
Memorandum
And
Articles of Association
of
ORIENT CERATECH LIMITED

(Formerly known as Orient Abrasives Limited)



**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

Office of the Registrar of Companies

100 Everest Building, Mumbai, Everest 100, Marine Drive, Maharashtra, 400002, India

Certificate of Incorporation pursuant to change of name

[Pursuant to rule 29 of the Companies (Incorporation) Rules, 2014]

Corporate Identification Number (CIN): **L24299MH1971PLC366531**

I hereby certify that the name of the company has been changed from ORIENT ABRASIVES LIMITED to ORIENT CERATECH LIMITED with effect from the date of this certificate and that the company is Company limited by shares.

Company was originally incorporated with the name ORIENT ABRASIVES LIMITED

Given under my hand at Mumbai this TWENTY SIXTH day of MAY TWO THOUSAND TWENTY THREE

Document certified by *.mca.gov.in.

Digitally signed by

*.mca.gov.in

Date: 2023.05.26 15:51:45 IST

Ajay Pawar

Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies

ROC Mumbai

Note: The corresponding form has been approved by Ajay Pawar, Registrar of Companies, ROC Mumbai and this order has been digitally signed by the Registrar of Companies through a system generated digital signature under rule 9(2) of the Companies (Registration Offices and Fees) Rules, 2014.

Mailing Address as per record available in Registrar of Companies office:

ORIENT CERATECH LIMITED

Lawrence & Mayo House, 3rd Floor, 276, D.N. Road, Fort, NA, Mumbai, Mumbai City-400001, Maharashtra, India

Note: This certificate of incorporation is in pursuance to change of name by the Company and does not affects the rights and liabilities of stakeholders pursuant to such change of name. It is obligatory on the part of the Company to display the old name for a period of two years along with its new name at all places wherever a Company is required to display its name in terms of Section 12 of the Act. All stakeholders are advised to verify the latest status of the Company and its Directors etc and view public documents of the Company on the website of the Ministry www.mca.gov.in/MCA21





सत्यमेव जयते

GOVERNMENT OF INDIA

MINISTRY OF CORPORATE AFFAIRS

Office of the Registrar of Companies

Everest, 100 Marine Drive, Mumbai, Maharashtra, India, 400002

Corporate Identity Number: L24299MH1971PLC366531

SECTION 13(5) OF THE COMPANIES ACT, 2013

Certificate of Registration of Regional Director order for Change of State

M/s ORIENT ABRASIVES LIMITED having by special resolution altered the provisions of its Memorandum of Association with respect to the place of the Registered Office by changing it from the state of Gujarat to the Maharashtra and such alteration having been confirmed by an order of Regional Director bearing the date 29/04/2021.

I hereby certify that a certified copy of the said order has this day been registered.

Given under my hand at Mumbai this Thirtieth day of August Two thousand twenty-one.



Anil Bhagure

Registrar of Companies
RoC - Mumbai

Mailing Address as per record available in Registrar of Companies office:

ORIENT ABRASIVES LIMITED

Lawrence & Mayo House, 3rd Floor,, 276, D.N. Road, Fort,, Mumbai, Mumbai
City, Maharashtra, India, 400001





सत्यमेव जयते

GOVERNMENT OF INDIA

MINISTRY OF CORPORATE AFFAIRS

Office of the Registrar of Companies

RoC Bhavan, Opp Rupal Park Society Behind Ankur Bus Stop, Ahmedabad, Gujarat, India, 380013

Corporate Identity Number: L24299GJ1971PLC093248

SECTION 13(5) OF THE COMPANIES ACT, 2013

Certificate of Registration of Regional Director order for Change of State

M/s ORIENT ABRASIVES LIMITED having by special resolution altered the provisions of its Memorandum of Association with respect to the place of the Registered Office by changing it from the state of Delhi to the Gujarat and such alteration having been confirmed by an order of Regional Director bearing the date 21/03/2016.

I hereby certify that a certified copy of the said order has this day been registered.

Given under my hand at Ahmedabad this Fifth day of August Two thousand sixteen.



Rathod Karnleshkumar Gangjibhai
Deputy RoC
Registrar of Companies
RoC - Ahmedabad

Mailing Address as per record available in Registrar of Companies office:

ORIENT ABRASIVES LIMITED

GIDC Industrial Area, Porbandar, Porbandar, Gujarat, India, 360577



भारत सरकार-कॉर्पोरेट कार्य मंत्रालय
कम्पनी रजिस्ट्रार कार्यालय, राष्ट्रीय राजधानी क्षेत्र दिल्ली एवं हरियाणा

कम्पनी अधिनियम, 1956 की धारा 18 (1) (क)

उद्देश्य-खंडों में परिवर्तन की पुष्टि हेतु विशेष विनिश्चय के पंजीकरण का प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : L24299DL1971PLC005854

मैसर्स ORIENT ABRASIVES LIMITED

के अंशधारकों ने दिनांक 26/09/2009 को आयोजित की गई वार्षिक / असाधारण बैठक में एक विशेष विनिश्चय पारित करके कम्पनी अधिनियम, 1956 (1956 का 1) की धारा 18 (1) का अनुपालन करते हुए अपने संगम-ज्ञापन के प्रावधानों में परिवर्तन कर लिया है।

मैं, एतद्वारा सत्यापित करता हूँ कि उक्त विशेष विनिश्चय की प्रतिलिपि, यथा परिवर्तित संगम-ज्ञापन के साथ, आज पंजीकृत कर ली गई है।

मेरे हस्ताक्षर द्वारा दिल्ली में यह प्रमाण-पत्र, आज दिनांक बीस अक्टूबर दो हजार नौ को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS
Registrar of Companies, National Capital Territory of Delhi and Haryana

SECTION 18(1)(A) OF THE COMPANIES ACT, 1956

Certificate of Registration of the Special Resolution Confirming Alteration of Object
Clause(s)

Corporate Identity Number : L24299DL1971PLC005854

The share holders of M/s ORIENT ABRASIVES LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 26/09/2009 altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section (18)(1) of the Companies Act, 1956 (No. 1 of 1956).

I hereby certify that the said Special Resolution together with the copy of the Memorandum of Association as altered has this day been registered.

Given under my hand at Delhi this Twentieth day of October Two Thousand Nine.



Sd/-

(MAHESH CHANDRA SAXENA)

सहायक कम्पनी रजिस्ट्रार / Assistant Registrar of Companies
राष्ट्रीय राजधानी क्षेत्र दिल्ली एवं हरियाणा
National Capital Territory of Delhi and Haryana

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

ORIENT ABRASIVES LIMITED
1307CHIRANJIV TOWER, 43 NEHRU PLACE,
NEW DELHI - 110019.
Delhi, INDIA

COMPANY No. 5854



CERTIFICATE FOR COMMENCEMENT OF BUSINESS



Pursuant of section 149 (3) of the Companies Act, 1956



I hereby certify that the **Orient Abrasives Limited** which was incorporated under the Companies Act, 1956, on the 21st day of November 1971, and which has this day filed a duly verified declaration in this prescribed form that the conditions of section 149 (2) (a) to (c) of the said Act, have been complied with, is entitled to commence business.

Given under my hand at New Delhi, this 16th day of September,
One thousand nine hundred and seventy two.

Seal of the Registrar
of Companies, Delhi.

S/d-xxx
(P. B. Saharya)
Registrar of Companies
DELHI

FROM I. R.

CERTIFICATE OF INCORPORATION



No. 5854 of 1971-72



*I hereby certify that **Orient Abrasives Limited** is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the company is Limited.*

Given under my hand at New Delhi this Twelfth (21st) day of November (Kartika) One thousand nine hundred and seventy one (Saka 1893.)

Seal of the Registrar
of Companies, Delhi

S/d-xxx
(P. B. Saharya)
Registrar of Companies
DELHI

(THE COMPANIES ACT, 1956)
PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION
OF
ORIENT CERATECH LIMITED

1. The name of the Company is : 'Orient Ceratech Limited' [@]
2. The Registered Office of the Company will be situated in the State of Maharashtra. ^{*#}
3. (A) The main objects which will be pursued by the Company on its incorporation are:
 1. To carry on the business of manufacturers, producers, processors, importers, exporters, buyers, sellers of and dealers in all kinds of calcined bauxite, abrasive grits and grains including white and brown aluminium oxide, silicon carbide and all kinds of abrasives including bonded and coated abrasives, grinding wheels, sharpening stones, hones, paper and cloth, and all types of refractories based on alumina or on any other material of any other kind, and all materials, goods and ingredients used or that could be used in the manufacture or processing of abrasives of any kind and all other products, allied products, by-products and substitutes for all or any of them and to treat any utilise any waste arising from any such manufacture, production or process whether carried on by the Company or otherwise. Manufacturers of Abrasives
 2. To explore, prospect, take on lease or on royalty basis or otherwise acquire mines, mining rights and lands or any interest therein and to quarry, mine, dress, reduce, draw, extract, purify, calcine, smelt, refine, manufacture, process, purchase or otherwise acquire, sell or otherwise dispose of or deal in all grades, types, qualities and descriptions of iron ore, ilmenite ore, rutile ore, tungsten ore, wolframite ore, molybdenum ore, copper ore, bauxite, nicle ore, cobalt ore, quartz, flourspar, lime stone, dolomite, magnesite, coal, graphite, fire clay, kyanite, silliminite, stone, bricks, crick earth and other refractory materials etc. and all other metals, minerals and substances of every kind. Acquire Mines
 3. To carry on the business of manufacturers, dealers and importers, exporters, merchants, distributors and stockists of paper, cloth, canvas and all kinds of backing materials used in the manufacture of abrasives. Manufacturers of Paper, Cloth Canvas etc.

