purposes of taking on record the name of the Transferee Company in the records of the Governmental Authorities in respect of transfer of immovable properties to the Transferee Company pursuant to this Scheme, the Boards of Directors of the Transferor Company and the Transferee Company may approve the execution of such documents or deeds as may be necessary, including deed of assignment of lease or leave or license (as the case may be) by the Transferor Company in favour of the Transferee Company.
- 4.9 It is further clarified that if the terms of any assets (tangible or intangible), owned property, leasehold property and related rights thereto, licence or right to use the immovable property, tenancy rights of the Transferor Company are such that they cannot be transferred or assigned or endorsed in the name of the Transferee Company and / or any of the concerned authorities specifically direct the Transferee Company to make a fresh application, in such scenario, the Transferee Company shall comply with the necessary directions including but not limited to making a fresh application or such other application as may be directed by the concerned authority for the desired transfer of the assets (tangible or intangible), owned property, leasehold property and related rights thereto, licence or right to use the immovable property, tenancy rights in the name of the Transferee Company. If any of assets (tangible or intangible), owned property, leasehold property and related rights thereto, licence or right to use the

immovable property, tenancy rights are not transferred in the name of Transferee Company due to any reason whatsoever the Board of Directors, officers or any of the employees of the Transferor Company shall not be held liable for any act, matter, deed or thing arising therefrom.

- 4.10 All the assets, investments including investments in shares and any other securities, actionable claims, and properties which are acquired by the Transferor Company on or after the Appointed Date shall be deemed to be and shall become the assets and properties of the Transferee Company and shall under the provisions of Sections 230 to 232 and all other applicable provisions if any of the Act, without any further act or execution of any instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 232 of the Act.
- 4.11 With effect from the Appointed Date, any statutory licenses, permissions, approvals, quotas or consents to carry on the operations and business of the Transferor Company shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company. The benefit of all statutory and regulatory permissions registrations or other licenses and consents shall vest in and shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if instead of the Transferor Company, the Transferee Company had been the party thereto or the beneficiary or obligee thereof pursuant to this Scheme. If the terms of the statutory licenses, permissions, approvals, quotas or consents of the Transferor Company are such that they cannot be transferred or assigned or endorsed in the name of the Transferee Company and / or any of the concerned authorities specifically direct the Transferee Company to make a fresh application, in such scenario, the Transferee Company shall comply with the necessary directions including but not limited to making a fresh application or such other application as may be directed by the concerned authority for the desired transfer of the licenses, permissions, approvals, quotas, consents in the name of the Transferee Company and pending the requisite fresh permissions, approvals, consents etc., the Transferee Company shall, to the extent permissible under law, be allowed to continue to use the existing approvals, consents, permissions etc. issued in the name of Transferor Company. If the licenses, permissions, approvals, quotas, consents are not transferred in the name of Transferee Company and the licenses, permissions, approvals, quotas, consents of the Transferor Company are continued to be used due to any reason whatsoever, the Board of Directors, officers or employees of the Transferor Company shall not be held liable for any act, matter, deed or thing arising therefrom.
- 4.12 Since each of the permissions, approvals, consents, sanctions, remissions, rights, incentives, concession and other authorizations of MIL shall stand transferred by the order of the NCLT to BSCL, BSCL shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning authorities.
- 4.13 For avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of the bank accounts of the Transferor Company have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary including for presentation and disposition of cheques, and pay orders that have been issued in the name of the Transferor Company. Upon the Scheme being sanctioned and taking effect, the Transferee Company shall be entitled to maintain and operate all bank accounts and demat accounts related to the Transferor Company and all cheques, letters of credit and other negotiable instruments, drafts, payment orders, instrument slips, direct and indirect tax balance and/or payment advice of any kind or description issued in favour of the Transferor Company, either before or Appointed Date, or in future, may be deposited with the bank/depositary participant to the Transferee Company and credit of all receipts thereunder will be given in the accounts of the Transferee



Company and the same shall be accepted by bankers of and credited to the account of Transferee Company. The bankers of Transferee Company should honour cheques issued by the Transferor Company for payment after the Effective Date. It is hereby expressly clarified that any legal proceedings by or against the Transferor Company in relation to the cheques and other negotiable instruments, pay orders, received or presentation for encashment which are in the name of the Transferor Company shall be instituted, or as the case may be, continued by or against the Transferee Company after the coming into effect of the Scheme.

- 4.14 With effect from the Appointed Date, all debts, liabilities (including contingent liabilities), duties and obligations (including obligations to hold assets in trust) of every kind, nature and description of the Transferor Company, shall be deemed to have been transferred to the Transferee Company and to the extent they are outstanding on the Scheme becoming effective shall, without any further act, deed, matter or thing be and stand transferred to the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, subject to applicable law and shall become the liabilities and obligations of the Transferee Company which undertakes to meet, discharge and satisfy the same and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities and obligations have arisen in order to give effect to the provisions of this Clause. It is expressly provided that, save as mentioned in this Clause, no other term or condition of the liabilities transferred to the Transferee Company as part of this Scheme is modified by virtue of the Scheme.
- 4.15 Where any of the debt, liabilities (including contingent liabilities), duties and obligations of the Transferor Company as on the Appointed Date, deemed to be transferred to the Transferee Company has been discharged by the Transferor Company, after the Appointed Date, such discharge shall be deemed to have been for, on behalf of and on account of the Transferee Company.
- 4.16 Without prejudice to the provisions of the foregoing clauses and upon the Scheme becoming effective, the Transferor Company and the Transferee Company shall execute all such instruments or documents or do all the acts, deeds and things as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.
- 4.17 All the existing securities, mortgages, charges, encumbrances or liens, if any, as on the Appointed Date and those created by the Transferor Company after the Appointed Date over the assets of the Transferor Company transferred to the Transferee Company shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date. Such securities, mortgages, charges, encumbrances or liens shall not relate or attach or extend to any of the other assets of the Transferee Company.
- Provided always that the Scheme shall not operate to enlarge the security for any land, deposit or facility availed of by the Transferor Company and the Transferee Company shall not be obliged to create any further or additional security thereof after the Effective Date.
- 4.18 Without prejudice to the provisions of Clauses 4.1 to 4.12, with effect from the Appointed Date, all inter-se transactions between the Transferor Company and the Transferee Company shall be considered as intra-se transactions for all purposes. Further, it is clarified that any taxes in the form of income-tax, tax deduction at source, goods and service tax, service tax, works contract tax, value added tax etc. paid on account of such transactions, shall be deemed to have been paid by or on behalf of the Transferee Company and on its own account and therefore, the Transferee Company will be eligible to claim the credit / refund of the same and is also entitled to revise its return to give effect to the same, wherever applicable.

- 4.19 Without prejudice to the generality of the applicable provisions of the Scheme, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its income tax returns and related withholding tax certificates, including withholding tax certificates relating to transactions between the Transferor Company and the Transferee Company, and to claim refunds of any excess tax paid arising out of amalgamation or otherwise, advance tax and withholding tax credits, benefit of credit for minimum alternate tax and carry forward of accumulated losses, etc., pursuant to the provisions of this Scheme.
- 4.20 All the acts done by the Transferor Company after the Appointed Date shall be done in trust for and on behalf of the Transferee Company.
- 4.21 Subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of this Clause 4 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deed or writing shall stand modified and/or superseded by the foregoing provisions.
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### **PART III**

#### **5. ISSUE OF SHARES BY THE TRANSFEREE COMPANY**

- 5.1 Upon the coming into effect of this Scheme and its consideration thereof, the Transferee Company shall without any further application, act or deed, issue and allot (**'Share Exchange Ratio'**):

*"2 (Two) equity shares of INR. 10/- (Rupees Ten only) each credited as fully paid-up of the Transferee Company for every 3 (Three) equity shares of INR. 10/- (Rupees Ten only) held in the Transferor Company and whose names are recorded in the register of members on the Record Date. No allotment of any shares to the Transferee Company shall be made against those 7.82% of the total equity shares held by it in the Transferor Company. The equity shares so held by the Transferee Company shall stand cancelled and be extinguished in terms of Clause 6.1 of this Scheme as hereinafter provided."*

- 5.2 *If necessary, the Transferee Company shall before allotment of the equity shares in term of the Scheme, increase its authorised share capital by such amount as it stands to the credit of the Transferor Company by creation of at least such number of equity shares as may be necessary to satisfy its obligation under the provisions of the Scheme in compliance with the applicable provisions of the Act and the Rules thereunder.*
- 5.3 Where new equity shares are to be allotted to the heirs, executors or administrators or, as the case may be, to the successors and deceased shareholders of the Transferor Company, the concerned heirs, executors, administrators or successors shall be obliged to produce evidence of title satisfactory to the Board of Directors of Transferee Company.
- 5.4 The equity shares so allotted by the Transferee Company to the shareholders of the Transferor Company will in all respect rank *pari passu* with the existing equity shares of the Transferee Company for dividend and voting rights, save and except that the holders of such equity shares shall not be entitled to dividend declared by the Transferee Company before the Effective Date.
- 5.5 Upon the coming into effect of this Scheme, the shareholders of the Transferor Company shall surrender their share certificates for cancellation thereof to the Transferee Company. Notwithstanding anything to the contrary, upon the new shares in the Transferee Company being issued and allotted by it to the shareholders of the Transferor Company whose names shall appear

on the register of members of the Transferor Company on the Record Date, the share certificates in relation to the shares held by them in the Transferor Company shall be deemed to have been cancelled and shall be of no effect from such issue and allotment.

- 5.6 For the purpose of the clause 5.1 above, (a) no fractional certificates shall be issued by the Transferee Company in respect of the fractional entitlements, if any, and all such fractional entitlements shall be allotted to any of the director or officer of the Transferee Company as a trustee(s) for sale at the prevailing market price and the entire net proceeds subject to taxes shall be distributed to the persons entitled thereto in proportion to their respective fractional entitlements and (b) joint shareholders shall be treated as a single shareholder.
- 5.7 The new equity shares of the Transferee Company issued in terms of Clause 5.1 of this Scheme will be listed and/or admitted to trading on the Stock Exchanges where the shares of the Transferee Company are listed and/or permitted to trading. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said Stock Exchange.
- 5.8 Unless otherwise notified in writing on or before such date as may be determined by the Board of the Transferee Company or a Committee thereof, the new equity shares issued to the shareholders of the Transferor Company by the Transferee Company shall be issued in dematerialised form by the Transferee Company, provided that details of the depository accounts of the shareholders of the Transferor Company are made available to the Transferee Company by the Transferor Company at least 10 (ten) working days prior to the Effective Date. In the event such details are not available with the Transferee Company, it shall issue the new equity shares to the shareholders of the Transferor Company in physical form. The new equity shares allotted pursuant to this Scheme shall remain frozen in the depositories system till relevant directions in relation to listing /trading are provided by the relevant stock exchange.
- 5.9 The issue and allotment of the equity shares as provided under this Scheme, is an integral part and therefore, shall be deemed to have been carried out without requiring any further act on the part of the Transferee Company or its shareholders and as if the procedure laid down under section 62 of the Act any other applicable provisions of the Act, as may be applicable, and such other statutes and regulations as may be applicable were duly complied with except for making necessary filings under the Act to effectuate such issuance.

