



## TATA CHEMICALS LIMITED

Corporate Identity No. (CIN): L24239MH1939PLC002893

Registered Office: Bombay House, 24 Homi Mody Street, Fort, Mumbai 400001

Tel. No.: +91 22 6665 8282 Fax No.: +91 22 6665 8144

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### POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013 and applicable Rules made thereunder)

Dear Member(s),

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (the "Rules"), as amended from time to time and other applicable laws and regulations, to transact the business mentioned in the Resolution appended below for sale of the Phosphatic Fertiliser Business and Trading Business proposed to be passed by the Members through postal ballot (the "Postal Ballot") / remote electronic voting ("E-voting"). Pursuant to Sections 102 and 110 of the Act, the Explanatory Statement pertaining to the said Resolution setting out the material facts and the reasons thereof is annexed to this Postal Ballot Notice, along with a Postal Ballot Form for your consideration.

The Board has appointed Mr. P. N. Parikh (ICSI Membership No. FCS 327), or failing him Mr. Mitesh Dhabliwala (ICSI Membership No. FCS 8331), of M/s. Parikh & Associates, Practicing Company Secretaries, as the scrutinizer ("Scrutinizer") for conducting the Postal Ballot and E-voting process in a fair and transparent manner.

Members have the option to vote either by Postal Ballot or through E-voting. Members are requested to carefully read the instructions printed on the Postal Ballot Form and return the same duly completed in the enclosed self-addressed Business Reply Envelope so as to reach the Scrutinizer not later than the close of working hours i.e. 5:00 p.m. (IST) on **Wednesday, January 10, 2018**. The Postal Ballot Form may also be deposited personally at the address given on the Business Reply Envelope. Postal Ballot Form, if sent by courier or by registered post / speed post at the expense of the Member(s) will also be accepted.

Postal Ballot Forms received after the close of working hours i.e. 5:00 p.m. (IST) on Wednesday, January 10, 2018 will be treated as if no reply has been received from the Member. E-voting will be blocked by the National Securities Depository Limited ("NSDL") at 5:00 p.m. (IST) on **Wednesday, January 10, 2018** and E-voting shall not be allowed beyond the said date and time.

Members desiring to opt for E-voting as per the facilities arranged by the Company are requested to read the notes to this Postal Ballot Notice. References to Postal Ballot(s) in this Postal Ballot Notice include votes received electronically.

Members can opt for only one mode of voting i.e. either by Postal Ballot or through E-voting. In cases where members cast their votes through both modes, votes cast electronically (E-voting) shall be treated as valid and votes cast through Postal Ballot Form(s) will be treated as invalid.

The Scrutinizer will submit his report to the Chairman or any person authorized by him after the completion of scrutiny, and the result of the voting by Postal Ballot will be announced by the Chairman or any person authorized by him, on or before Friday, January 12, 2018. The results along with the report of the Scrutinizer shall be displayed on the Company's website: www.tatachemicals.com and on the website of NSDL: www.evoting.nsdl.com and shall also be communicated to BSE Limited and the National Stock Exchange of India Limited, where the shares of the Company are listed.

#### RESOLUTION:

##### Sale of the Phosphatic Fertiliser Business and Trading Business and all related assets at Haldia, West Bengal

To consider, and if thought fit, to pass the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, as amended from time to time and subject to such other approvals as may be applicable and required under various statutes or regulations or any other law for the time being in force, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board") to sell, transfer and dispose of, as a going concern and on a slump sale basis:

- (i) all businesses of the Company conducted by and through the plant located at Haldia, West Bengal, including the business of manufacture of DAP, NPK / NP complex fertilisers and SSP, conducted by and through Haldia ("Phosphatic Fertiliser Business"); and
- (ii) the business of import and sale of bulk fertilisers (DAP, MOP), and sale and purchase/contract manufacture of non bulk fertilisers and specialty fertilisers ("Trading Business"),

together with the use of all the licences, permits, consents and approvals whatsoever, and all related assets situated at Haldia in West Bengal and the related liabilities on the terms and conditions laid down in the Business Transfer Agreement ("BTA"), to IRC Agrochemicals Private Limited, a wholly owned subsidiary of Indorama Holdings B.V., Netherlands for a lump sum consideration of Rs. 375 crores (Rupees Three Hundred and Seventy Five Crores) subject to certain adjustments after closing, as agreed between the parties in terms of the BTA.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to undertake all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, for the purpose of giving effect to this Resolution and to settle any question, difficulty or doubt that may arise in this regard.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors or to any Director or Officer(s) or Authorised Representative(s) of the Company in order to give effect to this Resolution.”