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**The Registered office of the Company has been shifted from NCT of Delhi to the State of Gujarat vide Special Resolution passed by members of the Company through Postal Ballot, on 26 November 2015 and confirmation by the Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi, vide order no. Company Application No. SRN C73204323(13)/2013/14335-14336 dated 21 March 2016 and that the same is registered by ROC- Ahmedabad on 5 August 2016.*

**Altered vide special Resolution passed by the members of the Company through Postal Ballot on 19th March, 2020.*

@ The name of the Company changed from Orient Abrasives Limited to "Orient Ceratech Limited" w.e.f. May 26, 2023 vide special resolution passed by the members of the Company through Postal Ballot on 17th May, 2023.

- *3a. To carry on the business of and act as buyers and sellers, suppliers and traders brokers and agents, exporters and importers, stockists and distributors and dealers of and in all kinds of forest products, industrial products, agricultural products, food products, whether processed, semi-processed or otherwise, wood articles and metals, minerals, industrial and other wastes and bye-products, industrial and other gases, Alcohol , edible and non-edible oils, fats and consumer goods, house-hold goods, hardware and stores, plant and machinery, stores, all types of ball and rollers bearings, spare parts and accessories, commercial and manmade fibres, textiles of all kinds, readymade garments, silk, hemp, wool and flax and other fibres substances, blankets and any products of cotton and yard and woollen textile, raw jute and jute products, cement, plastics, chemicals, building materials, bullion, belting, batteries, bronzes, canned and tinned goods, curios, cotton, crockery, cutlery, caramels, cozebinders, cashewnuts, confectionery, coffee, coir, coal and chemicals, iron and steel, casting of metals and alloys, carpets, cosmetics, cine-matograph films, corks and crown corks, dextrines, drugs and medicines, dressing materials, dyes and dyestuffs, essence, electrical goods and accessories, engineering goods, fertilizers, fodder, flour, fura, fibres and wastes, furniture and upholstery, grain and fruits, jaggery, cardamons, ginger, stone, guel, gums and resins, glass and glassware, gramophone records, hides and skins, hemp, handicrafts, handlooms, hardware, ivory, electrical, mechanical, photographic, surgical, scientific and other instruments, apparatus and appliances, leather goods, lac, linoleum, liquid gold, linen, manuers, machine tools, metals, motor cars, milling stones, Nut and Bolts, Ores, Oils and oil cakes, Ornaments, Pulses, printing and drawing materials, provisions, perfumes, spirits, pulp of wood, pharmaceuticals, precious stones, pearls, plants, paints, papers, patent, synthetic fuel, quarts, crystals, rags, rubbers, spices, sports goods, sugar and molasses, scrap, metallurgical residues, seeks, shellac, artificial and silk fabrics, soap, small tools, stationery, tobacco, toys, umbrellas, vegetables, varnishes, vanaspati, wood and timber wax woolen and all sorts of apparels, wigs, yarns, sizing, vehicles of all kinds and accessories thereof, pigments, polymers and PVC goods, all kinds of gloves marine products, Electronics goods including Computer, TV, VCR/ VCP, antiques, precious and semi precious stones, goods and products and compounds of any and every description and kinds.
- #3b. To carry on in India or elsewhere the business to generate, develop and accumulate electric power from conventional and non conventional resources like wind mill, hydro power, solar power etc. for own/captive consumption and commercial sale and to erect and/or commission wind mill turbines, hydro power stations and/or plants, thermal power stations and/or plants, nuclear power stations and/or plants, to transmit, distribute and supply such electric power and to carry on business of a general electric power manufacturer and/or supply company and to construct, lay down, establish, fix and carry out all necessary power stations/plants, cables, wires, lines, accumulators, lamps and in general undertake execution of turnkey contracts for setting up of wind mill stations, hydro power generation and other power projects involving conventional and non-conventional energy sources in India and abroad and also to undertake engineering and technical consultancy services in the fields of wind power generation and other power projects from conventional and non-conventional energy sources and to set up power plants in India and abroad.

* Inserted vide special resolution passed in the 23rd AGM held on 29/11/1999

Inserted vide special resolution passed by Postal ballot on 26/09/2009

(B) THE OBJECT INCIDENTAL OR ANCILLARY TO THE
ATTAINMENT OF THE ABOVE MAIN OBJECTS TO THE
COMPANY ARE:

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| 4. | To carry on the business of manufacturers, dealers and importers, exporters, merchants, distributors and stockists of gums, adhesives and bonding materials of all kinds, adhesive tapes, adhesive cloth, adhesive paper and products of all kinds. | Manufacturers
Stockists of Gums,
Adhesives etc. |
| 5. | To establish, operate, manufacture, sell or acquire all products of electric furnaces and furnaces of all kinds and of whatever kind also all or any rights or developing water and electric power of any nature whatsoever and to manufacture and sell all kinds of machinery to carry on the business of electrical engineers, to erect lines for power transmission and generally for the development of electric and other power. | Electric Furnaces,
Electric Power etc. |
| 6. | To carry on business of iron foundries, civil mechanical electrical and atomic engineers and manufacture of agricultural implements and other machinery, tool-makers, brass-foundries, metal workers, paint manufactures, boiler makers, millwrights machinists, iron and steel converters, smiths, chemists and manufacture of chemicals, wood-workers, builders, painters, metallurgist, watersupply, engineers, gas-makers, farmers, painters, carriers and merchant, and to buy, sell, manufacture, repair convert, alter, let on hire and deal in machinery, implements, rolling stock and hardware of all kinds. | Iron Foundries,
Engineers etc. |
| 7. | To buy, sell, manufacture, repair, alter, improve, exchange, let out on hire, import, export, and deal in all factories, works plant, machinery, tools, utensils, appliances, apparatus, products, materials, substances, articles and things capable of being used in any business which this Company is competent to carry on or required by any customers of or persons having dealing with the Company or commonly dealt in by persons having engaged in any such business or which may seem capable of being profitably dealt with in connection therewith and to manufacture, experiment with, render marketable and deal in all products of residual and by-product incidental to or obtained in any of the businesses carried on by the Company. | General
Manufacturers |
| 8. | To acquire, build, construct, alter, maintain, enlarge, pull down, remove or replace, and to work, manage and control any buildings, offices, factories, mills, shops, machinery, engines, roads ways, railway sidings, reservoirs, watercourses, electric works and other works and conveniences which may seem calculated directly or indirectly to advance the interests of the Company, and to join with any other person or company in doing any of these things. | Acquire Buildings,
Machineries,
Engine etc. |

Purchase, Lease Exchange	9.	To purchase, take on lease or tenancy or in exchange, hire, take options over or otherwise acquire for any estate or interest whatsoever and to hold develop, work, cultivate, deal with and turn to account concession, grants, decrees, licences, privileges, claims, options, leases, property, real or personal, or rights or powers of any kind which may appear to be necessary, or convenient for any business of the Company.
Purchase, Charter hire of vehicles	10.	To purchase, charter, hire, build or otherwise acquire vehicles of any or every sort of description for use on or under land or water or in the air and to employ the same in the carriage of merchandise of all kinds and to carry on the businesses of owners of trucks, lorries, motor cars etc.
Disposal of undertaking & property of Company	11.	To sell, exchange, mortgage, let on lease, royalty or tribute grant licences, easement, options and other rights over and in any other manner, deal with or dispose of the whole or any part of the undertaking, property, assets, rights and effects of the Company for such consideration as may be thought fit and in particular for stocks shares, whatever fully or partly paid up or securities of any other Company.
Payment for property and services	12.	To pay for any rights or property acquired by the Company and to remunerate any person, firm or body corporate rendering services to the Company within India and/or abroad either by cash payment or by allotment to him or them of shares or securities of the Company as paid up in full or in part or otherwise.
Financial and Commercial obligations	13.	To undertake financial and commercial obligations, transaction and operations of all kinds in connection with the business of the company.
Guarantee of Payment of Dividend, Interest etc.	14.	To guarantee the performance of any contract or obligations of and the payment of money or of dividend and interest on any stock, shares on securities of any company, corporation, firm or person in any case in which such guarantee may be considered likely directly or indirectly to further the objects of the company or the interests of its shareholders.
General Guarantee	15	To guarantee the performance of any contract or obligations of and payment of money unsecured by or payable under or in respect or promissory notes, bonds debentures, debenture-stock, contracts, mortgages, charges, obligations, instruments, and securities of any company or of any authority, supreme, municipal, local or banks, and financial authorities or otherwise or of any persons whomsoever, whether, incorporated or not incorporated and generally to guarantee or become sureties for the performance of any contracts or obligations.