## **6. CANCELLATION OF SHARES**

- 6.1. Upon the Scheme being effective, and in consideration of the transfer of and vesting of the Undertaking of the Transferor Company in the Transferee Company in terms of the Scheme, 1,350,000 equity shares held by the Transferee Company i.e. approximately 7.82% of the total equity shares of the Transferor Company, shall stand cancelled and extinguished and in lieu thereof, no allotment of any shares in the Transferee Company shall be made against those 7.82% of the total equity shares of the Transferor Company.
- 6.2. The Transferor Company shall ensure that the 'Minimum Public Shareholding' under Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'LODR') and applicable circulars thereunder, is maintained. The Transferor Company may apply, if and to the extent required, to the SEBI for seeking relaxation of the requirement of maintaining the 'Minimum Public Shareholding' under Regulation framed by the SEBI including requirements mandated under rule 19A of the Securities Contracts (Regulation) Rules, 1957 read with Regulation 38 of the LODR.

**7. CONSOLIDATION OF AUTHORISED CAPITAL**

7.1 Upon the effectiveness of this Scheme, the authorised share capital of the Transferor Company shall be merged with that of the Transferee Company. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the Appropriate Authority and no separate procedure or further resolution under Section 62 of the Act or instrument or deed or payment of any stamp duty and registration fees shall be required to be followed under the Act.

7.2 Consequently, Clause V of the Memorandum of Association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and substituted pursuant to Sections 13, 230 to 232 of the Act and other applicable provisions of the Act, as set out below:

*“The Authorised Share Capital of the Company is INR. 66,30,00,000 (Rupees Sixty Six Crores Thirty Lakhs only) consisting of 6,63,00,000 (Six Crores Sixty Three Lakhs) equity shares of INR.10/- (Rupee Ten Only) each.*

Further, Article 4 of the Articles of Association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and substituted pursuant to Sections 14, 230 to 232 and other applicable provisions of the Act, as set out below:

*“The Authorised Share Capital of the Company is INR. 66,30,00,000 (Rupees Sixty Six Crores Thirty Lakhs only) consisting of 6,63,00,000 (Six Crores Sixty Three Lakhs) equity shares of INR.10/- (Rupee Ten Only) each.*

7.3 It is clarified that the approval of the shareholders of the Transferee Company to the Scheme shall be deemed to be sufficient for effecting the consequential alteration of the Memorandum and Articles of Association of the Transferee Company and the Transferee Company shall not be required to seek separate consent / approval of its shareholders for such alteration of the Memorandum and Articles of Association of the Transferee Company as required under Sections 13, 14, 16, 61, 62 and 64 of the Act and other applicable provisions of the Act. In accordance with Section 232 (3) (i) of the Act, the stamp duties and fees (including registration fees) paid on the authorised share capital of the Transferor Company shall be utilised and applied to the increased authorised share capital of Transferee Company and there would be no further requirement for any payment of stamp duty and/or fee by the Transferee Company for the increase in the authorised capital to that extent.

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**PART IV**

**8. ACCOUNTING TREATMENT**

8.1 Upon the Scheme becoming effective the Transferee Company shall account for the amalgamation of the Transferor Company in its books of accounts in accordance with 'Pooling of Interest Method' of accounting as laid down in Appendix-C of IND-AS 103 (Business Combinations of entities under common control) as under:

8.1.1 All the assets, and liabilities in the books of the Transferor Company shall be recorded by the Transferee Company in its books of accounts at their respective carrying amounts as appearing in the books of the Transferor Company. No adjustment shall be made to reflect fair values, or recognise any new assets or liabilities.

8.1.2 The identity of reserves shall be preserved and shall appear in the financial statements of the Transferee Company, in the same form, in which they appeared in the financial statements of the Transferor Company.

- 8.1.3 The carrying amount of investments in the equity shares of the Transferor Company to the extent held by the Transferee Company, shall stand cancelled pursuant to Clause 6.1 of this Scheme and there shall be no further obligation in that behalf.
- 8.1.4 The excess of (a) the face value of the new shares issued and allotted plus any additional consideration in the form of cash pursuant to Clause 5.1; and (b) the carrying amount of investments cancelled pursuant to Clause 8.1.3 over the net value of assets, liabilities and reserves of the Transferor Company acquired and recorded by the Transferee Company in terms of Clause 8.1.1 shall be transferred to Revenue Reserves (General Reserve and/ or Retained earnings).
- 8.1.5 Inter-company transactions and balances including loans, advances, amount receivable or payable inter-se between the Transferor Company and the Transferee Company as appearing in their books of accounts, if any, shall stand cancelled.
- 8.2 In case of any differences in the accounting policies between the Transferor Company and the Transferee Company, the impact of the same will be quantified and adjusted in the Revenue Reserves (General Reserve and/ or Retained earnings) of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the true financial position on the basis of consistent accounting policies.
- 8.3 On the Scheme becoming effective, the financial statements of the Transferee Company (including comparative period presented in the financial statements of Transferee Company, if required) shall be restated for the accounting impact of amalgamation, as stated above, as if the amalgamation had occurred from the acquisition date (date when common control was established) or beginning of the said comparative period; whichever is later.

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**PART V**  
**GENERAL TERMS AND CONDITIONS**

**9. CONDUCT OF BUSINESS UNTIL THE SCHEME BECOMES EFFECTIVE**

- 9.1 With effect from the Appointed Date and up to the Scheme becoming effective and unless otherwise approved by the Transferee Company:
- (a) The Transferor Company shall carry on and shall be deemed to have carried on its business and activities and shall stand possessed of their entire business and undertakings, in trust for the Transferee Company and shall account for the same to the Transferee Company.
  - (b) All the income or profits accruing or arising to the Transferor Company and all costs, charges, expenses or losses incurred by the Transferor Company shall for all purposes be treated the income, profits, costs, charges, expenses and losses as the case may be of the Transferee Company.
  - (c) The Transferor Company shall carry on its business and activities with diligence and business prudence in the ordinary course consistent with past practice in good faith and in accordance with applicable law, and shall not, without the prior consent in writing of the Transferee Company, alter or diversify their respective businesses nor venture into any new business, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the respective Boards of Directors of the Transferor Company and the Transferee Company.
  - (d) The Transferor Company shall not vary the terms and conditions of employment of any of the employees except, consistent with past practice, in the ordinary course of business or without the prior consent of the Transferee Company

or pursuant to any pre-existing obligation undertaken by the Transferor Company as the case may be, prior to the Appointed Date.

- (e) All Taxes (including, without limitation, income tax, minimum alternate tax, tax deducted at source, sales tax, goods and service tax, excise duty, customs duty, service tax, VAT, entry tax etc.) paid or payable by the Transferor Company in respect of the operation and/or the profits of the Undertaking of the Transferor Company before the Appointed Date shall be on account of the Transferor Company and, in so far as it relates to the tax payment (including without limitation, income tax, minimum alternate tax, tax deducted at source, sales tax, goods and service tax, excise duty, customs duty, service tax, VAT, entry tax etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Undertaking of the Transferor Company with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceeding, be dealt with accordingly.

- 9.2 The Transferee Company shall be entitled, pending the sanction of this Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which the Transferee Company may require pursuant to this Scheme.

#### **10. STAFF, WORKMEN & EMPLOYEES**

- 10.1 All the permanent employees of the Transferor Company, who are in service on the date immediately preceding the Scheme becoming effective shall, on and from the date Scheme becoming effective, become and be engaged as the employees of the Transferee Company, without any break or interruption in service as a result of the transfer and on terms and conditions not less favourable (on the overall basis) than those on which they are engaged by the Transferor Company immediately preceding Effective Date. Services of the employees of the Transferor Company 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 entitlements for which they may be eligible. The Transferee Company further agrees that for the purpose of payment of any retrenchment compensation, if any, such past services with the Transferor Company shall also be taken into account.

The services of such 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 appointments with the Transferor Company.

- 10.2 It is provided that as far as the Provident Fund, Gratuity Fund and Pension and/or Superannuation Fund or any other special fund created or existing for the benefit of the staff, workmen and other employees of the Transferor Company are concerned, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company in respect of the employees so transferred for all purposes whatsoever relating to the administration or operation of such Funds or Trusts or in relation to the obligation to make contribution to the said Funds or Trusts in accordance with the provisions of such Funds or Trusts as provided in the respective Trust Deeds or other documents. It is the aim and the intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such Funds or Trusts shall become those of the Transferee Company. The Trustees including the Board of Directors of the Transferor Company and the Transferee Company or through any committee / person duly authorized by the Board of Directors in this regard shall be entitled to adopt such course of action in this regard as may be advised provided however that there shall be no discontinuation or breakage in the services of the employees of the Transferor Company.

#### **11. LEGAL PROCEEDINGS**

- 11.1 All legal proceedings of whatsoever nature by or against the Transferor Company pending and/or arising on or after the Appointed Date and relating to the Transferor Company shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Transferee Company in the manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company if this Scheme had not been made.
- 11.2 The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in Clause 11.1 above transferred in its name respectively and to have the same continued, prosecuted and enforced by or against the Transferee Company to the same extent as would or might have been continued and enforced by or against the Transferor Company to the exclusion of the Transferor Company.

## **12. CONTRACTS, DEEDS AND OTHER INSTRUMENTS**

- 12.1 Notwithstanding anything to the contrary contained in the contract, deed, bond, agreement or any other instrument, but subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and subsisting or having effect on the Effective Date and relating to the Transferor Company, shall continue in full force and effect against or in favour of the Transferee Company and may be enforced effectively by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.
- 12.2 With effect from the Appointed Date, any transferable statutory licenses, no-objection certificates, permissions, approvals or consents required to carry on operations of the Transferor Company shall stand vested in the Transferee Company without further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company upon the vesting and transfer of undertakings of the Transferor Company pursuant to the Scheme. The benefit of all transferable statutory and regulatory permissions, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Transferor Company shall vest in and become available to the Transferee Company pursuant to the Scheme.
- 12.3 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.

## **13. ASSIGNMENT OF ALL INTELLECTUAL PROPERTY RIGHTS**

On and with effect from the Appointed date, the Transferor Company hereby assigns and shall be deemed to have assigned to the Transferee Company, without any further act, deed, document, or consideration and free and clear of any lien or encumbrance, the Transferor Company's entire right, title and interest (within India and all foreign jurisdictions) to any and all Intellectual Property Rights including works of authorship, created, conceived, developed or reduced to practice by the Transferor Company (alone or with others) which (i) are related to the Transferor Company's current or anticipated business, activities, products, or services, (ii) result from any work performed by Transferor Company, or (iii) are created, conceived, developed or reduced to practice with the use of Transferor Company's property, including any and all Intellectual Property Rights therein ("Work Product"). Any Work Product which falls within the definition of work made for hire shall be considered



a work made for hire, the copyright in which vests initially and exclusively in the Transferor Company. The Transferor Company waives any rights to be attributed as the author of any Work Product and any droit morale (moral rights) in Work Product.

#### 14. **TAX**

The amalgamation of the Transferor Company with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of Sections 2(1B), 47, 72A and 79 and any other application provisions of the IT Act.