**Notes:**

1. An Explanatory Statement pursuant to Section 102(1) read with Section 110 of the Act, setting out the material facts and reasons for the proposed Resolution above, is appended herein below along with the Postal Ballot Form for your consideration.
2. The Postal Ballot Notice is being sent to the Members whose names appear in the Register of Members / List of Beneficial Owners as received from NSDL and Central Depository Services (India) Limited (“**CDSL**”) as on Friday, November 24, 2017. The voting rights shall also be reckoned on the paid-up value of shares registered in the name of the member(s) as on the said date. A person who is not a member as on the relevant date should treat this Postal Ballot Notice for information purposes only.
3. Members who have registered their email IDs for receipt of documents in electronic form are being sent the Postal Ballot Notice by e-mail to their email IDs registered with their depository participants / the Company’s registrar and share transfer agent. Members who receive the Postal Ballot Notice by e-mail and who wish to vote through physical Postal Ballot Form can download the same from the website of the Company: [www.tatachemicals.com](http://www.tatachemicals.com). For members whose email IDs are not registered, physical copies of this Postal Ballot Notice are being sent by registered post, speed post or courier along with Postal Ballot Form and a postage-prepaid self-addressed business reply envelope. Alternatively, a Member may write to the Company or TSR Darashaw Limited for obtaining a duplicate Postal Ballot Form at [tclballot2017@tsrdarashaw.com](mailto:tclballot2017@tsrdarashaw.com).
4. Resolution passed by the Members through Postal Ballot is deemed to have been passed as if they are passed at a General Meeting of the Members and shall be deemed to have been passed on the last date of voting i.e. Wednesday, January 10, 2018.
5. Members can opt for only one mode of voting i.e. either by Postal Ballot or through E-voting. In cases where members cast their votes through both modes, votes cast electronically (E-voting) shall be treated as valid and votes cast through Postal Ballot Forms will be treated as invalid.
6. Members who have not registered their e-mail ID are requested to register the same with the Company’s registrar and share transfer agent / depositories in order to receive the Company’s Annual Report and other communications electronically in future.
7. The Scrutinizer will submit his report to the Chairman or any person authorized by him after the completion of scrutiny, and the result of the voting by Postal Ballot will be announced by the Chairman or any person authorized by him, on or before Friday, January 12, 2018. The result along with the report of the Scrutinizer shall be displayed on the Company’s website: [www.tatachemicals.com](http://www.tatachemicals.com) and on the website of NSDL: [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and shall also be communicated to BSE Limited and the National Stock Exchange of India Limited, where the shares of the Company are listed.
8. This Postal Ballot Notice is also placed on the website of the Company: [www.tatachemicals.com](http://www.tatachemicals.com) and on the website of NSDL: [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
9. In compliance with the provisions of Sections 108, 110 and other applicable provisions of the Act, read with (i) Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 as amended; and (ii) Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is offering E-voting facility to all the Members of the Company and the business may be transacted through electronic voting system. The Company has engaged the services of NSDL for facilitating E-voting to enable the Members to cast their votes electronically. A Member may avail of this facility at his / her discretion as per the instructions provided herein.
10. The E-voting period shall commence on **Tuesday, December 12, 2017** at 9:00 a.m. (IST) and end on **Wednesday, January 10, 2018** at 5:00 p.m. (IST). The E-voting will be blocked by NSDL thereafter. During this period, Members of the Company holding shares either in physical or dematerialised form, as on the cut-off date, i.e. **Friday, November 24, 2017**, may cast their vote electronically.
11. Once the vote on the Resolution is cast by the Members, the Members shall not be allowed to change it subsequently.
12. The instructions for Members for E-voting are as under:
  - A. Members whose shareholding is in dematerialised form and whose email IDs are registered with the Company/Depository Participant(s) will receive an email from NSDL informing the User-ID and Password:
    - (i) Open email and open PDF file viz. “TCL remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your User ID and Password/PIN for remote E-voting. Please note that the password is an initial password.  
NOTE: Members already registered with NSDL for E-voting will not receive the PDF file “TCL remote e-voting.pdf”.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
    - (iii) Click on “Shareholder – Login”.
    - (iv) Put User ID and Password. Click Login. (The initial password mentioned in the e-mail sent by NSDL to members whose email addresses are registered with the Company/Depository Participant(s) or mentioned in the Postal Ballot Form)
    - (v) “Password change” menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (vi) Home page of E-voting opens. Click on E-Voting: Active E-voting Cycles.
    - (vii) Select EVEN (Electronic Voting Event Number) of Tata Chemicals Limited which is 108037.
    - (viii) Now you are ready for E-voting as Cast Vote page opens.
    - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also click on “Confirm” when prompted.

- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to tcl.scrutinizer@gmail.com, with a copy marked to evoting@nsdl.co.in.
- B. For Members holding shares in dematerialised form whose email IDs are not registered with the Company/ Depository Participant(s) and Members holding shares in physical form as well as those Members who have requested for a physical copy of the Notice, it may be noted that the Initial User ID & Password is being provided in the Postal Ballot Form. Such members are requested to follow all steps from Sl. No. (ii) to (xii) above to cast vote.
- If you are already registered with NSDL for E-voting, then you can use your existing User ID and Password for casting your vote.
- NOTE: Members who forgot the User Details/Password can use "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com.
- In case Members are holding shares in demat mode, User ID is the combination of (DP ID + Client ID).
- In case Members are holding shares in physical mode, User ID is the combination of (EVEN No + Folio No).
- C. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and E-voting user manual for Members available at downloads section of www.evoting.nsdl.com or call on toll free no. 1800-222-990. In order to address any grievances relating to E-voting, you may write to Mr. Rajiv Ranjan, Asst. Manager, NSDL at the designated email ID evoting@nsdl.co.in or rajivr@nsdl.co.in or at the following telephone no. +91 22 2499 4600. You can also send your queries / grievances relating to E-voting to TSR Darashaw Limited at tclballot2017@tsrdarashaw.com.
- D. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).

**By order of the Board of Directors  
For Tata Chemicals Limited**

**Sd/-  
Rajiv Chandan  
General Counsel & Company Secretary**

Mumbai, November 24, 2017

**Registered Office:**

Tata Chemicals Limited  
Bombay House,  
24, Homi Mody Street,  
Fort, Mumbai 400 001  
Email: investors@tatachemicals.com  
Website: www.tatachemicals.com

**Explanatory Statement pursuant to Sections 102(1) and 110 of the Companies Act, 2013 (the "Act")**

**Sale of the Phosphatic Fertiliser Business and Trading Business and all related assets at Haldia, West Bengal**

1. In line with the strategic directions outlined by the Board of Directors (the "**Board**") of Tata Chemicals Limited (the "**Company**"), the Board at its meeting held on November 6, 2017 approved the sale of the Phosphatic Fertiliser Business and Trading Business and all related assets situated at Haldia in West Bengal, on a going concern, by way of a slump sale to IRC Agrochemicals Private Limited ("**Transferee**") in accordance with the terms of the Business Transfer Agreement ("**BTA**") proposed to be entered into between the Company and the Transferee and Indorama Holdings B.V., Netherlands ("**Parent Transferee**"), which was also approved by the Board at the same meeting. The Company, the Transferee and the Parent Transferee are collectively referred to as the "**Parties**".
2. Accordingly, the Parties have entered into a BTA on November 6, 2017. The BTA provides that (i) all businesses of the Company conducted by and through the plant located at Haldia, West Bengal, including the business of manufacture of DAP, NPK / NP complex fertilisers and SSP, conducted by and through Haldia ("**Phosphatic Fertiliser Business**"); and (ii) the business of import and sale of bulk fertilisers (DAP, MOP), and sale and purchase/contract manufacture of non bulk fertilisers and specialty fertilisers ("**Trading Business**") and all related assets situated at Haldia in West Bengal and related liabilities, shall be transferred on a going concern basis by way of a slump sale from the Company to the Transferee under the terms and conditions of the BTA.
3. The transfer of the Phosphatic Fertiliser Business and the Trading Business (collectively referred to as the "**Divestment Business**") pursuant to the BTA would primarily result in the following benefits to the Company: (i) unlocking value for the Company by sale of part of its assets; (ii) strengthening the balance sheet of the Company; and (iii) pursuing growth opportunities in line with its strategic directions.
4. Key terms of the BTA:
  - a. Effective date of the BTA is November 6, 2017.
  - b. The Company shall transfer the Divestment Business, as mentioned above, for a lump sum consideration of Rs. 375 crores (Rupees Three Hundred and Seventy Five Crores) plus/ minus any working capital adjustments and capital expenditure amounts incurred at the behest of the Transferee (excluding capital expenditure in the ordinary course of business) ["**Purchase Consideration**"].