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| 16. To lend and advance money, either with or without security and give credit to such persons (Including Government) and upon such terms and conditions as the Company may think fit. | Advances, deposits and loans |
| 17. To draw, make, accept, endorse, discount, negotiate, execute and issue hundies, bills of exchange, promissory notes, bills of lading warrants, debentures and other negotiable or transferable instruments or securities. | Negotiable Instruments |
| 18. To acquire from any person, firm or body corporate or unincorporate, whether in India or elsewhere, technical information, know-how, process engineering, manufacturing and operating data, plans, layouts and blue prints useful for the design, erections and operation of plant required for any of the businesses of the Company and to acquired any grant or licence and other rights and benefits in the foregoing matters and things. | Technical Information and know-how |
| 19. To apply for, purchase or otherwise acquire and protect, prolong and renew experimenting or testing or in improving in any part of the world, any patents, patent rights, brevets, invention, trade marks, desings, licences, protections, concessions and the like conferring any exclusive or non-exclusive or limited right to their use or any secret or other information as to any inventions process or privilege which may seem capable of being used for any of the purposes of the Company or the acquisition which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop, or grant licences or privileges in respect of, or otherwise, turn to account, the property rights and information so acquired and to carry on any business in any connection therewith. | Patents etc. |
| 20. To expend money in experimenting on and testing and in improving or seeking to improve any patents right, inventions, discoveries processes or information of the Company or which the Company may acquire or propose to acquire. | Experimenting and Improving any Patents |
| 21. To transact or carry on all kinds of agency business and in particular in relation to the investment of money, the sale of property and collection an receipt of money, and to be Managers or any concern, company or business and trustees, gratuitous or otherwise, of any assets, funds and business under any arrangements. | |
| 22. To establish, provide, maintain and conduct research and other laboratories, training institutions for the training, education and instruction of the person directly or indirectly with the company, or students and other who may desire to avail themselves of the same and to provide for the delivery and holding of lectures, demonstrations, exhibitions, classes, meetings and conferences in connection therewith. | To Research Laboratories |

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| Borrowing | 23. To receive money for business purposes or the Company on deposit or loan and borrow or raise money in such manner as Company shall think fit, and in particular by the issue of debenture, or debenture stock, perpetual or otherwise, and to secure the repayment of any money borrowed raised or owing by mortgage, charge or lien upon all or any of the property or assets of the Company, both present and future, including its uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or company as the case may be. |
| Investment | 24. To invest any surplus monies of the Company not immediately required in such investments, other than shares or stock in the Company, as may be thought proper and to hold, sell or otherwise deal with such investment. |
| Holding Stock, shares and securities | 25. To subscribe for, underwrite, acquire, hold, sell and otherwise deal in shares, stock, debentures, debenture stock, bonds, mortgages, obligations and securities of any kind issued or guaranteed by any company (body corporate or undertaking) carrying on business, similar or analogous to the business, of the company wherever constituted or carrying on business, and shares, stock, debentures, debenture stock bonds, mortgages, obligations and other securities issued or guaranteed by any government sovereign ruler, commissioners, trust municipal, local or other authority or body of whatever nature, whether in India or elsewhere. |
| Acquire and undertake business | 26. To acquire and undertake all or any part of the business property and liabilities of any person or company carrying on or proposing to carry on any business which this company is authorised to carry on or possessed of property suitable for the purposes of the Company (or which can be carried on in conjunction therewith or which) is capable of being conducted so as directly or indirectly to benefit the Company. |
| Recognition and Registration | 27. To procure the registration or recognition of the company in or under the laws of any place outside India or with any other appropriate authority or authorities outside India. |
| Promotion | 28. To form, incorporate or promote any company or companies whether in India or elsewhere, having amongst its or their objects the acquisition of all or any of the assets or control, management or development of the Company or any other object or objects which in the opinion of the Company could or might directly or indirectly assist the Company in the management of its business or the development of its properties or otherwise prove advantages to the Company. |

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| <p>29. To pay all the costs, charges and expenses of and incidental to the promotion, formation, registration and establishment of the Company and the issue of its capital, including any underwriting or other commissions, broker's fees and charges in connection therewith, and to remunerate or make donations to (by cash or other assets, or by the allotment of fully or partly paid shares, or by a call or option on shares, debentures, debenture-stock or securities of this or any other company or in any other manner, whether out of the Company's capital or profit or otherwise) any person or persons for services rendered or to be rendering in introducing any property or business to the company or in placing or assisting to place or guaranteeing the subscription of any shares, debentures, debenture-stock, or other securities of the Company, or for any other reason which the Company may think proper.</p> | <p>Pay cross,
charges on
Promotion</p> |
| <p>30. To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press, by circulars by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations.</p> | <p>Publicity</p> |
| <p>31. To undertake and execute any trust, the undertaking of which may seem to the Company desirable, and either gratuitously, or otherwise and vest and real or personal property, rights or interest acquire by or belonging to the Company in any person or company on behalf of or for the benefit of the company, and with or without any declared trust in favour of the company.</p> | <p>Trusts</p> |
| <p>32. To enter into any arrangements and to take all necessary or proper steps with Governments or with other authorities supreme, national, local municipal or otherwise of any place in which the company may have interests and to carry on any negotiations or operations for the purpose of directly or indirectly carrying out the objects of the Company, effecting any modification in the constitution of the Company or furthering the interests of its members and to oppose any such steps taken by any other Company, firm or person which may be considered likely directly or indirectly to prejudice the interests of the Company or its members.</p> | <p>Government and
other concessions
and to promote
and oppose
legislation</p> |
| <p>33. Subject to the provisions of the Companies Act, 1956 to amalgamate or enter into partnership or into any arrangement for sharing profits, union of interests co-operation, joint-adventure or reciprocal concession or for limiting competition with any person or persons or company or companies carrying on or engaged in, or about to carry on or engage in, any business or transaction which the Company is authorised to carry on or engage in, or which can be carried on in</p> | <p>Amalgamation and
Partnership</p> |

conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company.

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| Establishment of associations connected with company or for benefit of employees to company | 34. To apply the assets of the Company in any way in or towards the establishment maintenance or extension of any association, institution of fund in any way connected with any particular trade or business or with trade or commerce generally and particularly with the trade, including any association, Institution or fund for the protection of the interests of masters, owners and employers against loss by bad debts, strikes, combinations, fire, accidents or otherwise or for the benefit of any clerks, workmen or others at any time employed by the Company or any of its predecessors in business or their families or dependents and whether or not in common with other persons or classes of persons and in particular of friendly, co-operative any other societies, readings rooms, libraries, educational and charitable institutions, dining and recreation rooms, churchs, chapels, schools, hospitals and to grant gratuities, pensions and allowances and to contribute to any funds raised by public or local subscriptions for any purpose whatsoever. |
| Aid to labour and other industrial associations | 35. To aid, pecuniarily or otherwise, any association, body or movement having for an object the solution, settlement or surmounting of industrial or labour problems or troubles or the promotion of industry or trade, but shall not act as a trade union. |
| Donations | 36. To subscribe or guarantee money for any national, charitable, benevolent, public, general or useful object or for any exhibitions. |
| Provident Institutions | 37. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefits of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the company, or of any company which is a subsidiary of the company. |
| Distribution of specie | 38. To distribute among the members in specie any property of the Company, or any proceeds of sale or disposal of any property of Company in case of winding up and that no distribution amounting to a reduction of capital be made except with the sanction (if any) for time being required by law. |
| Carry on business generally | 39. To carry on any other business whether manufacturing or otherwise that may seem to the Company capable of being conveniently carried on in connection with the above objects or calculated directly or indirectly to enable the value of or render profitable any of the Company's property or toghts or which it may be advisable to |

undertake with a view to improving developing, rendering valuable or turning to account any property real or personal belonging to Company or in which the Company may be interested and to do all or any of the above things, either as principals agents, trustees, contractors, or otherwise and either alone or in conjunction with others, and either by or through agents, sub-contractors, trustees or otherwise.

3C THE OTHER OBJECTS FOR WHICH THE COMPANY IS ESTABLISHED ARE:

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|---|--|
| <p>40. To carry on all or any of the business of manufacturers of and dealers and workers in cement, lime, plasters, winding, clay, gravel, sand, minerals, earth, coke, fuel, artificial and natural stone, and ship builders, barge, lighter, and quarry owners, builders, general contractors and carriers.</p> | <p>Business in buildings materials, quarry owners etc.</p> |
| <p>41. To carry on the business as manufactures, dealers, importers, exporters and traders in paper pulp, wood pulp, straw pulp, bamboo pulp, bagasee and in all kinds of papers, card boards, hard boards, package materials and all other products, goods and substances connected therewith.</p> | <p>Paper, Pulp wood workers and books supplies</p> |
| <p>41A. To carry on the business as manufacturers, dealers, importers, exporters and traders in all types of alloys including ferro alloys, steel alloys and the alloys of other materials, all types of materials required for manufacture of alloys, special steels, steel casting, fabricating, smelting, rolling and forging, iron foundries, metal foundries metallurgists and casters.</p> | |
| <p>42. To carry on all or any of the business of shipowners, charters of ships or other vessels, warehousemen, merchants, carriers forwarding agents and wharfingers.</p> | <p>Shipowners</p> |
| <p>43. To carry on any other business, industry or trade whether manufacturing, commercial or otherwise that may seem to the Company capable of being conveniently carried on in connection with the above objects or calculate, directly or indirectly, to enhance the value of or render profitable any of the Company's properties or rights for which it may be advisable to undertake with a view to improving, rendering valuable or turning to account any property, real or personal, belonging to the Company or in which the Company may be interested.</p> | <p>General</p> |
| <p>*44. To construct purchase or otherwise acquire, and develop lands, houses, buildings, sheds and other fixtures on land and buildings to let them out on lease, rent, contract or any other agreement as may</p> | |

deemed fit or to buy and sell lands, houses apartments to, any person on terms and conditions as may deemed fit or to hold, maintain, sell, allot houses apartments, sheds or buildings thereof to the shareholders, or any other person or to carry on business of buildings, surveyors, bricks and tiles makers, lime burner, houses and estate agents.