- 14.1 Upon the Scheme becoming effective, all Taxes payable by, or refundable to, the Transferor Company, including any refunds, claims or credits (including credits for income tax, withholding tax, advance tax, self-assessment tax, minimum alternate tax, dividend distribution tax, CENVAT credit, goods and services tax credits, GST (TDS) other indirect tax credits and other tax receivables) shall be treated as the tax liability, refunds, claims, or credits, as the case may be, of the Transferee Company, and any tax incentives, benefits (including claims for unabsorbed Tax losses and unabsorbed tax depreciation), advantages, privileges, exemptions, credits, tax holidays, remissions or reductions, which would have been available to the Transferor Company, shall be available to the Transferee Company, and following the Effective Date, the Transferee Company shall be entitled to initiate, raise, add or modify any claims in relation to such Taxes on behalf of the Transferor Company.
- 14.2 The provisions of this Scheme as they relate to the amalgamation of the Transferor Company into the Transferee Company have been drawn up to comply with the conditions relating to “amalgamation” as defined under Section 2(1B) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the IT Act or any other Sections of the IT Act, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the IT Act, shall prevail and the provisions of this Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the IT Act. Such modification will, however, not affect the other parts of the Scheme.
- 14.3 Any tax liabilities under the IT Act, Wealth Tax Act, 1957, Customs Act, 1962, Goods and Services Tax Act, 2017, any other Tax laws, service tax, luxury tax, entry tax, stamp laws or other applicable laws/ regulations (hereinafter in this Clause referred to as “**Tax Laws**”) dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to Transferee Company.
- 14.4 All Taxes (including income tax, tax deducted at source, minimum alternate tax, dividend distribution tax, wealth tax, sales tax, customs duty, SGST, CGST and IGST, entry tax, luxury tax etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, customs duty, SGST, CGST and IGST, entry tax, luxury tax etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.
- 14.5 Any refund under the Tax Laws due to the Transferor Company consequent to the assessments made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

- 14.6 Upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its income tax returns, wealth tax returns, sales tax returns, excise and CENVAT returns, service tax returns, other statutory returns, CGST returns, SGST returns, IGST returns and to claim refunds / credits, pursuant to the provisions of this Scheme.
- 14.7 Without prejudice to the generality of the above, all benefits including under the income tax (including benefits available to SEZ units u/s 10AA of the IT Act, MAT credit and TDS credit), sales tax, excise duty, entry tax law, customs duty, service tax, luxury tax, VAT, SGST, CGST and IGST etc., to which the Transferor Company is entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.
- 14.8 The service tax, VAT under the pre GST regime and in the GST regime, CGST, SGST and IGST paid by the Transferor Company under the Finance Act, 1994 and / or Central Goods and Service Tax Act, Integrated Goods and Service Tax Act and Union Territory Goods and Service Tax Act in respect of services provided by the Transferor Company for the period commencing from the Appointed Date shall be deemed to be, service tax, CGST, SGST, IGST paid by the Transferee Company and credit for such service tax, CGST, SGST, IGST shall be allowed to the Transferee Company notwithstanding that challans for, service tax payments, CGST payment, SGST payment, IGST payment are in the name of the Transferor Company and not in the name of the Transferee Company.

**15. SAVING OF CONCLUDED TRANSACTIONS**

The transfer of properties and liabilities under Clause 4 above and the continuance of legal proceedings by or against the Transferor Company under Clause 11 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

**16. VALIDITY OF EXISTING RESOLUTIONS, ETC.**

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

**17. PROFITS AND DIVIDENDS**

- 17.1 The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, to their respective shareholders consistent with the past practice or in ordinary course of business, whether interim or final. Any other dividend shall be recommended/declared only by the mutual consent of the concerned Transferor Company and the Transferee Company.
- 17.2 It is clarified that the aforesaid provisions in respect of declaration of dividends (whether interim or final) are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Transferor Company and the Transferee Company to demand or claim or be entitled to any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Company and the Transferee Company as the case may be, and subject to approval, if required, of the shareholders of the Transferor Company and the Transferee Company as the case may be.

**18. DISSOLUTION OF THE TRANSFEROR COMPANY**

Upon the effectiveness of this Scheme, the Transferor Company shall stand dissolved without winding up and the Board of Directors and any Committee thereof shall cease to function and shall be discharged from its obligations. Upon such dissolution of the Transferor Company without winding up, no person shall make and /or assert claims, demands or proceed against any director or officer or employee of the Transferor Company, for any acts, deeds and things done or decisions taken by or on behalf of the Transferor Company while carrying out the business and activities of the Transferor Company in ordinary course and, on and after the Effective Date the Transferee Company shall accept all such acts, deeds and things done or decisions taken by the Transferor Company, as acts, deeds and things done or decisions taken by and on behalf of the Transferee Company. Upon the scheme becoming effective, the name of the Transferor Company shall be struck off from the records of the Registrar of Companies.

**19. APPLICATION TO NCLT**

The Transferor Company and the Transferee Company shall make necessary Applications / Petitions under Sections 230 to 232 of Act and other applicable provisions of the Act to NCLT for sanction of this Scheme under the provisions of law.

**20. MODIFICATION OR AMENDMENTS TO THE SCHEME**

20.1 The Transferor Company and the Transferee Company, with approval of their respective Board of Directors and any Committee thereof may consent, from time to time, on behalf of all persons concerned, to any modifications/amendments or additions /deletions to the Scheme which may otherwise be considered necessary, desirable or appropriate by the said Board of Directors and any Committee thereof to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters, and things necessary for bringing this Scheme into effect or agree to any terms and/or conditions or limitations that NCLT or any other authorities under law may deem fit to approve of, to direct and/or impose. The aforesaid powers of the Transferor Company and the Transferee Company to give effect to the modification/amendments to the Scheme may be exercised by their respective Board of Directors or any Committee or any person authorised in that behalf by the concerned Board of Directors, subject to approval of NCLT or any other authorities under the applicable law.

20.2 For the purpose of giving effect to this Scheme or to any modification thereof, the Board of Directors and any Committee thereof of the Transferee Company or the Transferor may determine and give such directions, including directions for settling any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all the parties, in the same manner and as if the same were specifically incorporated in the Scheme.

20.3 If any provision in this Scheme shall be held to be illegal, invalid or unenforceable, in whole or in part, the provision shall apply with whatever deletion or modification is necessary so that the provision is legal, valid and enforceable and gives effect to the commercial intention and understanding of the Transferor and the Transferee Companies.

**21. CONDITIONALITY OF THE SCHEME**

This Scheme is and shall be conditional upon and subject to:

21.1 The Transferor and the Transferee Companies filing the Scheme approved by their respective Board of Directors with the designated Stock Exchanges fixed by the Board of Directors of the Transferor and Transferee Companies respectively, in terms of the SEBI Circular and receiving a 'no objection' and/or 'observation' letter.

- 21.2 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective shareholders and/or creditors, if required, of the Transferor Company and the Transferee Company, as may be directed by the NCLT or any other appropriate authority as may be applicable.
- 21.3 Approval of the shareholders of Transferor Company and the Transferee Company through e-voting and/or any other mode as may be required under any Applicable Law and the SEBI Circular. The Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders of Transferor Company and the Transferee Company, against it as required under the SEBI Circular. The term 'public' shall carry the same meaning as defined under Rule 2 of the Securities Contracts (Regulation) Rules, 1957;
- 21.4 The requisite sanctions and approvals of any Government authority including Stock Exchanges, SEBI, as may be required by law, in respect of the Scheme being obtained;
- 21.5 The sanction of this Scheme by the NCLT under Sections 230 to 232 of the Act, and other applicable provisions, if any of the Act in favour of the Transferor Company and the Transferee Company; and
- 21.6 Certified or authenticated copy of the order of the NCLT sanctioning the Scheme being filed with the Registrar of Companies, by the Transferor Company and the Transferee Company.

**22. EFFECT OF NON-RECEIPT OF APPROVALS AND MATTERS RELATING TO REVOCATION /WITHDRAWAL OF THIS SCHEME**

- 22.1 In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/or the Scheme not being sanctioned by NCLT or such other competent authority and/or the order not being passed as aforesaid before December 31, 2019 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company by their Board of Directors (and which the Boards of Directors of the Companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.
- 22.2 The Transferor Company and the Transferee Company through their respective Boards, shall each be at liberty to withdraw from this Scheme (i) in case any condition or alteration imposed by any Appropriate Authority / person is unacceptable to any of them or (ii) they are of the view that coming into effect of the respective parts to this Scheme could have adverse implications on the respective companies.
- 22.3 In the event of revocation /withdrawal under Clauses 22.1 and 22.2 above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the Applicable Law and in such case, the Transferor Company and the Transferee Company shall bear its own costs, unless otherwise mutually agreed.

**23. COSTS, CHARGES & EXPENSES**

All costs, duties, levies, charges and expenses payable by the Transferor Company and the Transferee Company in relation to or in connection with this Scheme and/or incidental to the completion of the Scheme shall be borne and paid solely by the Transferee Company.

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Certified True Copy  
For Bayer CropScience Limited

Rajiv Wani  
Head – Law, Patents & Compliance  
and Company Secretary

|  |   |
|--|---|
| <b>Bansi S. Mehta &amp; Co.</b><br>Chartered Accountants<br>Merchant Chambers, 3 <sup>rd</sup> Floor,<br>New Marine Lines,<br>Opposite SNDT Women's University,<br>Mumbai: 400020; India | <b>S.R. Batliboi &amp; Co. LLP</b><br>Chartered Accountants<br>The Ruby, 12 <sup>th</sup> floor,<br>29, Senapati Bapat Marg,<br>Dadar (West),<br>Mumbai – 400 028, India. |
|--|---|

Date: 13 November 2018

To

|   |   |
|---|---|
| <b>The Board of Directors,<br/>Bayer CropScience Limited</b><br>Bayer House, Central Avenue,<br>Hiranandani Estate, Thane (West),<br>Mumbai- 400076 | <b>The Board of Directors,<br/>Monsanto India Limited</b><br>Ahura Centre 5th Floor 96,<br>Mahakali Caves Road, Andheri (East),<br>Mumbai- 400093 |
|---|---|

**Sub: Recommendation of fair exchange ratio for the proposed merger of Monsanto India Limited into Bayer CropScience Limited**

Dear Sir / Madam,

We refer to the respective engagement letter(s) whereby, Bansi S. Mehta & Co. (hereinafter referred to as "BSM") and S. R. Batliboi & Co. LLP (hereinafter referred to as "SRBC") are jointly appointed by Bayer CropScience Limited (hereinafter referred to as "BCSL") and Monsanto India Limited (hereinafter referred to as "MIL") (together referred to as "Client" or "Companies") for recommendation of fair exchange ratio of equity shares for the proposed merger of MIL into BCSL ("Proposed Merger")

The fair exchange ratio for this report refers to number of equity shares of face value of INR 10/- each of BCSL, which would be issued to the equity shareholders of MIL in lieu of their equity shareholding in MIL pursuant to the Proposed Merger.

BSM and SRBC are hereinafter jointly referred to as "Valuers" or "we" or "us" and individually referred to as "Valuer" in this joint Fair Exchange Ratio Report ("Fair Exchange Ratio Report" or "Report").

#### SCOPE AND PURPOSE OF THIS REPORT

BCSL is engaged in manufacture, sale, and distribution of insecticides, fungicides, herbicides, and various other agrochemical products in India as well as involved in the sale and distribution of hybrid seeds. It was incorporated in 1958 and its Registered Office is based in Thane, India. The equity shares of BCSL are listed on BSE Limited ("BSE") and permitted to trade on National Stock Exchange of India Limited ("NSE"). For year ended 31 March 2018, it reported net sales of INR 27,490 million and net profit after tax of INR 3,001 million.

MIL produces and sells agricultural chemicals and seeds. It offers hybrid maize seeds under the Dekalb brand name and glyphosate based herbicide for weed management under the Roundup brand name. It was incorporated in 1949 and is headquartered in Mumbai, India. The equity shares of MIL are listed on BSE and NSE. For year ended 31 March 2018, it reported net sales of INR 6,721 million and net profit after tax of INR 1,645 million.

We understand that the management of the Companies are contemplating the merger of MIL into BCSL under a composite Scheme of Amalgamation under the provisions of Sections 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013. As a consideration for this Proposed Merger, equity shareholders of MIL would be issued equity shares of BCSL in lieu of their shareholding in MIL.



Page 1 of 10



For the aforesaid purpose, the Board of Directors of the Companies have appointed BSM and SRBC to recommend a fair exchange ratio and jointly submit a report, for the issue of BCSL's equity shares to the equity shareholders of MIL, to be placed before the Audit Committee/Board of Directors of the Companies.