- c. The Purchase Consideration shall be payable by the Transferee upon the receipt of approval of the Members of the Company and such regulatory approvals as may be required and upon fulfilment of certain other conditions precedent by the Company on a date mutually agreed between the Company and the Transferee ("**Completion Date**").
  - d. The transfer of Divestment Business includes transfer of all assets (including real estate equipment, intellectual property rights, contracts, inventory etc.), liabilities and employees set out in the BTA, except for such assets and liabilities which have been specifically excluded.
  - e. Further, the BTA sets out a list of excluded assets which shall not form part of the Divestment Business, which includes the amount of subsidy, freight claims with respect to the supply of fertilisers from a Government Authority, grant or reimbursement in relation to the period prior to the Completion Date. The Parties have agreed upon a mechanism whereby the Transferee shall transfer any subsidy amount and freight claims received by the Transferee post the Completion Date relating to a period prior to the Completion Date.
  - f. Further, the Parties have agreed that the liabilities being transferred to the Transferee with the Divestment Business will not include liabilities in relation to any other businesses of the Company, litigations in respect of the Divestment Business prior to completion of the transfer of Divestment Business, or liabilities arising out of: (i) operation/ use/ ownership of the assets of the Divestment Business prior to the date of completion of the transaction or (ii) the assets which have been excluded as part of the Divestment Business.
  - g. The Parent Transferee, being the holding company of the Transferee, has undertaken to guarantee the due and punctual payment of the Purchase Consideration by the Transferee.
5. The total income of the Divestment Business for the year ended March 31, 2017 was Rs. 2,634 crores and formed 39.60% of the total income on standalone basis and 19.60% of the total income on consolidated basis. The loss before tax of the Divestment Business for the year ended March 31, 2017 was Rs. 35 crores. The total income of the Divestment Business for the half year ended September 30, 2017 was Rs. 882 crores and formed 32.90% of the total income on standalone basis and 14.30% of the total income on consolidated basis. The loss before tax after exceptional item of the Divestment Business for the half year ended September 30, 2017 was Rs. 23 crores.
  6. Based on the working capital position as on September 30, 2017, the book value of assets being divested is Rs. 414 crores; which would further undergo change depending on the actual working capital position as on the Completion Date. The Purchase Consideration under the BTA has been determined on the basis of a normative working capital level based on the value as on August 31, 2017 and the difference in the working capital would be net settled as part of the Purchase Consideration on the Completion Date.
  7. The proposed transaction is not with a related party and will not result in any change in shareholding pattern of the Company.
  8. In terms of Section 180(1)(a) of the Act, shareholders' approval is required by a company to sell or otherwise dispose-off the whole or substantially the whole of the undertaking of the company. An undertaking is defined to mean an undertaking in which the investment of a company exceeds 20% of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates 20% of the total income of a company during the previous financial year. Given that the undertaking being transferred generated more than 20% of the total income during the previous financial year ended March 31, 2017, the sale / transfer of the identified Phosphatic Fertiliser Business and Trading Business requires approval of the members by a special resolution under Section 180(1)(a) of the Act. The approval of the members of the Company is accordingly being sought for the proposed transaction under the provisions of Section 110 of the Companies Act, 2013 read with applicable Rules through Postal Ballot as set out in the accompanying Postal Ballot Notice.
  9. The Board of Directors is of the opinion that the aforesaid proposal is in the best interest of the Company and hence, the Board recommends passing of the Special Resolution for approval of the members through Postal Ballot.
  10. The relevant documents referred to in the Postal Ballot Notice and the Explanatory Statement will be available for inspection of the Members in physical or in electronic form at the Registered Office of the Company and at the Corporate Office of the Company situated at Fort House, 2nd Floor, Dr. D. N. Road, Fort, Mumbai 400 001 from the date of dispatch of the Postal Ballot Notice till Wednesday, January 10, 2018 between 10:00 a.m. to 1:00 p.m. on all working days (except Saturdays, Sundays and public holidays).
  11. None of the Directors, Key Managerial Personnel of the Company and their respective relatives are interested or concerned in the said Resolution except to the extent of their respective shareholding, if any, in the Company.

**By order of the Board of Directors  
For Tata Chemicals Limited**

**Sd/-  
Rajiv Chandan  
General Counsel & Company Secretary**

Mumbai, November 24, 2017

**Registered Office:**

Tata Chemicals Limited  
Bombay House,  
24, Homi Mody Street,  
Fort, Mumbai 400 001  
Email: investors@tatachemicals.com  
Website: www.tatachemicals.com

Encl.:

1. Postal Ballot Form
2. Self-addressed postage pre-paid envelope