- *45. To carry on and undertake the business of leasing and finance-lease operations of all kinds, purchasing, selling, hiring or lettering on hire all kinds of plant and machinery and equipments that the company may think fit.
- 46. To carry on the business of financing industrial enterprises whether by way of making loans of advances to our subscribing lo capital of private industrial enterprises in India. The company shall, however, not to do banking business as defined under Banking Regulation Act, 1949.
- @47. To carry on in India or elsewhere the business to generate, develop and accumulate, electric power from conventional and non conventional resources like wind mill, hydro power, solar power etc. for own/captive consumption and commercial sale and to erect and/or commission wind mill turbines, hydro power stations and/or plants, thermal power stations and/or plants, nuclear power stations and/or plants, to transmit, distribute and supply such electric power and to carry on business of a general electric power manufacturer and/or supply company and to construct, lay down establish, fix and carry out all necessary power stations/plants, cables, wires, lines, accumulators, lamps and in general undertake execution of turnkey contracts for setting up of windmill stations, hydro power generation and other power projects involving conventional and non-,conventional energy sources in India and 'abroad and also to undertake engineering and technical consultancy services in the fields of wind power generation and other power projects from conventional and non-conventional energy sources and to set up power plants in India and abroad.
- 4. The liability of the members is limited.
- #5. The Authorised Share Capital of the Company is Rs. 18,00,00,000/- (Rupees Eighteen Crores) consisting of Rs. 14,00,00,000/- (Fourteen Crores Equity Shares) of Re. 1/- (Rupees One only) 4,00,000 (Four Lakhs) 6% Redeemable Cumulative Preference Shares of Rs. 100/- each, with power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company.

* Inserted vide special resolution passed in the 23rd AGM held on 29/11/1994

@ Inserted vide special resolution passed by Postal ballot on 26/09/2009

Altered vide ordinary resolution passed by Postal ballot on 19/01/2018

We, the several persons whose names and addresses are subscribed, hereto and desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the Capital of the Company set opposite our respective names.

Name address, description and occupations of subscribers	Number of ordinary shares taken by each subscriber	Name, address, description and occupation of witness of subscriber
Ram Lal Rajgarhia S/o Late Phool Chand, 16/1, Lord Sinha Road, Calcutta-16. Industrialist	100	
R. Kumar S/o Ram Lal Rajgarhia B-104-A, Greater Kailash New Delhi Business	100	
Nawal Kishore S/o Ram Lal Rajgarhia 16/1, Lord Sinha Road, Calcutta-16 Business	100	Witness to all Signatures Sd/- Sita Ram Bansal Service 23, Curzon Road, New Delhi
Smt. Prabha Devi Rajgarhia, Rajender Kumar Rajgarhia, B104,A, Greater Kailash, New Delhi House Wife	100	
Surendra Kumar Rajgarhia S/o Ram Lal Rajgarhia 19/1, Lord Sinha Road, Calcutta-16. Business	100	
S. G. Rajgarhia S/o Ram Lal Rajgarhia B, 104-A, Greater Kailash New Delhi Business	100	
Sanwar Mal Banka S/o Nahar Mal Banka, 2-Brabourne Road, Calcutta-16. Business Executive	100	

Dated the 28th day of September, 1971

THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION #
OF
ORIENT CERATECH LIMITED @

PRELIMINARY

1. Regulation in Table F of the Schedule I to the Companies Act, 2013 shall apply to this Company except in so far they are not inconsistent with any of the provisions contained in these regulations and except in so far they are hereinafter expressly or impliedly excluded or modified.

INTERPRETATION

2. In these regulations—
 - I "the Act" means the Companies Act, 2013, or any statutory modification, amendments or re-enactment time to time in force.
 - II "the Seal" means the common seal of the company.
 - III "Articles" means these articles of association of the Company or as altered from time to time.
 - IV "Board" or "Board of Directors" means a meeting of the Directors duly called and constituted, or the case may be, the Directors assembled at a meeting of the Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with the Articles, or the Directors of the Company collectively.
 - V "Capital" means the share capital for the time being raised or to be raised for the purpose of the Company.
 - VI "Company" means Orient Ceratech Limited. @
 - VII "Depository" shall mean a Depository as defined in Section 2 of the Depositories Act, 1996.
 - VIII "Directors" means the Directors for the time being of the Company or, as the case may be, the Directors assembled at a meeting of the Board.
 - IX "Electronic Form" with reference to information means, any information generated, sent, received or stored in media, magnetic, optical, computer memory, micro film, computer generated micro fiche or similar device.
 - X "Electronic Mode" means tele- conferencing and/or video conferencing facility i.e audio-visual electronic communication facility which enables all persons

The New set of Articles of Association in accordance with Table F of Schedule I to the Companies Act, 2013 was approved and adopted by the Shareholders vide Special Resolution passed in 44th Annual General Meeting of the Company held on 29 September 2015.

@The name of the Company changed from Orient Abrasives Limited to "Orient Ceratech Limited" w.e.f. May 26, 2023 vide special resolution passed by the members of the Company through Postal Ballot on 17th May, 2023.

participating in that meeting to communicate concurrently with each other without an intermediary, and to participate effectively in the meeting.

XI "Electronic Record" means data, record, or data generated, image or sound stored, received or sent in an electronic form or micro film or computer generated micro fiche.

XII "In writing" and "written" include printing, lithography and other modes of representing or reproducing words in a visible form.

XIII "Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

Words importing and singular number include where the context admits or requires the plural number and vice versa.

Words importing the masculine gender also include the feminine gender.

3. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

SHARE CAPITAL AND VARIATION OF RIGHTS

4. The Authorised Share Capital of the Company is as stated in Clause V of the Memorandum of Association of the Company.
5. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
6. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—
- (a) one certificate for all his shares without payment of any charges; or
 - (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
7. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction

of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

- (ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures of the company.
- 8. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
- 9. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
 - (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
 - (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
- 10. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
 - (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
- 11. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
- 12. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

JOINT-HOLDERS OF SHARES

- 13. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefit of survivorship subject to the

provisions following and to the other provisions following and to the other provisions of these Articles relating to joint holders:-

- (a) The Company shall not be bound to register more than four persons as the joint-holders of any share.
- (b) The joint holders of a share shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such share.
- (c) On the death of any one of such joint-holders the survivor or survivors shall be the only person recognised by the Company as having any title to or interest in such share but the Board may require such evidence of death as it may deem fit.
- (d) Only the person whose name stands first in the Register as one of the joint-holders of any share shall be entitled to delivery of the certificate relating to such share.

NOMINATION

- 14. (i) Every holder of shares or debentures or fixed deposits of the company will have freedom to nominate at any time a person to whom his shares/debentures/fixed deposits shall vest in the event of his death.
- (ii) Where the shares/debentures/fixed deposits are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures or fixed deposits of the Company, as the case may be, shall vest in the event of death of all the joint holders.
- (iii) Notwithstanding, anything contained in any other law for the time being in force, in respect of such shares or debentures or fixed deposits of the Company, where a nomination made in the prescribed purports to confer on any person the right to vest in the Shares or Debentures or fixed deposits of the Company, the nominee shall on the death of the holder of securities mentioned above, or as the case may be on the death of the joint holders, become entitled to all the rights in such shares or debentures or fixed deposits, or as the case may be, all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.
- (iv) Where nominee is a minor it shall be lawful for the holder of the share or holder or debentures/fixed deposits too make the nomination to appoint in the prescribed manner any person to become entitled to shares in or debentures or Deposits of the company in the event of his death during the minority.
- (v) Any person who becomes nominee as aforesaid upon the production of such evidence as may be required by the Board of Directors of the company, elect either to be registered as holder of the shares or debenture or Deposits or to make such transfer of the shares or debentures as the deceased shareholder or debenture holder could have made.
- (vi) The Board of Directors of the company shall in either case have the same right to decline or to suspend registration as it would have had if the deceased shareholder or debenture holder had transferred the shares or debentures before his death.

LIEN

15. (i) The company shall have a first and paramount lien—
- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
16. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

- (a) unless a sum in respect of which the lien exists is presently payable; or
 - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
17. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
 - (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
18. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

19. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
 - (iii) A call may be revoked or postponed at the discretion of the Board.
20. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.
21. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
22. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
23. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
24. The Board—
- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
 - (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

TRANSFER OF SHARES

25. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
26. The Board may, subject to the right of appeal conferred by section 58 decline to register—
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
 - (b) any transfer of shares on which the company has a lien.