We understand that the appointed date for the merger is 1 April 2019 or such other date as approved by the tribunals/Courts.

The scope of our services is to conduct a relative (and not absolute) valuation of equity shares of the Companies and report a fair exchange ratio for the Proposed Merger in accordance with internationally accepted valuation standards / ICAI Valuation Standards 2018 issued by Institute of Chartered Accountants of India.

We have been provided with unaudited financial statements for six months ended 30 September 2018 and audited financial statements and other financial information of each of the Companies for the year ended 31 March 2018 and earlier period. We have taken into consideration the current market parameters in our analysis and have made adjustments for additional facts made known to us till the date of our Report. Further, the management of each of the Companies has informed us that all material information impacting the respective Companies have been disclosed to us.

The management of the Companies has informed us that:

- (a) There would not be any capital variation in the Companies till the Proposed Merger becomes effective;
- (b) Till the Proposed Merger becomes effective, neither Companies would declare any substantial dividends having materially different yields as compared to past few years.
- (c) MIL has declared an interim dividend of INR 25 per share to the shareholders holding shares on 13 November 2018<sup>1</sup>.
- (d) There are no other unusual/abnormal events in the Companies since the last audited accounts till the Report date materially impacting their operating/financial performance.

We have relied on the above while arriving at the fair exchange ratio for the Proposed Merger.

This Report is our deliverable for the above engagement.

This Report is subject to the scope, assumptions, qualifications, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality and not in parts.



<sup>1</sup><https://beta.bseindia.com/xml:data/corpfiling/AttachHis/60e1841a-8cf7-4bff-862e-6c9e2194d76b.pdf>



## SOURCES OF INFORMATION

In connection with this exercise, we have used the following information about the each of the Companies as received from their respective management:

- Unaudited financial statements for six months ended 30 September 2018;
- Annual report for years ended 31 March 2014 to 31 March 2018;
- Details of contingent Liabilities and surplus assets as at Report Date
- Other relevant information

Besides the above listing, there may be other information provided by the Clients which may not have been perused by us in any detail, if not considered relevant for our defined scope.

During the discussions with the respective management of the Companies, we have also obtained explanations and information considered reasonably necessary for our exercise in respect of each of the Companies. Each of the Valuer understands that the information, representations, obligation with respect to each of the Companies are several and not joint in nature. The Companies have been provided with the opportunity to review the draft report (excluding the recommended fair exchange ratio) as part of our standard practice to make sure that factual inaccuracy / omissions are avoided in our final report.



## SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

The recommendation contained herein is not intended to represent value at any time other than report date. We have no obligation to update this report.

This Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the Report Date and (iii) are based on the unaudited financial statements of the Companies as at 30 September 2018. The management of both the Companies, respectively, have represented that the business activities of the Companies have been carried out in the normal and ordinary course between 30 September 2018 and the Report date and that no material changes have occurred in their respective operations and financial position between 30 September 2018 and the Report date.

This Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared. The Report may however, be shared with any regulatory/ statutory authorities for the purpose for which it is prepared, if required.

A valuation of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on and the information made available to us as of, the date hereof. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The recommendation rendered in this Report only represent our recommendation based upon information furnished by each of the Companies and gathered from public domain (and analysis thereon) and the said recommendation shall be considered to be in the nature of non-binding advice. Our recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.

The determination of exchange ratio is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. In the ultimate analysis, valuation will have to be tempered by the exercise of judicious discretion by the Valuer and judgment taking into accounts all the relevant factors. There is, therefore, no indisputable single exchange ratio. While we have provided our recommendation of the fair exchange ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the fair exchange ratio of the equity shares of BCSL and MIL. The final responsibility for the determination of the fair exchange ratio at which the Proposed Merger shall take place will be with the Board of Directors of the Companies who should take into account other factors such as their own assessment of the Proposed Merger and input of other advisors.

In the course of the valuation, we were provided with both written and verbal information, including market, financial and operating data as detailed in the section - Sources of Information.

We have not independently audited or otherwise verified the financial information provided by respective Companies. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements. Also, with respect to explanations and information sought from each of the Companies, we have been given to understand by the management of the Companies that they have not omitted any relevant and material factors about the respective Companies and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusion is based on the information given by/on behalf of the Companies. The management of each of the Companies have indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results.

The Report assumes that each of the Companies comply fully with relevant laws and regulations applicable in all its areas of operations, and that the respective Companies will be managed in a





competent and responsible manner. Further, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not disclosed in the audited/unaudited balance sheet of the respective Companies. Our conclusion of value assumes that the assets and liabilities of each of the Companies, reflected in their respective latest balance sheets remain intact as of the Report date.

The report does not address the relative merits of the Proposed Merger as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

The fee for the engagement is not contingent upon the results reported.

We owe responsibility only to the Companies in relation to the Proposed Merger as per our terms of the engagement letters with each of us and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to the Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies, their directors, employees or agents.

It is understood that this analysis does not represent a fairness opinion. This report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.

This Report is subject to the laws of India.

Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the proposed Scheme of Amalgamation, in relation with proposed merger without our prior written consent. In addition, this report does not in any manner address the prices at which equity shares of the Companies will trade following announcement of the Proposed Merger and we express no opinion or recommendation as to how the shareholders of either Company should vote at any shareholders' meeting(s) to be held in connection with the Proposed Merger.

BSM's appointment was formalized via engagement letter dated 03 October 2018 and SRBC's appointment was formalized via engagement letter dated 03 October 2018.



## SHAREHOLDING PATTERN

### Bayer CropScience Limited

The issued and subscribed equity share capital of BCSL as at 30 September 2018 is INR 343.3 million consisting of 34,333,593 equity shares of face value of INR 10 each.

The shareholding pattern is as follows:

| Shareholding Pattern as on 30 September 2018 | No of Shares | % Shareholding |
|--|--------------|----------------|
| Bayer Vapi Private Limited                   | 8,039,736    | 23.4%          |
| Bayer SAS                                    | 6,618,105    | 19.3%          |
| Bayer Cropscience AG                         | 5,354,030    | 15.6%          |
| Bayer AG                                     | 3,572,577    | 10.4%          |
| Public                                       | 10,749,145   | 31.3%          |
| Grand Total                                  | 34,333,593   | 100.0%         |

Source: BSE

### Monsanto India Limited

The issued and subscribed equity share capital of MIL as at 30 September 2018 is INR 172.6 million consisting of 17,262,748 equity shares of face value of INR 10 each. The shareholding pattern is as follows:

| Shareholding Pattern as on 30 September 2018 | No of Shares | % Shareholding |
|--|--------------|----------------|
| Bayer AG                                     | 323,784      | 1.9%           |
| Monsanto Investment India Private Limited    | 10,137,124   | 58.7%          |
| Monsanto Company                             | 2,316,920    | 13.4%          |
| Bayer CropScience Limited                    | 1,350,000    | 7.8%           |
| Public                                       | 3,134,920    | 18.2%          |
| Grand Total                                  | 17,262,748   | 100.0%         |

Source: BSE





## APPROACH - BASIS OF MERGER

The proposed Scheme of Amalgamation contemplates the merger of MIL into BCSL. Arriving at the fair exchange ratio for the Proposed Merger of MIL into BCSL would require determining the relative value of the equity shares of MIL and BCSL. These values are to be determined independently, but on a relative basis for the Companies, without considering the effect of the Proposed Merger. Our valuation is based on the premise of going concern.

There are several commonly used and accepted methods under the market, income and asset approaches for determining the fair exchange ratio for the Proposed Merger of MIL into BCSL, which have been considered in the present case, to the extent relevant and applicable, and subject to availability of information, including:

1. Net Asset Value method
2. Discounted Cash Flow method
3. Comparable Companies' Multiples method
4. Market Price method

It should be understood that the valuation of any company or its assets is inherently subjective and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the Companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the Companies, and other factors which generally influence the valuation of the Companies.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for mergers of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

### Net Asset Value (“NAV”) Method

The asset based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. The Net Asset Value ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone who may buy or invest in the business as a going concern. This valuation approach is mainly used in case where the firm is to be liquidated i.e. it does not meet the “going concern” criteria or in case where the assets base dominate earnings capability. A scheme of amalgamation would normally be proceeded with, on the assumption that the companies amalgamate as going concerns and an actual realization of the operating assets is not contemplated. The operating assets have therefore been considered at their book values. In a going concern scenario, the relative earning power, as reflected under the Income and Market approaches, is of greater importance to the basis of amalgamation, with the values arrived at on the net asset basis being of limited relevance. Therefore, we have not used the NAV Method for valuation.

### Discounted Cash Flows (“DCF”) Method

Under the DCF method the projected free cash flows to the equity shareholders are discounted at the cost of equity. The sum of the discounted value of such free cash flows is the value of the firm for equity shareholders.





Using the DCF analysis involves determining the following:

*Estimating future free cash flows:*

Free cash flows are the cash flows expected to be generated by the company that are available to the providers of the company's equity capital.

*Appropriate discount rate to be applied to cash flows i.e. the cost of equity:*

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to the equity capital providers (namely equity shareholders). The opportunity cost to the equity capital provider equals the rate of return the equity capital provider expects to earn on other investments of equivalent risk.

BCSL and MIL are listed entities and information related to future profit and loss account, balance sheet and cash flows is price sensitive. In light of the above, we were not provided with the projections of the Companies by their respective management. We have therefore, not used this method for the valuation exercise.

**Comparable Companies' Multiple ("CCM") method**

Under this method, value of equity shares of a company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

We have considered Enterprise value to Earnings before interest, tax, depreciation and amortization (EV/EBITDA) multiple of the comparable listed companies for the purpose of our valuation. The total equity value is then divided by the total number equity shares for arriving at the value per equity share of the Companies under CCM method.

**Market Price Method**

The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market. Further, in the case of a merger, where there is a question of evaluating the shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

In the present case, the equity shares of both the Companies are traded on BSE and NSE. In these circumstances, the share price observed on NSE for the respective Companies over a reasonable period have been considered for arriving at the value per equity share of the Companies under the market price method.

**MAJOR FACTORS THAT WERE TAKEN INTO ACCOUNT DURING THE VALUATION**

- Key operating / financial parameters of the Companies vis-à-vis its comparable companies.



## BASIS OF FAIR EXCHANGE RATIO

The basis of the Proposed Merger of MIL into BCSL would have to be determined after taking into consideration all the factors and methods mentioned hereinabove. Though different values have been arrived at under each of the above methods, for the purposes of recommending the fair exchange ratio of equity shares it is necessary to arrive at a final value for each of the Companies' shares. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values of the Companies, but at their relative values to facilitate the determination of the fair exchange ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each approaches / methods.

The fair exchange ratio has been arrived at on the basis of a relative equity valuation of the Companies based on the various approaches / methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of the Companies, having regard to information base, key underlying assumptions and limitations.

Valuers, have independently applied methods discussed above, as considered appropriate, and arrived at their assessment of value per share of the Companies. To arrive at the consensus on the fair exchange ratio for the Proposed Merger, suitable minor adjustments / rounding off have been done in the values arrived at by the Valuers.