27. The Board may decline to recognise any instrument of transfer unless—
- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
 - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - (c) the instrument of transfer is in respect of only one class of shares.

28. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

TRANSMISSION OF SHARES

29. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
30. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
- (a) to be registered himself as holder of the share; or
 - (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
31. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
32. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be

entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

33. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
34. The notice aforesaid shall—
 - (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
35. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
36.
 - (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
 - (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
37.
 - (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
 - (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
38.
 - (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
 - (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

- (iii) The transferee shall thereupon be registered as the holder of the share; and
 - (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
39. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

DEMATERIALISATION OF SECURITIES

40. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its shares, debentures and other securities and to offer any shares, debentures or other securities proposed to be issued by it for subscription in a dematerialised form and on the same being done, the Company shall further be entitled to maintain a register of members/ debenture-holders/ other security-holders with the details of members/ debenture-holders/ other security-holders holding shares, debentures or other securities both in materialised and dematerialised form in any media as permitted by the Act.
41. Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities in electronic form with a Depository. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its records the name of the allottee as the beneficial owner of the security.
42. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus on shares, interest/premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by a court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.
43. In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply.

Provided that in respect of the shares and securities held by the Depository on behalf of a beneficial owner, provisions of Section 9 of the Depositories Act, 1996, shall apply so far as applicable.

44. Every Depository shall furnish to the Company, information about the transfer of securities in the name of the beneficial owner at such intervals and in such manner as may be specified by the bye-laws of the Depository and the Company in that behalf.

45. Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act, 1996.

ALTERATION OF CAPITAL

46. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
47. Subject to the provisions of section 61, the company may, by ordinary resolution,—
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
48. Where shares are converted into stock,—
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
 - (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
 - (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.
49. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—
- (a) its share capital;
 - (b) any capital redemption reserve account; or
 - (c) any share premium account.

CAPITALISATION OF PROFITS

50. (j) The company in general meeting may, upon the recommendation of the Board, resolve—
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
- (a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
 - (c) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
- (iii) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
- (iv) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
51. (j) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
 - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

- (iii) Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES

52. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

53. All general meetings other than annual general meeting shall be called extraordinary general meeting.
54. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.
55. The Board of Directors shall, on requisition of such member or members, call an extraordinary General Meeting, subject to the provisions laid down in section 100 of the Act.
56. Any general meeting may be called by giving to the members clear Twenty One days notice or a shorter notice, if consent thereto is given by members in accordance with the provisions laid down under section 101 and 102 of the Act.
57. The Notice of general meeting may be given either in writing or through electronic mode.

PROCEEDINGS AT GENERAL MEETINGS

58. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
59. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
60. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
61. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETING

62. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

- (i) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (ii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

- 63. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
 - (a) on a show of hands, every member present in person shall have one vote; and
 - (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
- 64. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- 65. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
 - (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
- 66. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
- 67. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- 68. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
- 69. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
 - (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

- 70. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

71. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

72. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BORROWING POWERS

73. The Directors may, from time to time, at their discretion, raise or borrow, or secure the payment of, any sum or sums of money for the purposes of the Company; Provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not at any time except with the consent of the Company by way of special resolution in general meeting exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

74. The Directors, with shareholders' consent where required by the Act and Rules, may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and, in particular, by the issue of debentures or debenture-stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

BOARD OF DIRECTORS

75. The First Directors of the Company are:-

1. Shri Ram Lal Rajgarhia
2. Shri Raunaq Singh
3. Shri S G Rajgarhia

76. Until otherwise determined by the Company by Special Resolution in General Meeting, the number of Directors shall not be less than three and not more than fifteen.

77. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- (b) in connection with the business of the company.

78. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
79. All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
80. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
81. (i) Subject to the provisions of section 149 of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.
82. (i) The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.
- (ii) An alternate director shall not office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.
83. (i) If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.
- (ii) The director so appointed shall hold office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated.

PROCEEDINGS OF THE BOARD

84. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
85. The quorum for a Board Meeting shall be subject to the provisions of Section 174 of the Act.

86. The participation of Directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by Rules or permitted under law.
87. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
88. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
89. (i) The Chairperson of the Company shall be the Chairperson at meeting of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
90. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- (iii) The participation of Directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by Rules or permitted under law.
91. (i) A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
92. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
93. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

94. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

MANAGING DIRECTOR / WHOLE TIME DIRECTOR

95. Subject to the provisions of the Act, the Directors may from time to time appoint one or more of their body to be the Managing Director or Whole Time Director of the Company, in accordance with the provisions of the Act and the Rules
96. A Managing Director or Whole Time Director so appointed shall exercise the powers and authorities conferred upon him by an agreement entered into between him and the Company and/or by a resolution of the Board and be subject to the obligations and restrictions imposed upon him thereby or by the Act.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

97. Subject to the provisions of the Act,—
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
 - (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
98. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

99. (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least one director and of the secretary or such other person as the Board may appoint for the purpose; and that director and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

100. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
101. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

102. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
103. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
104. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
105. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
106. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
107. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
108. No dividend shall bear interest against the company.

ACCOUNTS

109. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

WINDING UP

110. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

- (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

111. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

GENERAL POWER

112. Wherever in the Act or the Rules, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

As on the date of adoption of these articles, some sections and provisions of the Companies Act, 2013 which are not yet effective, the provisions of the earlier act will be applicable till enforcement of the new provisions.

We, the several persons whose names and addresses are subscribed, hereto are desirous of being formed into a Company in pursuance of this Articles of Association.

Name address, description and occupations of subscribers	Name, address, description and occupation of witness of subscribers
<p>Ram Lal Rajgarhia S/o Late Phool Chand, 16/1, Lord Sinha Road, Calcutta-16. Industrialist</p> <p>R. Kumar S/o Ram Lal Rajgarhia B-104-A, Greater Kailash New Delhi Business</p> <p>Nawal Kishore S/o Ram Lal Rajgarhia 16/1, Lord Sinha Road, Calcutta-16 Business</p> <p>Smt. Prabha Devi Rajgarhia, Rajender Kumar Rajgarhia, B104,A, Greater Kailash, New Delhi House Wife</p> <p>Surendra Kumar Rajgarhia S/o Ram Lal Rajgarhia 19/1, Lord Sinha Road, Calcutta-16. Business</p> <p>S. G. Rajgarhia S/o Ram Lal Rajgarhia B, 104-A, Greater Kailash New Delhi Business</p> <p>Sanwar Mal Banka S/o Nahar Mal Banka, 2-Brabourne Road, Calcutta-16. Business Executive</p>	<p>Witness to all Signatures Sd/- Sita Ram Bansal Service 23, Curzon Road, New Delhi</p>

Dated the 28th day of September, 1971

**IN THE COURT OF DELHI AT NEW DELHI
ORIGINAL JURISDICTION
COMPANY PETITION NO. 125 OF 2011
CONNECTED WITH COMPANY APPLICATION (M) NO. 3 OF 2011**

MEMO OF PARTIES

IN THE MATTER OF:

Section 391 to 394 of the Companies Act, 1956;

AND IN THE MATTER OF:

Scheme of Arrangement (Demerger) between Orient Abrasives Limited and Orient Refractories Limited pursuant to Section 391 & 394 and other relevant provisions of the Companies Act, 1956.

AND IN THE MATTER OF:

Orient Abrasives Limited, a Company incorporated under the provisions of Companies Act, 1956 having its Registered Office at 1307, Chiranjiv Tower, 43 Nehru Place, New Delhi-110019, within the aforesaid jurisdiction.

.....APPLICATION/TRANSFEROR COMPANY

AND IN THE MATTER OF:

Orient Refractories Limited, a Company incorporated under the provisions of the Companies Act, 1956 having its Registered Office at 1307, Chiranjiv Tower, 43 Nehru Place, New Delhi-110019, within the aforesaid jurisdiction.

.....APPLICATION/TRANSFeree COMPANY

Filed by:

Sd/-
(KHAITAN & PARTENERS)
ADVOCATES FOR THE APPLICANT
COMPANIES
W-13, WEST WING
GREATER KAILASH PART-II
NEW DELHI-110048
PH:4950 1500

NEW DELHI
Dated : 11.03.2011

IN THE HIGH COURT OF DELHI AT NEW DELHI

CO. PET. 125/2011

IN THE MATTER OF

M/S. ORIENT ABRASIVES LIMITED

.....Petitioner

Through

Mr. Ramesh Singh with Mr. Suman Jyoti Khaitan,

Ms. Barsha Mishra and Ms. A. Mehra,

Advocates for Petitioner-company.

Mr. K.S. Pradhan, Deputy ROC for

Regional Director (NR).