The computation of fair exchange ratio as derived by BSM is tabulated below:

| Valuation Method  | BCSL                  |        | MIL                   |        |
|---|-----------------------|--------|-----------------------|--------|
|   | Value per Share (INR) | Weight | Value per Share (INR) | Weight |
| Net Asset Value Method                                    | NA                    | NA     | NA                    | NA     |
| Market Price Method                                       | 4,203.5               | 50%    | 2,717.5               | 50%    |
| Comparable Companies Multiples Method (based on Earnings) | 4,222.1               | 50%    | 2,827.1               | 50%    |
| Relative Value per Share                                  | 4,212.8               |        | 2,772.3               |        |
| Fair Exchange Ratio (rounded)                             |                       |        | 2:3                   |        |





The computation of fair exchange ratio as derived by SRBC is tabulated below:

| Valuation Method  | BCSL                  |        | MIL                   |        |
|---|-----------------------|--------|-----------------------|--------|
|   | Value per Share (INR) | Weight | Value per Share (INR) | Weight |
| Net Asset Value Method                                    | 575.1                 | 0%     | 373.2                 | 0%     |
| Market Price Method                                       | 4,203.5               | 50%    | 2,717.5               | 50%    |
| Comparable Companies Multiples Method (based on Earnings) | 4,078.6               | 50%    | 2,818.6               | 50%    |
| Relative Value per Share                                  | 4,141.1               |        | 2,768.0               |        |
| Fair Exchange Ratio (rounded)                             |                       |        | 2:3                   |        |

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we recommend the following fair exchange ratio for the Proposed Merger of MIL into BCSL:

2 (Two) equity shares of BCSL of INR 10/- each fully paid up for every 3 (Three) equity shares of MIL of INR 10/- each fully paid up.

Respectfully submitted,

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|---|--|
| <p>Bansi S. Mehta &amp; Co<br/>Chartered Accountants<br/>ICAI Firm Registration Number: 100991W</p> <p><br/><b>Drushti Desai</b><br/>Partner<br/>Membership No: 102062<br/>Date: 13 November 2018</p> <p></p> | <p>S.R. Batliboi &amp; Co. LLP<br/>Chartered Accountants<br/>ICAI Firm Registration Number: 301003E/E300005</p> <p><br/><b>Ravi Bansal</b><br/>Partner<br/>Membership No: 049365<br/>Date: 13 November 2018</p> <p></p> |
|---|--|





Date: 14<sup>th</sup> November 2018

To,

**The Board of Directors,**  
 Bayer CropScience Limited  
 Bayer House, Central Avenue,  
 Hiranandani Estate, Thane (West),  
 Mumbai- 400076

**Sub: Fairness opinion on the Fair Share Exchange Ratio for the proposed merger of Monsanto India Limited ("MIL") into Bayer Cropscience Limited ("BCSL")**

This opinion is issued pursuant to the terms of our engagement with BCSL under which BCSL has requested ICICI Securities ("I-Sec") to provide a fairness opinion on the fair share exchange ratio for the merger of MIL into BCSL.

**BACKGROUND, PURPOSE AND USE OF THIS REPORT**

We understand that the management of BCSL and MIL (Referred to as the "Companies") propose to merge MIL into BCSL, pursuant to a Scheme of Amalgamation ("Proposed Scheme"). We understand that, in consideration of the said merger, equity shares of BCSL will be issued to the equity shareholders of MIL.

For the aforesaid purpose, the management has appointed Bansi S. Mehta & Co. & S.R. Batliboi & Co. LLP (referred as "Valuers") to prepare a report on the Fair Share Exchange Ratio for distribution of Equity shares of BCSL to the equity shareholders of MIL, to be placed before the Board of Directors of the Companies, as per the requirement of SEBI Circular CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March 2017 read with SEBI Circular CFD/DIL3/CIR/2017/105 dated 21<sup>st</sup> September 2017 and SEBI Circular CFD/DIL3/CIR/2018/2 dated 3<sup>rd</sup> January 2018.

In this connection I-Sec, being a Category I merchant banker registered with SEBI, has been requested by BCSL to render our professional services by way of a fairness opinion on the Fair Share Exchange Ratio to the Board of Directors of BCSL as to whether the Fair Share Exchange Ratio, as recommended by the Valuers, in their report dated 13<sup>th</sup> November 2018, is fair and reasonable.

Member of National Stock Exchange of India Ltd. & Bombay Stock Exchange Ltd.  
 Capital Market : NSE Regn. No. INB 230773037, BSE Regn. No. INB 011286854  
 Futures & Options : NSE Regn. No. INF 230773037, BSE Regn. No. INF 010773035  
 Currency Derivatives : NSE Regn. No. INC 230773037  
 CIN No.: L67120MH1995PLC086741

**ICICI Securities Limited**  
**Registered Office (Institutional):**  
 ICICI Centre, H. T. Parekh Marg,  
 Churchgate, Mumbai 400 020, India.  
 Tel (91 22) 2288 2460/70  
 Fax (91 22) 2282 6580

**Corporate Office (Retail):**  
 Shree Sawan Knowledge Park, Plot No. D-507,  
 T.T.C. Ind. Area, M.I.D.C., Turbhe, Navi Mumbai - 400 705  
 Tel (91 22) 4070 1000  
 Fax (91 22) 4070 1022

**Name of Compliance Officer (Broking Operations) :** Ms. Mamta Jayaram Shetty  
**Email Address:** complianceofficer@icicisecurities.com / Tel (91 22) 4070 1000  
**Website Address:** www.icicisecurities.com / www.icicidirect.com



Page 1 of 4

This report is intended only for the sole use and information of BCSL, and only in connection with the Proposed Scheme including for the purpose of obtaining judicial and regulatory approvals for the Proposed Scheme. We are not responsible in any way to any other person / party for any decision of such person or party based on this report. Any person / party intending to provide finance / invest in the shares / business of any of the Companies or their subsidiaries/joint ventures/associates shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. It is hereby notified that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the Proposed Scheme as aforesaid can be done only with our prior permission in writing. We acknowledge that this report will be shared to the extent as may be required, with the relevant National Company Law Tribunal, Stock Exchanges, Shareholders of BCSL, advisors of the Companies in relation to the Proposed Scheme, as well as with the statutory authorities.

As per Valuers' recommendation, under the Proposed Scheme, the holders of outstanding equity shares of MIL will receive 2 (Two) fully paid up equity shares of BCSL with the face value of Rs. 10 (Ten) each for every 3 (Three) fully paid up equity shares of MIL with the face value of Rs. 10 (Ten) each ("Fair Share Exchange Ratio").

#### **SOURCES OF INFORMATION**

In arriving at our opinion set forth below, we have relied on:

- (a) Audited profit and loss statement and balance sheet of BCSL for the year ended 31<sup>st</sup> March 2018 and 2017;
- (b) Audited profit and loss statement and balance sheet of MIL for the year ended 31<sup>st</sup> March 2018 and 2017;
- (c) Un-Audited profit and loss statement and balance sheet of BCSL for the year ended 30<sup>th</sup> September 2018;
- (d) Un-Audited profit and loss statement and balance sheet of MIL for the year ended 30<sup>th</sup> September 2018;
- (e) Equity share trading data of BCSL and MIL from NSE and BSE
- (f) Valuation data from Bloomberg
- (g) Draft Scheme of Amalgamation;
- (h) Discussions (including oral) with management of Companies regarding the Proposed Scheme, current operations, past financials, etc.
- (i) Discussions (including oral) and information as provided by the Valuers for purpose of this engagement
- (j) Other relevant information and documents for the purpose of this engagement

#### **SCOPE LIMITATIONS**

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



*SB*



Our work does not constitute an audit, due diligence or certification of the historical financial statements in relation to the Companies including the working results of the Companies or its businesses referred to in this report. Accordingly, we are unable to and do not express an opinion on the accuracy of any financial information referred to in this report.

Our analysis and results are specific to the purpose of the exercise of giving our fairness opinion on the Fair Share Exchange Ratio for the Proposed Scheme It may not be valid for any other purpose or if provided on behalf of any other entity.

Our analysis and results are also specific to the date of this report and based on information as at 12<sup>th</sup> November, 2018. An exercise of this nature involves consideration of various factors. This report is issued on the understanding that the Companies have drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies, their businesses, and any other matter, which may have an impact on our opinion, on the Fair Share Exchange Ratio for the Proposed Scheme, including any significant changes that have taken place or are likely to take place in the financial position of the Companies or their businesses subsequent to the proposed Appointed Date for the Proposed Scheme. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

In the course of the present exercise, we were provided with both written and verbal information, including financial data. The terms of our engagement were such that we were entitled to rely upon the information provided by the Companies without detailed inquiry. Also, we have been given to understand by the management of the respective Companies that it has not omitted any relevant and material factors. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness. We assume no responsibility whatsoever for any errors in the above information furnished by the Companies and their impact on the present exercise.

We express no opinion whatever and make no recommendation at all to BCSL and MIL underlying its decision to effect the Proposed Scheme or as to how the holders of equity shares or secured or unsecured creditors of the Companies should vote at their respective meetings held in connection with the Proposed Scheme. We do not express and should not be deemed to have expressed any views on any other term of the Proposed Scheme. We also express no opinion and accordingly accept no responsibility or as to the prices at which the equity shares of BCSL and MIL will trade following the announcement of the Proposed Scheme or as to the financial performance of the Companies following the consummation of the Proposed Scheme.

No investigation of the Companies' claim to title of assets has been made for the purpose of this exercise and the Companies' 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 whatsoever is assumed for matters of a legal nature. Our report is not and should not be construed as our opining or certifying the compliance of the Proposed Scheme with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising from such Proposed Scheme.



Page 3 of 4

We have not conducted or provided an analysis or due diligence or appraisal of the assets and liabilities of the Companies and have wholly relied on information provided by the Companies and/or Valuers in that regard.

In the ordinary course of business, ICICI Securities Limited and its affiliates is engaged in securities trading, securities brokerage and investment activities, as well as providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of ICICI Securities Limited may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the Proposed Scheme.

#### **RATIONALE & CONCLUSION**

In the circumstances, having regard to all relevant factors and on the basis of information and explanations given to us, we are of the opinion on the date hereof, that the proposed Fair Share Exchange Ratio as recommended by Valuers, which forms the basis for the Proposed Scheme is fair and reasonable.

Yours faithfully,  
For ICICI Securities Limited,



Name: Sumit Bagri  
Designation: Vice President



Name: Raghavan Subramanian  
Designation: Vice President

Place: Mumbai  
Date: 14<sup>th</sup> November 2018





**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF BAYER CROPSCIENCE LIMITED (“THE COMPANY”) AT ITS MEETING HELD ON WEDNESDAY, NOVEMBER 14, 2018 AT IXORA CONFERENCE ROOM, RENAISSANCE, POWAI, MUMBAI – 400 087, EXPLAINING THE EFFECT OF SCHEME OF AMALGAMATION OF MONSANTO INDIA LIMITED (THE “TRANSFEROR COMPANY”) WITH BAYER CROPSCIENCE LIMITED (THE “TRANSFeree COMPANY”) AND THEIR RESPECTIVE SHAREHOLDERS.**

**Background:**

1. The Board of Directors (“the Board”) of Bayer CropScience Limited at its meeting held on November 14, 2018 approved the Scheme of Amalgamation of Monsanto India Limited (“MIL” or the “Transferor Company”) with Bayer CropScience Limited (“BCSL” or the “Company” or the “Transferee Company”) and their respective Shareholders (hereinafter referred to as “Scheme”), for the amalgamation of MIL with BCSL (“Amalgamation”), to be implemented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“Act”).
2. In terms of the Section 232(2)(c) of the Act, a report from the Board of the Company explaining the effect of the Amalgamation on equity shareholders, key managerial personnel (“KMP”), promoters and non-promoter shareholders of the Company has to be appended with the notice of the meeting of shareholders and creditors. Further, the said report has to specify special valuation difficulties, if any, in the valuation.
3. This report of the Board is accordingly made in order to comply with the requirements of Section 232(2)(c) of the Act.
4. While deliberating on the Scheme, the Board had, inter alia, considered, approved and took on record the following documents:
  - (a) Draft Scheme;
  - (b) Valuation Report dated November 13, 2018 of S. R. Batliboi & Co. LLP and Bansi S. Mehta & Co., (“the Valuers”), Independent Chartered Accountants, describing the methodology adopted by them in arriving at the share exchange ratio (“Valuation Report”);
  - (c) Fairness Opinion dated November 14, 2018 prepared by ICICI Securities Limited, a Category-I SEBI Registered Merchant Banker, providing the Fairness Opinion on the share exchange ratio (“Fairness Opinion”) as recommended by the Valuers;

Bayer CropScience Ltd.  
CIN: L24210MH1958PLC011173

Registered and Corporate Office:  
Bayer House  
Central Avenue  
Hiranandani Estate  
Thane (West) – 400 607  
Maharashtra, India

Tel: +91 22 2531 1234  
Fax: +91 22 2545 5063  
www.bayer.in  
www.cropscience.bayer.com







- (d) Report of the Audit Committee of the Board of Directors dated November 14, 2018 recommending the Scheme to the Board; and
- (e) Summary of the Valuation Report / Share Exchange Ratio along with the basis of such valuation.