CORAM:

HON'BLE MR. JUSTICE MANMOHAN

ORDER

19.09.2011

1. This second motion joint petition has been filed under Sections 391 & 394 of the Companies Act, 1956 (for short 'Act') seeking sanction of the Scheme of Arrangement (for short 'Scheme') between M/s. Orient Abrasives Limited (hereinafter referred to as 'Transferor Company') and M/s. Orient Refractories Limited (hereinafter referred to as 'Transferee Company').
2. According to Mr. Ramesh Singh, the National Stock Exchange and the Bombay Stock Exchange have already approved the Scheme by their letters dated 22nd December, 2010 and 29th December, 2010 respectively.
3. The registered offices of the Transferor and Transferee Companies are situated at New Delhi, within the jurisdiction of this Court.
4. The Transferor Company was incorporated on 12th November, 1971 under the provisions of the Act and was issued a Certificate of Incorporation by the Registrar of Companies, Delhi.
5. The Transferee Company was incorporated on 26th November, 2010 under the provisions of the Act and was issued a Certificate of Incorporation by the Registrar of Companies, Delhi.
6. The Authorised Share Capital of the Transferor Company as on 30th September, 2010 is Rs. 16,00,00,000/- (Rupees Sixteen Crores Only) divided into 12,00,00,000 (Twelve Crores) Equity Shares of Rs. 1/- (Rupee One Only) each and 4,00,000 (Four Lacs) Redeemable Cumulative Preference shares of Rs. 100/- (Rupee One Hundred Only) each. The issued and subscribed share capital of the Transferor Company as on 30th September, 2010 is Rs. 11,96,59,200 (Rupees Eleven Crores Ninety Six Lacs Nine Thousand Two Hundred) divided into 11,96,39,200 (Eleven Crores Ninety Six Lacs Fifty Nine Thousand Two Hundred only) Equity Shares of Rs. 1/- (Rupee One only) each. The paid-up share capital of the Transferor Company as on 30th September, 2010 is Rs. 11,96,52,244/- (Rupee Eleven Crores Ninety Six Lacs Fifty Two Thousand Two Hundred Forty Four Only) divided into 11,96,39,200 (Eleven Crores Ninety Six Lacs Thirty Nine Thousand Two Hundred) Equity Shares of Rs. 1/- (Rupee One only) each and comprising Rs. 13,044/- (Rupees Thirteen Thousand and Forty Four only) being amount paid on the forfeited shares.
7. The Authorised Share Capital of the Transferee Company is Rs. 12,05,00,000/- (Rupees Twelve Crore Five Lakh only) divided into 12,05,00,000 (Twelve Crores Five Lacs) Equity Shares of Rs. 1/- (Rupee One only) each. The issued and subscribed share capital of the Transferee Company is Rs. 5,00,000/- (Rupees Five Lacs only) divided into 5,00,000 (Five Lacs) Equity Shares of Rs. 1/- (Rupee One only) each.
8. Copies of the Memorandum and Articles of Association of the Transferor and Transferee Companies have been filed on record. The audited Balance Sheet as on 31st March, 2010

and unaudited balance Sheet as on 30th September, 2010 of the Transferor Company along with the report of the auditors, have been filed. The statement of assets and liabilities, as on 31st December, 2010 of the Transferee Company has also been filed.

9. A copy of the Scheme has been placed on record and the salient features of the Scheme have been incorporated and detailed in the application and the accompanying affidavits. It is submitted that the Applicant Companies have the object of reorganizing and segregation the Transferor Company's Refractory businesses situated at Bhiwadi from the Retained Business and vest it in a separate company, i.e., in the Transferee Company on the terms and conditions fully stated in the Scheme. The Scheme will result in better, efficient and economical management, control and running of the businesses and further development and growth of the businesses of both the Transferor and Transferee Companies. Further, the Scheme would allow a focused strategy in operations of the Demerged Undertaking along with providing scope for independent collaboration and expansion without committing the existing organization in its entirety and creating enhanced value for shareholders.
10. So far as the share exchange ratio is concerned, the Scheme provides that, this upon this Scheme becoming effective, the Transferee Company without any further act, application, instrument or deed, issue and allot to the equity shareholders of the Transferor Company holding fully paid up shares in the Transferor Company and whose name appears in the Register of Members of the Transferor Company on the Record Date, one equity share of the nominal value of Rs. 1/- each, credited as fully paid up in the capital of the Transferee Company, for every one equity share(s) of the nominal value of Rs. 1/- each fully paid up held by them in the Transferor Company.
11. It has been submitted that no proceeding under Section 235 to 251 of the Act is pending against either the Transferor Company or Transferee Company.
12. The Board of the Directors of the Transferor Company and the Transferee Company in their meetings held on 8th December, 2010 respectively have unanimously approved the proposed Scheme. Copies of the Resolutions passed at the meetings of the Board of Directors of the Transferor and Transferee Companies have been placed on record.
13. The Petitioner Companies had earlier filed CA (M) No. 3 of 2011 seeking directions of this Court to issue and publish notices and appoint chairpersons for convening separate meeting of the Equity Shareholders, Secured Creditors and unsecured Creditors. Further, it was prayed by the Petitioner Companies to dispense with service of individual notice to Equity Shareholders holding 1000 (One Thousand only) or less equity shares of the Transferor Company and unsecured creditors holding Rs. 10,000/- (Rupees Ten Thousand Only) or less amount of debt in the Transferor Company. The Transferee Company also prayed for necessary directions to dispense with the meetings of the Equity Shareholders to consider and approve the Scheme. Vide order dated 11th January, 2011, this Court allowed the application and dispensed with the requirement of convening and holding the meetings of equity shareholders of the Transferee Company and directed to convene separate meetings of the Equity Shareholders, Secured and Unsecured Creditors of the Transferor Company to consider and approve the proposed Scheme.
14. The Chairpersons of the ordered meetings of the equity shareholders, secured creditors and unsecured creditors of the Transferor Company have filed their reports stating that the meetings of the equity shareholders, secured and unsecured creditors of the Transferor Company were duly held on 26th February, 2011, as directed and the Scheme has been approved by 89.95% of total votes of the Equity Shareholders, 100% of total votes of the Secured Creditors and 97.44% of total votes of the Unsecured Creditors of the Transferor Company, present and voting, in their respective meetings.
15. The Petitioner Companies have thereafter filed the present petition seeking sanction of the Scheme. Vide order dated 14th March, 2011, notice in the petition was directed to be issued to Regional Director, Northern Region. Citation were also directed to be published in 'The Statesman' (English) and 'Veer Arjun' (Hindi) in accordance with Rule 80 of the

Companies (Court) Rules, 1959. An affidavit has been filed by the Petitioner Companies showing compliance regarding publication of citations in the aforesaid newspapers on 30th March, 2011. Copies of the newspapers' clippings containing the publications have been filed along with affidavit.

16. Pursuant to the notices issued Mr. B.K. Bansal, Regional Director, Northern Region submitted in his Affidavit dated 08th April, 2011 that all the employees of the Transferor Company/Demerged Company engaged in "Refractory Business" shall become employees of the Transferee Company/Resulting Company without any break or interruption in their services upon sanctioning of the Scheme by the Court. He has also submitted that the Transferor Company may be advised to comply with the conditions raised by the Bombay Stock Exchange and National Stock Exchange as the shares of the Transferor Company are listed at Bombay Stock Exchange and National Stock Exchange and both have given their 'No Objection' to the proposed Scheme with certain terms and conditions. And affidavit has been filed by the Petitioner Companies on 09th September, 2011 stating that there has been no objection of the Regional Director. The Petitioner Companies accordingly, undertake to comply with the applicable laws, regulations, formalities and the conditions imposed by the National Stock Exchange and Bombay Stock Exchange.
17. Further, an affidavit has been filed by the Petitioner Companies on 09th September, 2011 stating that pursuant to the filing of the notice of petition in the newspapers, the Petitioner Companies have not received any objection with respect to the advertisements regarding the petition sanctioning of the Scheme.
18. In view of the approval accorded by the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Transferor Company and the Regional Director, Northern Region attached with this Court to the proposed Scheme, there appears to be no impediment to the grant of sanction to the Scheme. Consequently, sanction is hereby granted to the Scheme under Sections 391 & 394 of the Act. The Petitioner Companies will comply with statutory requirements in accordance with law. Certified copy of the formal order be filed with Registrar of Companies within 30 days from the date of receipt of the same. In terms of the provisions of Sections 391 and 394 of the Act and in terms of the Scheme, the Demerged Undertaking and all the properties, rights and powers of the Transferor Company in respect of the Demerged Undertaking be transferred to and vest in the Transferee Company without any further act or deed. Similarly in terms of the Scheme all the liabilities and duties of the Transferor Company relating to the Demerged Undertaking be transferred to the Transferee Company without any further act or deed. It is, however, clarified that this order will not be construed as an order granting exemption from payment of stamp duty or any other charges, if payable, in accordance with any law; or permission/compliance with any other requirement which may be specifically required under any law. Upon the sanction becoming effective from the appointed date of the Scheme, i.e. 01st April, 2011, the Refractory/Demerged Undertaking shall pursuant to the provisions of Sections 391 & 394 of the Act, Section 2(19AA) of the Income Tax Act and all other applicable provisions of applicable laws, rules and regulations for the time being in force, without any further act or deed, stand transferred to and be vested, as a going concern into the Transferee Company.
19. Mr. Ramesh Singh states that Petitioner Companies would voluntarily deposit a sum of Rs. 1,00,000/- with the Common Pool fund of the Official Liquidator within three weeks from today. The said statement is accepted.
20. The Petition is allowed in the above terms.

Order dasti.