**Effect of the Scheme on equity shareholders (promoter shareholders and non-promoter shareholders), employees and KMPs of BCSL:**

5. The Scheme, amongst others, contemplates the following arrangement:
- (a) Upon coming into effect of this Scheme and its consideration thereof, BCSL shall without any further application, act or deed, issue and allot ("Share Exchange Ratio"):  
  
"2 (Two) equity shares of INR 10/- (Rupees Ten only) each credited as fully paid-up of BCSL for every 3 (Three) equity shares of INR 10/- (Rupees Ten only) held in MIL to those shareholders whose names are recorded in the Register of Members of MIL as on the Record Date as defined in the Scheme"
  - (b) Upon the Scheme becoming effective, no allotment of shares to BCSL shall be made in lieu of BCSL holding 1,350,000 shares (7.82% paid up capital of MIL) in MIL. The said shares held by BCSL shall stand cancelled.
  - (c) The equity shares to be allotted by BCSL to the shareholders of MIL will in all respect rank *pari passu* with the existing equity shares of BCSL for dividend and voting rights, save and except that the holders of such equity shares shall not be entitled to the dividend declared by BCSL before the Effective Date of the Scheme.
  - (d) The authorised share capital of MIL, shall stand transferred to and be amalgamated with the authorised share capital of BCSL in the manner as stipulated in Clause 7 of Part III of the Scheme;
  - (e) Clause V of the Memorandum of Association of BCSL shall be amended in accordance with Clause 7.2 of Part III of the Scheme;
  - (f) The Articles of Association of BCSL shall be amended and restated in the manner as set out in Clause 7.2 of Part III of the Scheme.
6. The Board reviewed and approved the Scheme, Valuation Report and Fairness Opinion and also noted the rationale of the Scheme which, inter alia, are as follows:

The Scheme provides for the amalgamation of Transferor Company with Transferee Company pursuant to Section 230 to 232 of the Act (defined hereunder) and other applicable provisions of the Act (defined hereinafter) with the view to achieve the following benefits to the stakeholders and the shareholders:







- Combined business under “BAYER” brand with complementary agriculture offerings and geographical footprint leading to stronger market presence, to be best suitable for long term growth market like India;
  - Access to globally combined Research and Development technology platform for faster and more efficient development of innovative solutions for farmers;
  - Merger shall result in consolidation of the respective operations served by one platform thereby leveraging the capability of the merged entity;
  - The Transferor Company and the Transferee Company to operate businesses that complement each other, the combination to result in stronger consolidated revenue and profitability, with diversification in product portfolio thereby reducing business risks for mutual benefit of the shareholders of the Companies;
  - Ensuring a streamlined group structure by reducing the number of legal entities in the group structure in India, and thereby eliminating administrative duplications and consequently reducing the administrative costs of maintaining separate companies; and
  - Pooling of assets, proprietary information, personnel, financial, managerial and technical resources of the Companies, thereby contributing to the future growth of the merged entity.
7. Under the Scheme, there is no arrangement proposed to be entered into with the creditors, either secured and/or unsecured of the Transferor and/or the Transferee Company. No compromise is offered under the Scheme to any of the creditors of the Transferor and/or the Transferee Company. The liability of the creditors of the Transferor and/or the Transferee Company, under the Scheme, is neither being reduced nor being extinguished but shall be assumed and discharged by the Transferee Company in its ordinary course of business.
8. Under the Scheme, no rights of the staff and employees of BCSL are being affected. The services of the staff and employees of BCSL shall continue on the same terms and conditions on which they were engaged by BCSL.
9. All the permanent employees of MIL, who are in service on the date immediately preceding the Scheme becoming effective shall, on and from the date Scheme becoming effective, become and be engaged as the employees of BCSL, without any break or interruption in service as a result of the transfer and on terms and conditions not less favourable (on the overall basis) than those on which they are engaged by MIL immediately preceding Effective Date.
10. The Directors, KMP of BCSL and their respective relatives do not have any interest in the Scheme. None of the directors or KMP has any material interest in the Scheme.





11. There is no effect of the Scheme on the KMP and / or the Directors of BCSL.
12. No special valuation difficulties were reported to the Board by the Valuers.

**By order of the Board of Directors**  
For Bayer CropScience Limited

*D. Narain*

**D. Narain**  
Vice Chairman & Managing Director  
and Chief Executive Officer  
(DIN: 03310642)



Date: February 7, 2019  
Place: Thane

**MONSANTO INDIA LIMITED**

(CIN: L74999MH1949PLC007912)

REGD. OFFICE :

AHURA CENTRE, B WING, 5TH FLOOR

96, MAHAKALI CAVES ROAD, ANDHERI (EAST)

MUMBAI - 400 093. INDIA

PHONE +91 22 2824 6450 / 6702 9851

FAX +91 22 2824 4707 / 6702 3361

MONSANTO



**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF MONSANTO INDIA LIMITED ("THE COMPANY") AT ITS MEETING HELD ON WEDNESDAY, NOVEMBER 14, 2018 EXPLAINING THE EFFECT OF SCHEME OF AMALGAMATION OF MONSANTO INDIA LIMITED (THE "TRANSFEROR COMPANY") WITH BAYER CROPSCIENCE LIMITED (THE "TRANSFeree COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS.**

**Background:**

1. The Board of Directors ("the Board") of Monsanto India Limited ("**MIL**" or the "**Company**") at its meeting held on November 14, 2018 approved the Scheme of Amalgamation of Monsanto India Limited ("**MIL**" or the "**Transferor Company**") and Bayer Cropscience Limited ("**BCSL**" or the "**Transferee Company**") and their respective shareholders (hereinafter referred to as "**Scheme**"), for the amalgamation of MIL and BCSL ("**Amalgamation**"), to be implemented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**").
2. In terms of the Section 232(2)(c) of the Act, a report from the Board of the Company explaining the effect of the Amalgamation on equity shareholders, key managerial personnel ("**KMP**"), promoters and non-promoter shareholders of the Company has to be appended with the notice of the meeting of shareholders and creditors. Further, the said report has to specify special valuation difficulties, if any, in the valuation.
3. This report of the Board is accordingly made in order to comply with the requirements of Section 232(2)(c) of the Act.
4. While deliberating on the Scheme, the Board had, inter-alia, considered and took on record the following documents:
  - (a) Draft Scheme of Amalgamation;
  - (b) Valuation Report dated November 13, 2018 of M/s. Banshi S. Mehta & Co. and S. R. Batliboi & Co LLP ("**the Valuers**"), Independent Chartered Accountants, describing the methodology adopted by them in arriving at the share exchange ratio ("**Valuation Report**");
  - (c) Fairness Opinion dated November 14, 2018 prepared by M/s. **Citigroup Global Markets India Private Limited**, a SEBI Registered Merchant Banker, providing the Fairness Opinion on the share exchange ratio ("**Fairness Opinion**") as recommended by M/s. M/s. Banshi S. Mehta & Co. and S. R. Batliboi & Co LLP ("**the Valuers**");
  - (d) Report of the Audit Committee of the Board of Directors dated November 14, 2018 recommending the Scheme to the Board; and
  - (e) Summary of the Valuation Report / Share Exchange Ratio along with the basis of such valuation.



**Effect of the Scheme on equity shareholders (promoter shareholders and non-promoter shareholders), employees and KMPs of MIL:**

5. The Scheme, amongst others, contemplates the following arrangement:
- (a) Upon coming into effect of this Scheme and its consideration thereof, the BCSL shall without any further application, act or deed, issue and allot ('Share Exchange Ratio') as below:  
*"2(two) equity shares of INR. 10/- (Rupees Ten only) each credited as fully paid-up of BCSL to the 92.18% holding equity shareholders of MIL for every 3 (three) equity shares of INR. 10/- (Rupees Ten only) held in MIL".*
  - (b) The equity shares to be allotted by BCSL to the shareholders of MIL will in all respect rank *pari passu* with the existing equity shares of BCSL for dividend and voting rights, save and except that the holders of such equity shares shall not be entitled to the dividend declared by BCSL before the Effective Date of the Scheme.
  - (c) The authorised share capital of MIL, shall stand transferred to and be amalgamated with the authorised share capital of BCSL in the manner as stipulated in Clause 18 in Part V of the Scheme;
  - (d) Clause V of the Memorandum of Association and the Articles of Association of BCSL shall be amended in accordance with Clause 18.2 in Part V of the Scheme;
6. The Board reviewed the Scheme, Valuation Report and Fairness Opinion and also noted the rationale and the benefits of the Scheme which, inter-alia, are as follows :
- Combined business under "BAYER" brand will complement agriculture offerings and geographical footprint leading to stronger market presence, to be best suitable for long term growth market like India;
  - Access to globally combined Research and Development technology platform for faster and more efficient development of innovation solutions for farmers;
  - Consolidation of the respective operations served by one thereby leveraging the capability of the merged entity;
  - To operate businesses that complement each other, the combination to result in stronger consolidated revenue and profitability, with diversification in product portfolio thereby reducing business risks for mutual benefit of the shareholders of the Companies;
  - Ensuring a streamlined group structure by reducing the number of legal entities in the group structure in India, and thereby eliminating administrative duplications and consequently reducing the administrative costs of maintaining separate companies;
  - Pooling of assets, proprietary information, personnel, financial, managerial and technical resources of the Companies, thereby contributing to the future growth of the merged entity.
7. Under the Scheme, there is no arrangement with the creditors, either secured or unsecured of MIL. No compromise is offered under the Scheme to any of the creditors of MIL. The liability of the creditors of MIL, under the Scheme, is neither being reduced nor being extinguished.



8. Under the Scheme, no rights of the staff and employees of MIL are being affected. The services of the staff and employees of MIL shall continue with BCSL, on the same terms and conditions on which they were engaged by MIL.
9. All the permanent employees of MIL who are in its employment as on the Effective Date of the Scheme shall become the permanent employees of BCSL with effect from the Effective Date of the Scheme without any break or interruption in service and on terms and conditions as to employment and remuneration not less favourable than those on which they are engaged or employed by MIL.
10. The directors of MIL and their respective relatives may have an interest in the Scheme to the extent of the equity shares held by them in MIL. Further, the shareholding of MIL directors and/or KMP and their relatives in BCSL is given below. Save as aforesaid, none of the directors or KMP has any material interest in the Scheme.

| Name  | Status in MIL                             | No. of equity shares held<br>(INR. 10 each) |
|---|---|---|
| Mr. Sekhar Natarajan                        | Non-Executive Director                    | -   |
| Mr. H. C. Asher                             | Independent Director                      | -   |
| Mr. Pradeep Poddar                          | Independent Director                      | -   |
| Mr. Ravishankar Cherukuri                   | Managing Director                         | -   |
| Ms. Shilpa Shridhar Divekar                 | Non-Executive Director                    | -   |
| Mr. Bangla Bose Radha<br>Krishna Mallipeddi | Non-Executive Director                    | -   |
| Mr. Saurabh Vaidya                          | Chief Financial Officer                   | -   |
| Ms. Monika Gupta                            | Company Secretary &<br>Compliance Officer | -   |

11. There is no effect of the Scheme on the KMP and / or the Directors of MIL.
12. No special valuation difficulties were reported to the Board by the Valuers.

**By order of the Board of Directors of Monsanto India Limited**

  
**Sekhar Natarajan**  
 Director  
 DIN: 01031445



DCS/AMAL/PB/R37/1411/2018-19

February 18, 2019

The Company Secretary,  
**Bayer Cropscience Limited**  
 Bayer House, Central Avenue, Hiranandani Estate,  
 Thane (W), Mumbai, Maharashtra, 400607

Sir,

**Sub: Observation letter regarding the Draft Scheme of Amalgamation of Monsanto India Limited with Bayer Cropscience Limited**

We are in receipt of Draft Scheme of Amalgamation of Monsanto India Limited with Bayer Cropscience Limited filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated February 15, 2019 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 Exchange, 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 Circulars.”
- “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 companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

(2)

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.

Yours faithfully,

**Nitinkumar Pujari**  
**Senior Manager**



**BAYER CROPSCIENCE LIMITED**

(Regd. Office: Bayer House, Central Avenue, Hiranandani Estate, Thane - 400 607, CIN: L24210MH1958PLC011173)

| PARTICULARS   | PART I<br>STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018 |               |              |               |               |               | Rs. in Millions |
|---|--|---------------|--------------|---------------|---------------|---------------|-----------------|
|   | Quarter Ended  |               |              | Year to Date  |               | Year Ended    |                 |
|   | 31.12.2018   | 30.09.2018    | 31.12.2017   | 31.12.2018    | 31.12.2017    | 31.03.2018    |                 |
|   | UNAUDITED  | UNAUDITED     | UNAUDITED    | UNAUDITED     | UNAUDITED     | AUDITED       |                 |
| Revenue from Operations (Note 2)  | 6,210  | 11,041        | 4,797        | 25,569        | 24,488        | 27,490        |                 |
| Other Income  | 110  | 98            | 29           | 319           | 325           | 388           |                 |
| <b>Total Income</b>   | <b>6,320</b>   | <b>11,139</b> | <b>4,826</b> | <b>25,888</b> | <b>24,813</b> | <b>27,878</b> |                 |
| <b>Expenses</b>   |  |               |              |               |               |               |                 |
| Cost of Materials Consumed  | 2,626  | 5,187         | 2,866        | 11,917        | 10,468        | 12,250        |                 |
| Purchases of Stock-in-Trade   | 96   | 239           | 374          | 683           | 2,953         | 3,106         |                 |
| Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade           | 880  | 1,212         | (397)        | 1,586         | 871           | 650           |                 |
| Excise Duty   | -  | -             | -            | -             | 391           | 391           |                 |
| Employee Benefits Expense   | 804  | 731           | 659          | 2,264         | 1,971         | 2,639         |                 |
| Finance Costs   | 37   | 36            | 52           | 96            | 91            | 113           |                 |
| Depreciation and Amortisation Expense   | 85   | 84            | 84           | 256           | 243           | 331           |                 |
| Other Expenses  | 1,338  | 1,486         | 1,069        | 4,169         | 3,577         | 4,360         |                 |
| <b>Total Expenses</b>   | <b>5,866</b>   | <b>8,975</b>  | <b>4,707</b> | <b>20,971</b> | <b>20,565</b> | <b>23,840</b> |                 |
| <b>Profit Before Tax</b>  | <b>454</b>   | <b>2,164</b>  | <b>119</b>   | <b>4,917</b>  | <b>4,248</b>  | <b>4,038</b>  |                 |
| Tax Expense/ (Credit)   |  |               |              |               |               |               |                 |
| - Current Tax (Note 3)  | 186  | 772           | 40           | 1,742         | 1,047         | 946           |                 |
| - Deferred Tax  | (7)  | (35)          | (28)         | 1             | 71            | 91            |                 |
| <b>Total Tax Expense</b>  | <b>179</b>   | <b>737</b>    | <b>12</b>    | <b>1,743</b>  | <b>1,118</b>  | <b>1,037</b>  |                 |
| <b>Profit for the period/ year</b>  | <b>275</b>   | <b>1,427</b>  | <b>107</b>   | <b>3,174</b>  | <b>3,130</b>  | <b>3,001</b>  |                 |
| <b>Other Comprehensive Income</b>   |  |               |              |               |               |               |                 |
| Items that will not be reclassified to profit or loss:                                  |  |               |              |               |               |               |                 |
| - Changes in fair value of equity instruments   | (38)   | (338)         | -            | (376)         | -             | -             |                 |
| - Remeasurement of defined benefit obligation   | (278)  | -             | (26)         | (291)         | (44)          | (20)          |                 |
| - Tax on remeasurement of defined benefit obligation                                    | 98   | -             | 9            | 102           | 15            | 7             |                 |
| <b>Total Other Comprehensive Income</b>   | <b>(218)</b>   | <b>(338)</b>  | <b>(17)</b>  | <b>(565)</b>  | <b>(29)</b>   | <b>(13)</b>   |                 |
| <b>Total Comprehensive Income for the period/ year</b>                                  | <b>57</b>  | <b>1,089</b>  | <b>90</b>    | <b>2,609</b>  | <b>3,101</b>  | <b>2,988</b>  |                 |
| Paid-up Equity Share Capital (Face Value ` 10/-)  | 343  | 343           | 343          | 343           | 343           | 343           |                 |
| Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year |  |               |              |               |               | 17,440        |                 |
| Earnings per share (basic and diluted) (not annualised) (in `)                          | 8.01   | 41.56         | 3.12         | 92.44         | 89.44         | 86.16         |                 |

**NOTES:**

- The Company has only one reportable business segment, i.e. "Agri Care". The Company's business is seasonal in nature and hence quarterly figures are not necessarily representative of the full year's performance.
- The Government of India introduced the Goods and Service tax (GST) with effect from July 1, 2017. Revenue from Operations for the period from July 1, 2017 is presented net of GST. Revenue from Operations for period up to June 30, 2017 included Excise duty.
- Current Tax for the nine months ended December 31, 2017 and year ended March 31, 2018 is net of Rs. 330 Millions towards reversal of provision for income tax matters on completion of assessment for earlier years.
- The Board of Directors at its meeting held on November 14, 2018 approved the Scheme of Amalgamation of Monsanto India Limited (MIL) with Bayer CropScience Limited (BCL) and their respective shareholders under Section 230 and 232 of the Companies Act, 2013 and other applicable provision, if any. In consideration of the amalgamation BCL will issue and allot 2 (two) equity of Rs. 10/- each credited as fully paid-up of BCL, for every 3 (three) equity shares of Rs. 10/- each in MIL and whose names are recorded in the register of members on the record date. The Scheme of Amalgamation is subject to various regulatory and other approvals.
- The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on February 4, 2019. The above results have been subjected to limited review by the Statutory Auditors of the Company.

For Bayer CropScience Limited

*D Narain*  
**D Narain**  
 Vice Chairman & Managing Director  
 and Chief Executive Officer  
 DIN 03310642

*Ulrich Stefer*  
**Ulrich Stefer**  
 Executive Director & Chief  
 Financial Officer  
 DIN 07447177

Place: Mumbai  
 Date: February 4, 2019



| MONSANTO INDIA LIMITED (CIN: L74999MH1949PLC007912)   |   |  |  |  |   |  |   |
|---|---|--|--|--|---|--|---|
| STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2018 |   |  |  |  |   |  |   |
| (Rupees in Lakhs)   |   |  |  |  |   |  |   |
| Sr. No.   | Particulars   | Three Months ended on 31.12.2018 (Unaudited) | Preceding Three Months ended on 30.09.2018 (Unaudited) | Corresponding Three Months ended in the previous year 31.12.2017 (Unaudited) | Year to date figures for the current period ended on 31.12.2018 (Unaudited) | Year to date figures for the previous period ended on 31.12.2017 (Unaudited) | For the year ended 31.03.2018 (Audited) |
| I   | Revenue from operations   | 15,261                                       | 12,836   | 18,374   | 54,161  | 51,527   | 67,212                                  |
| II  | Other income  | 849  | 513  | 391  | 1,739   | 1,289  | 1,722                                   |
| III   | <b>Total income (I + II)</b>  | <b>16,110</b>                                | <b>13,349</b>  | <b>18,765</b>  | <b>55,900</b>   | <b>52,816</b>  | <b>68,934</b>                           |
| IV  | <b>Expenses</b>   |  |  |  |   |  |   |
|   | (a) Cost of materials consumed and other inputs   | 4,412  | 5,472  | 4,406  | 20,265  | 18,183   | 34,261                                  |
|   | (b) Changes in stock of finished goods, work-in-progress and biological assets                              | 1,687  | 340  | 2,029  | 5,060   | 5,977  | (4,943)                                 |
|   | (c) Employee benefits expense   | 1,377  | 1,279  | 1,390  | 3,967   | 4,116  | 5,486                                   |
|   | (d) Finance costs   | 29   | 33   | 50   | 91  | 106  | 135                                     |
|   | (e) Depreciation and amortisation expense   | 283  | 295  | 276  | 878   | 785  | 1,299                                   |
|   | (f) Other expenses  | 4,154  | 3,479  | 3,653  | 11,832  | 11,801   | 15,502                                  |
|   | <b>Total expenses (IV)</b>  | <b>11,942</b>                                | <b>10,898</b>  | <b>11,804</b>  | <b>42,093</b>   | <b>40,968</b>  | <b>51,740</b>                           |
| V   | <b>Profit before exceptional items and tax (III - IV)</b>   | <b>4,168</b>                                 | <b>2,451</b>   | <b>6,961</b>   | <b>13,807</b>   | <b>11,848</b>  | <b>17,194</b>                           |
| VI  | Exceptional items - Employee severance costs (net)  | -  | -  | -  | -   | 130  | 130                                     |
| VII   | <b>Profit before tax (V - VI)</b>   | <b>4,168</b>                                 | <b>2,451</b>   | <b>6,961</b>   | <b>13,807</b>   | <b>11,718</b>  | <b>17,064</b>                           |
| VIII  | <b>Tax expense</b>  |  |  |  |   |  |   |
|   | (a) In respect of current year  | 346  | 97   | 464  | 1,021   | 726  | 952                                     |
|   | (b) In respect of prior years   | -  | -  | -  | -   | -  | 194                                     |
|   | (c) In respect of prior years towards Minimum Alternate Tax   | -  | -  | -  | -   | -  | (307)                                   |
|   | (d) Deferred tax charge / (credit) excluding Minimum Alternate Tax  | (73)   | (55)   | 163  | (119)   | (150)  | (231)                                   |
|   | <b>Total tax expense</b>  | <b>273</b>                                   | <b>42</b>  | <b>627</b>   | <b>902</b>  | <b>576</b>   | <b>608</b>                              |
| IX  | <b>Profit for the period / year (VII-VIII)</b>  | <b>3,895</b>                                 | <b>2,409</b>   | <b>6,334</b>   | <b>12,905</b>   | <b>11,142</b>  | <b>16,456</b>                           |
| X   | <b>Other comprehensive income</b>   |  |  |  |   |  |   |
|   | Items that will not be reclassified to profit or loss   |  |  |  |   |  |   |
|   | - Remeasurements of the net defined benefit plans   | (7)  | (7)  | (58)   | (22)  | (173)  | 421                                     |
|   | - Tax relating to items that will not be reclassified to profit or loss                                     | 0  | 0  | 4  | 0   | 11   | (26)                                    |
|   | <b>Other comprehensive income for the period / year (X)</b>   | <b>(7)</b>                                   | <b>(7)</b>   | <b>(54)</b>  | <b>(22)</b>   | <b>(162)</b>   | <b>395</b>                              |
|   | <b>Total comprehensive income for the period / year (IX + X)</b>  | <b>3,888</b>                                 | <b>2,402</b>   | <b>6,280</b>   | <b>12,883</b>   | <b>10,980</b>  | <b>16,851</b>                           |
|   | Paid up capital   | 1,726  | 1,726  | 1,726  | 1,726   | 1,726  | 1,726                                   |
|   | <b>Earnings per equity share of face value of Rs 10/- each (in Rs.) (not annualised for the quarters) :</b> |  |  |  |   |  |   |
|   | (a) Basic & Diluted (Refer note 5)  | 22.57  | 13.95  | 36.70  | 74.77   | 64.55  | 95.34                                   |
|   | Other equity  |  |  |  |   |  | 62,313                                  |