Sd/-
MANMOHAN,J

SEPTEMBER 19, 2011

IN THE HIGH COURT OF DELHI AT NEW DELHI
ORIGINAL JURISDICTION
IN THE MATTER OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF SCHEME OF ARRANGEMENT (DEMERGER)
OF
COMPANY PETITION NO. 125/2011
CONNECTED WITH
COMPANY APPLICATION (M) NO. 3/2011
IN THE MATTER OF

Orient Abrasives Ltd.
having its regd. Office at:
1307, Chiranjiv Tower,
43 Nehru Place, New Delhi-110019
....Petitioner/Transferor Company

AND

Orient Refractories Ltd.
having its regd. Office at:
1307, Chiranjiv Tower,
43 Nehru Place, New Delhi-110019
....Petitioner/Transferee Company

**BEFORE HON'BLE MR. JUSTICE MANMOHAN DATED THIS THE 19th DAY OF
SEPTEMBER, 2011**

ORDER UNDER SECTION 394 OF THE COMPANIES ACT, 1956

The above Joint Petition came up for hearing on 19/09/2011 for sanction of the Scheme of Arrangement (Demerger) proposed to be made between Orient Abrasives Ltd. (herein referred to as Transferor Company) and Orient Refractories Ltd. (herein referred to as Transferee Company). The Court examined the petition; the order dated 11/01/2011, passed in CA (M) 3/2011, whereby the requirement of convening and holding the meetings of the Equity Shareholders of the Transferee Company was dispensed with; and the meetings of the Equity Shareholders, Secured and Unsecured Creditors of the Transferor Company were ordered to be convened for the purpose of considering and, if thought fit, approving with or without modification, the Scheme of Arrangement (Demerger) annexed to the affidavits dated 03/01/2011 of Mr. Deepak C.S and Ms. Anisha Mittal, Authorized Signatories of the Transferor and Transferee Companies (there being no Secured and Unsecured Creditors of the Transferee Company) and the publication in the newspapers namely 'Statesman' (English) and 'Veer Arjun' (Hindi) both dated 02/02/2011 containing the advertisement of the notice convening the said meetings and the reports/affidavits dated 09/03/2011 of Chairpersons showing the publication and despatch of the notices convening the said meetings.

The court also examined the affidavit dated 08/04/2011 of the Regional Director, Northern Region, Ministry of Corporate Affairs and observed that the Regional Director has no objection to the said scheme of Arrangement (Demerger) being sanctioned.

Upon hearing Mr. Ramesh Singh with Mr. Suman Jyoti Khaitan, Ms. Barsha Mishra and Ms. A. Mehra, Advocates for the petitioner companies and Mr. K.S. Pradhan, Dy. Registrar of Companies for Regional Director (Northern Region) and in view of the approval of the Scheme of Arrangement (Demerger) without any modification by the Equity Shareholders and Creditors of the Petitioner Companies and there being no investigation proceedings pending in relation to the Petitioner Companies under Section 235 to 251 of the Companies Act, 1956,

THIS COURT DOTH HEREBY SANCTION THE SCHEME OF ARRANGEMENT (DEMERGER) under sections 391 and 394 of the Act and set forth in Schedule-I annexed hereto and Doth hereby declare the same to be binding on all the Equity Shareholders & Creditors of the Petitioner Companies and all concerned and doth approve the said Scheme of Arrangement (Demerger) with effect from the appointed date i.e. 01/04/2011.

AND THIS COURT DOTH FURTHER ORDER:

1. That in terms of the Scheme, all the property, rights and powers of the Refractory Undertaking of the Transferor Company specified in the Schedule-II hereto and all other property, rights and powers of the Refractory Undertaking of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly, the same shall pursuant to Section 394(2) of the Companies Act, 1956, be transferred to and vest in the Transferee Company for all the estate and Interest of the Refractory Undertaking of the Transferor Company therein but subject nevertheless to all charges now affecting the same; and
2. That in terms of the Scheme, all the liabilities and duties of the Refractory Undertaking of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to section 394(2) of the Companies Act, 1956, be transferred to and become the liabilities and duties of the Transferee Company; and
3. That all the proceedings now pending by or against the Refractory Undertaking of the Transferor Company be continued by or against the Transferee Company; and
4. That the Transferee Company without any further act, application, instrument or deed, issue and allot to the equity shareholders of the Transferor Company holding fully paid up shares in the Transferor Company and whose name appears in the Register of Members of the Transferor Company in the Record Date, one equity share or the nominal value of Rs.1/- each, credited as fully paid up in the capital of the Transferee Company, for every one equity shares(s) of the nominal value of Rs. 1/- each fully paid up held by them in the Transferor Company; and
5. That the Petitioner Companies do within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration; and
6. It is clarified that this order will not be construed as an order granting exemption from payment or stamp duty that is payable in accordance with law; and
7. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

**SCHEDULE OF ASSETS AS ON 19TH SEPTEMBER, 2011 OF
ORIENT ABRASIVES LTD. (TRANSFEROR COMPANY)
TO BE TRANSFERRED TO ORIENT REFRACTORIES LTD. (TRANSFeree COMPANY)**

SCHEDULE (FORM 42 COMPANY (COURT) RULES)

PART I

Short description of the freehold property of the transferor company

Nil

PART II

Short description of the leasehold property of the transferor company

I. A plot of land numbered as SP-148 B situated within the RIICO Industrial Area, Bhiwani, Alwar, Rajasthan, admeasuring 65000 Sq. Meter bound

On the North by : Plot No. SP - 147
On the South by : Plot No. SP- 148A
On the East by : Corporation land
On the West by : Road

II. A plot of land numbered as SP - 148 A situated within the RIICO Industrial Area, Bhiwani, Alwar, Rajasthan, admeasuring 40000 Sq. Meter bound.

On the North by : Road No. 4
On the South by : Plot No. A-95 to A-98
On the East by : Plot No. A - 122
On the West by : Road No. 2(a)

PART III

Short description of all stocks, shares, debentures and other changes-in-action of the transferor company

Licences registered

S.NO.	REGISTRATION NO.	DESCRIPTION	DATE OF ISSUE	AUTHORITY	VALIDITY
1	64/JUDL/2005	SOLVENT LICENCE (Unit-II)	25.11.2005	District Magistrate (Alwar)	24.11.2011
2	11/JUDL/2002	SOLVENT LICENCE (Unit-I)	07.01.2002	District Magistrate (Alwar)	31.12.2011
3	P/HQ/RJ/15/83(P3247)	EXPLOSIVES LICENCE	07.01.1981	DY, Chief Controller of Explosives (Jaipur)	31.12.2011
4	CEJ/PRM-179	EXPLOSIVES LICENCE	12.02.1997	DY, Chief Controller of Explosives (Jaipur)	Life Time
5	F(Tech)/Alwar(Tijara)/507(1)/2010-2011/1059-1061	AIR & WATER POLLUTION CONSENT	28.11.2010	Regional Officer (RSPCB, Alwar)	31.10.2011
6	RJ-11989	FACTORY LICENCE (Unit - II)	17.08.1985	Chief Inspector of Factory & Boilers (Jaipur)	31.03.2010
7	RJ-8608	FACTORY LICENCE (Unit - I)	18.12.1980	Chief Inspector of Factory & Boilers (Jaipur)	31.03.2010
8	ALW/11/2000	CONTRACTOR LICENCE	15.09.2000	Dy. Labour Commissioner (Alwar)	31.12.2011
9	RJ/2810	E.P.F.	04.02.1981	R.P.F.C (Jaipur)	Life Time
10	15000085030000499	E.S.I.C.	07.06.1985	R.D.E.S.I.C. (Jaipur)	Life Time

Statutory Regn. Nos.