- The financial results for the quarter ended December 31, 2018 have been duly reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on February 1, 2019 and have been subjected to a Limited Review by the Statutory Auditors of the Company.
- Revenue from operations for periods upto June 30, 2017 includes Excise Duty, which is discontinued effective July 1, 2017 upon implementation of Goods and Services Tax (GST) in India. In accordance with Ind-AS 18 "Revenue", GST is not included in Revenue from operations. In view of the aforesaid change, Revenue from operations for the nine months ended December 31, 2018 are not comparable with previous periods. The following information is provided to facilitate such comparison :-

| Sr No | Particulars   | Three Months ended on 31.12.2018 (Unaudited) | Preceding Three Months ended on 30.09.2018 (Unaudited) | Corresponding Three Months ended in the previous year 31.12.2017 (Unaudited) | Year to date figures for the current period ended on 31.12.2018 (Unaudited) | Year to date figures for the previous period ended on 31.12.2017 (Unaudited) | For the year ended 31.03.2018 (Audited) |
|-------|---|--|--|--|---|--|---|
| i     | Revenue from operations                                     | 15,261                                       | 12,836   | 18,374   | 54,161  | 51,527   | 67,212                                  |
| ii    | Excise duty   | -  | -  | -  | -   | 916  | 916                                     |
|       | <b>Revenue from operations excluding Excise Duty i - ii</b> | <b>15,261</b>                                | <b>12,836</b>  | <b>18,374</b>  | <b>54,161</b>   | <b>50,611</b>  | <b>66,296</b>                           |

- In view of the seasonal nature of the Company's business, the performance is dependent on the mix of products sold in the respective quarters.
- The Company has one primary business segment namely "Agriculture Inputs".
- There is no dilution to the basic EPS as there are no outstanding potentially dilutive shares.
- Effective April 1, 2018, the Company has adopted Ind-AS 115 "Revenue from Contracts with Customers". The application of Ind-AS 115 did not have any material impact on the financial results of the Company.
- The Board of Directors at its meeting held on November 14, 2018 approved the Scheme of Amalgamation of Monsanto India Limited (MIL) with Bayer CropScience Limited (BCSL) and their respective shareholders under Section 230 and 232 of the Companies Act, 2013 and other applicable provision, if any. In consideration of the amalgamation BCSL will issue and allot 2 (two) equity shares of Rs. 10/- each credited as fully paid-up of BCSL, for every 3 (three) equity shares of Rs. 10/- each in MIL to the shareholders of MIL whose names are recorded in the register of members on the record date. The Scheme is subject to various regulatory and other approvals.



For MONSANTO INDIA LIMITED  
 RAJESH KHERKURI  
 (DIN : 06755061)  
 MANAGING DIRECTOR

Mumbai: February 1st, 2019





To,  
The General Manager,  
Listing Department,  
BSE Limited, P. J. Tower,  
Dalal Street, Mumbai – 400 001.

Dear Sir / Madam,

SECURITY ID: BAYERCROP  
SECURITY CODE: 506285

**Sub.: Report on Complaints.**

**Re.: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015 for the proposed scheme of amalgamation of Monsanto India Limited (the "Transferor Company") with Bayer CropScience Limited (the "Transferee Company" / "Applicant Company") and their respective shareholders, under sections 230 to 232 of the Companies Act, 2013.**

Bayer CropScience Ltd.  
CIN: L24210MH1958PLC011173

Registered and Corporate Office:  
Bayer House  
Central Avenue  
Hiranandani Estate  
Thane (West) – 400 607  
Maharashtra, India

Tel : +91 22 2531 1234  
Fax : +91 22 2545 5063  
www.bayer.in  
www.cropscience.bayer.com

We refer to our application / case no. 87656 of 2018 filed on November 26, 2018 for the proposed scheme of amalgamation of Monsanto India Limited (the "Transferor Company") with Bayer CropScience Limited (the "Transferee Company" / "Applicant Company") and their respective shareholders under Sections 230 to 232 of the Companies Act, 2013 ("Scheme").

Since the Scheme and related documents thereon were hosted/ uploaded by the Company on its website on November 26, 2018, the Company is required to file a Report on the Complaints with BSE within 7 days of expiry of 21 days from the date of filing of Draft Scheme with BSE and hosting/ uploading the Draft Scheme along with related documents thereon, as per the requirements of Para 6 of Annexure I of the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("SEBI Circular").





Accordingly, based on the confirmation received from M/s. T.S.R. Darashaw Limited, the Registrars and Share Transfer Agent of the Applicant Company, and update available on SCORES, we enclose herewith a Report on Complaints ("Report") in the format prescribed under the said SEBI Circular.

We request you to take the Report on your records and oblige. The said Report is also being uploaded on the website of the Applicant Company.

We also request you to provide us the necessary 'Observation Letter/ No-objection' at the earliest so as to enable us to file the Scheme with the National Company Law Tribunal Bench at Mumbai.

Yours faithfully,  
For **Bayer CropScience Limited**

A handwritten signature in blue ink, appearing to read "Rajiv Wani".

**Rajiv Wani**  
Head - Law, Patents & Compliance  
& Company Secretary  
Membership No. A12157



Date: December 19, 2018

Place : Thane

Encl: a/a



**Report on Complaints**

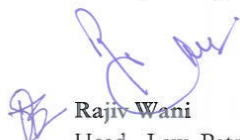
**Part A**

| Sr. No. | Particulars   | Number |
|---------|---|--------|
| 1.      | Number of comments/ complaints received directly.             | 3      |
| 2.      | Number of comments/ complaints forwarded by BSE / NSE / SEBI. | 0      |
| 3.      | Total number of comments / complaints received (1+2).         | 3      |
| 4.      | Number of comments/ complaints resolved.                      | 3      |
| 5.      | Number of comments/ complaints pending.                       | 0      |

**Part B**

| Sr. No. | Name of the complainant | Date of Complaint | Status (Resolved / Pending)  |
|---------|-------------------------|-------------------|--|
| 1.      | Dr. Sandeep Juneja      | November 15, 2018 | Replied with an email dated December 19, 2018 for resolving a query. |
| 2.      | Mr. Pawan Saraf         | November 16, 2018 | Replied with an email dated December 14, 2018 for resolving a query. |
| 3.      | Mr. Farhad Choksey      | December 17, 2018 | Replied with an email dated December 18, 2018 for resolving a query. |

*For Bayer CropScience Limited*



**Rajiv Wani**  
Head - Law, Patents & Compliance  
& Company Secretary  
Membership No. A12157  
Date: December 19, 2018  
Place: Thane







**BAYER CROPSCIENCE LIMITED**

CIN: L24210MH1958PLC011173

**Registered Office:** Bayer House, Central Avenue, Hiranandani Estate, Thane (West) - 400 607.

**Tel.:** +91 22 2531 1234, **Email:** ir\_bcs1@bayer.com, **Website:** www.bayer.in

**PROXY FORM**

**(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)**

Name of the member(s) :

Registered address :

E-mail ID :

Reg. Folio No. / Client ID :

DP ID No. :

I/We, being the member(s) holding \_\_\_\_\_ shares of **Bayer CropScience Limited**, hereby appoint:

1. Name : \_\_\_\_\_ Email id : \_\_\_\_\_

Address : \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him

2. Name : \_\_\_\_\_ Email id : \_\_\_\_\_

Address : \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him

3. Name : \_\_\_\_\_ Email id : \_\_\_\_\_

Address : \_\_\_\_\_

Signature: \_\_\_\_\_

as my/our Proxy to attend and vote for me/us and on my/our behalf at the Meeting of the Equity Shareholders convened by the Hon'ble National Company Law Tribunal Bench at Mumbai to be held at Yashwantrao Chavan Prathisthan Auditorium, Y. B. Chavan Centre, Near Mantralaya, Gen. J. Bhonsale Marg, Mumbai – 400 021 on **Monday, 3<sup>rd</sup> day of June, 2019 at 11:00 a.m. (1100 hours)** and at any adjournment or adjournments thereof in respect of such resolution as is indicated below:

| <i>Resolution No.</i> | <i>Resolution</i>   |
|-----------------------|---|
| 1.                    | Approval of the Scheme of Amalgamation of Monsanto India Limited (the Transferor Company) with Bayer CropScience Limited (the Transferee Company) and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. |

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

Signature of the Shareholder(s) \_\_\_\_\_

Signature of the Proxy Holder(s) \_\_\_\_\_



(Signature across the stamp)

**Notes:**

- This proxy form in order to be effective should be duly completed and deposited at the registered office of the Company at Bayer House, Central Avenue, Hiranandani Estate, Thane (West) 400 607, Maharashtra, India, not later than 48 (forty eight) hours before the scheduled time of the commencement of the Meeting.
- All alterations in the proxy form should be initialed by the shareholders.
- Please affix appropriate revenue stamp before putting signature.
- Proxy need not be a shareholder of the Company.
- No person shall be appointed as a proxy who is a minor.
- For the Resolution, Explanatory Statement and Notes, please refer to the Notice of the Meeting of the Equity Shareholders of the Company.





**BAYER CROPSCIENCE LIMITED**

CIN: L24210MH1958PLC011173

**Registered Office:** Bayer House, Central Avenue, Hiranandani Estate, Thane (West) - 400 607.

**Tel.:** +91 22 2531 1234, **Email:** ir\_bcs1@bayer.com, **Website:** www.bayer.in

**ATTENDANCE SLIP**

**MEETING CONVENED BY THE NATIONAL COMPANY LAW TRIBUNAL OF THE EQUITY SHAREHOLDERS (WHICH INCLUDES PUBLIC SHAREHOLDERS) ON MONDAY, 3<sup>RD</sup> DAY OF JUNE, 2019 AT 11:00 A.M. (1100 HOURS)**

I/We hereby record my/our presence at the Meeting of the Equity Shareholders of the Company, convened pursuant to an Order dated 22<sup>nd</sup> day of April, 2019 of Hon'ble National Company Law Tribunal Bench at Mumbai at Yashwantrao Chavan Prathisthan Auditorium, Y. B.Chavan Centre, Near Mantralaya, Gen. J. Bhonsale Marg, Mumbai – 400 021 on **Monday, 3<sup>rd</sup> day of June, 2019 at 11:00 a.m. (1100 hours).**

|                               |  |
|-------------------------------|--|
| Name of Member(s)             |  |
| Registered Address & Email ID |  |
| DP ID* /Client ID*/Folio No.  |  |
| No. of shares held            |  |

\* Applicable for investors holding shares in electronic form

\_\_\_\_\_  
Signature of the Member/Proxy

**Notes:**

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

# ROUTE MAP FOR THE VENUE OF THE MEETING









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