Location	Description	Registration No.	Authority
Orient Abrasives Ltd. Bhiwadi	Sales Tax-CST/VAT	08480850639	CTO Bhiwadi
Orient Abrasives Ltd. Bhiwadi	WCT	08480850639	CTO Bhiwadi
Orient Abrasives Ltd. Bhiwadi	Entry Tax	0206/0303	CTO Bhiwadi
Orient Abrasives Ltd. Bhiwadi	Excise	AAACO0221CXM002	Superintendent Central Excise Range-I Bhiwadi
Orient Abrasives Ltd. Bhiwadi	Service Tax	AAACO0221CST001	Superintendent Central Excise Range-I Bhiwadi
Orient Abrasives Ltd. Bhiwadi	TAN	JPRO01599D	
Orient Abrasives Ltd. Bhiwadi	SOLVENT LICENCE (Unit-II)	64/JUDL/2005	District Magistrate (Alwar)
Orient Abrasives Ltd. Bhiwadi	SOLVENT LICENCE (Unit-I)	11/JUDL/2002	District Magistrate (Alwar)
Orient Abrasives Ltd. Bhiwadi	EXPLOSIVES LICENCE	P/HQ/RJ/15/83(P3247)	Dy. Chief Controller of Explosives (Jaipur)
Orient Abrasives Ltd. Bhiwadi	EXPLOSIVES LICENCE	CEJ/PRM-179	Dy. Chief Controller of Explosives (Jaipur)
Orient Abrasives Ltd. Bhiwadi	AIR & WATER POLLUTION CONSENT	F(Tech)Alwar(Tijara)/ 507(1)/2010-2011/ 10591061	Regional Officer (RSPCB, Alwar)
Orient Abrasives Ltd. Bhiwadi	FACTORY LICENCE (Unit-II)	RJ-11989	Chief Inspector of Factory & Boilers(Jaipur)
Orient Abrasives Ltd. Bhiwadi	FACTORY LICENCE (Unit-II)	RJ-8608	Chief Inspector of Factory & Boilers (Jaipur)
Orient Abrasives Ltd. Bhiwadi	CONTRACTOR LICENCE	ALW/11/2000	Dy. Labour Commissioner(Alwar)
Orient Abrasives Ltd. Bhiwadi	E.P.F	RJ/2810	R.P.F.C (Jaipur)
Orient Abrasives Ltd. Bhiwadi	E.S.I.C	15000085030000499	R.D.E.S.I.C. (Jaipur)
Orient Abrasives Ltd. Akeri	TIN	06941302051	Assessing Authority Faridabad
Orient Abrasives Ltd. Akeri	Excise	AAACO0221CXD009	Superintendent Range-Dhanuhera-II
Orient Abrasives Ltd. Akeri	Service Tax	AAACO0221ST005	Superintendent Central Excise Gurgaon
Orient Abrasives Ltd. Raipur	TIN	22581901833	Sales Tax Office Raipur
Orient Abrasives Ltd. Raipur	Excise	AAACO0221CXD011	Superintendent Range-II Raipur
Orient Abrasives Ltd. Raipur	Service Tax	AAACO0221CST007	Central Excise & Customs Raipur
Orient Abrasives Ltd. Salem	TIN	33952802869	Sales Tax Office Salem
Orient Abrasives Ltd. Salem	Excise	AAACO0221CXD001	Superintendent Range-III Salem
Orient Abrasives Ltd. Salem	Service Tax	AAACO0221CST002	Central Excise & Customs Salem
Orient Abrasives Ltd. Hospet	TIN	29110079443	Sales Tax Office Hospet
Orient Abrasives Ltd. Hospet	Excise	AAACO0221CXD008	Superintendent Range-A Patel Nagar Hospet
Orient Abrasives Ltd. Jalna	TIN	27550241903	Sales Tax Hospet
Orient Abrasives Ltd. Jalna	Excise	AAACO0221CXD014	Superintendent Range Nidhish Tower Jalna
Orient Abrasives Ltd. Angul	TIN	21741310983	Sales Tax Angul
Orient Abrasives Ltd. Angul	Excise	AAACO0221CXD016	Superintendent
Orient Abrasives Ltd. Angul	Service Tax	AAACO0221CST011	Central Excise & Customs Angul
Orient Abrasives Ltd. Jamshedpur	TIN	20871005486	Commercial Sales Tax Jamshedpur
Orient Abrasives Ltd. Jamshedpur	Excise	AAACO0221CXD013	Range-TISCO II TISCO Campus Jamshedpur
Orient Abrasives Ltd. Ludhiana	TIN	03831080225	Commercial Sales Tax Ludhiana

Vehicles

S. No.	Car Model	Registration No.
1	Maruti Alto LXIII	AP-33A-2155
2	Maruti Alto LXIII	JH-09F-887
3	Honda Citi Zx DL-3CAJ-6452	DL-3CAJ-6452
4	Maruti Alto LXIII OR-14M-7444	OR-14M-7444
5	Maruti Alto LXI - 3895	DL-6CK-3895
6	Tata Indica	DL-3CA-6267
7	Honda Civic	DL9CX-8705
8	Hyundai Accent GLE-E3	DL-8CN-6908
9	Hyundai Accent GLE-E3	DL4CND0320
10	Maruti Wagon R	RJ02CA3316
11	Hyundai Santro	HR02R7880
12	Maruti Wagon R	JH-05U-5247
13	Hyundai i10	DL2CAE1237
14	Hyundai i10	DL2CAE1238
15	Hyundai i10	DL2CAE1352
16	Maruti Alto LX	OR-19F-4070
17	Hyundai i10	KA35M6304
18	Mahindra Logan	RJ02CA4924
19	Honda City ZX VTEC Plus	DL3CBA2722
20	Hyundai i10	DL2CAE3153
21	Hyundai i10	DL2CAE4543
22	Hyundai i10	DL08CS7520
23	Hyundai i10	DL2CAE6122
24	Maruti Swift	DL9CX3727
25	Maruti Ritz	TN30AF0614
26	Hyundai Santro	DL2CAE9011
27	Maruti Swift D'Zire	DL2CAL7633
28	Maruti Swift D'Zire	DL9CX8705
29	Maruti Swift D'Zire	DL9CX8944
30	Hyundai i-10 Sportz	JH-09P-2670
31	Maruti Ritz	RJ02CB0473
32	Toyota Fortuner	DL4CNE7258
33	Maruti Ritz	RJ02CB0842
34	Maruti Swift D'Zire	RJ02CB850
35	Hyundai i-10 Sportz	MH21V3475

**SCHEME OF ARRANGEMENT AND DEMERGER
BETWEEN
ORIENT ABRASIVES LIMITED
AND
ORIENT REFRACTORIES LIMITED
AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956**

PART-I GENERAL

WHEREAS

- A. Orient Abrasives Limited ("Transferor Company") is an existing company within the meaning of the Companies Act, 1956, having its registered office situated at 1307, Chiranjiv Tower, 43 Nehru Place, New Delhi - 110019.
- B. Orient Refractories Limited ("Transferee Company") is a company registered under the Companies Act, 1956, having its registered office situated at 1307, Chiranjiv Tower, 43 Nehru Place, New Delhi - 110019.
- C. The Transferor Company has three distinct businesses, i.e., abrasive grains, refractories and power. Each of the businesses of the Transferor Company has significant potential for growth and profitability. However, since the nature of risks, considerations, factors and commercial parameters applicable to the business of refractories being different and divergent in nature in comparison to that of abrasive grains and power and with an endeavour to enhance shareholder value and de-risk the businesses of the Transferor Company, it is proposed to re-organize and segregate, by way of a Demerger, the Refractory business situated at Bhiwadi from the Retained Business and vest it in a separate company, i.e., the Transferee Company. The demerger will result in better, efficient and economical management, control and running of the businesses and further development and growth of the businesses of both the Transferor Company and the Transferee Company.
- D. The demerger would allow a focused strategy in operations of the Demerged Undertaking alongwith providing scope for independent collaboration and expansion without committing the existing organization in its entirety and creating enhanced value for shareholders.
- E. The demerger, and vesting of the Demerged Undertaking from the Transferor Company and in the Transferee Company, with effect from the Appointed Date, is in the interest of the shareholders, creditors, employees and all concerned. The restructuring will unlock significant value for the shareholders of the Transferor Company and the Transferee Company and would also provide greater business focus for both the Companies.

1. DEFINITIONS

- 1.1 In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as mentioned hereinbelow: -
- (a) "The Act" means the Companies Act, 1956 (Act No.1 of 1956) and includes any statutory re-enactments or modification thereof, or amendment thereto, from time to time.
 - (b) "Appointed Date" means the commencement of business on April 01, 2011, the date with effect from which the Scheme of Arrangement and Demerger shall be applicable.
 - (c) "Effective Date" or "upon this Scheme becoming effective" or "upon coming into effect of this Scheme" shall mean the date or the last of the dates on which the certified copy of the formal order of the High Court sanctioning this Scheme, as defined hereunder, is filed with the Registrar of Companies, New Delhi by both Transferor Company and Transferee Company.
 - (d) "High Court" means the Hon'ble High Court of Delhi at Delhi.
 - (e) "Demerged Undertaking" or "Refractory Undertaking" means the undertaking of the Transferor Company comprising of the business, activities and operations pertaining to refractories being carried on by the Transferor Company at its manufacturing unit at Bhiwadi, Plot No. S P - 148 A & B, Industrial Area, Bhiwadi, (District Alwar), Rajasthan - 301019 and alongwith its related marketing and distribution units, branch offices and godowns situated all over India and including specifically the following (without limitation):

- (i) all assets, whether movable or immovable, whether tangible or intangible, leasehold or freehold, including all rights, title, derivative instruments, interest, covenant, undertakings, liabilities relating thereto, and all loans and advances, appertaining to the Demerged Undertaking of the Transferor Company;
- (ii) All debts, borrowings and liabilities, present or future, whether secured or unsecured, pertaining to the Demerged Undertaking of the Transferor Company;
- (iii) All rights, entitlements, permissions, licenses, registrations, tenancies, privileges and benefits of all contracts including customer contracts, agreements and all other rights including lease rights, powers and facilities of every kind and description whatsoever appertaining to the Demerged Undertaking of the Transferor Company; and
- (iv) All employees of the Transferor Company engaged in or in relation to the Demerged Undertaking of the Transferor Company at their respective offices, at their current terms and conditions.
- (f) "Record Date" means the date to be fixed by the Board of Directors or a Committee thereof of the Demerged Company for the purpose of determining the members of the Transferor Company to whom equity shares will be allotted pursuant to this Scheme.
- (g) "Retained Business" means all the businesses of the Transferor Company excluding the Demerged Undertaking.
- (h) "Scheme" means this Scheme of Arrangement and Demerger in its present form or with any modifications.

1.2 Although the Scheme comes into operation from the Appointed Date, it shall only become effective from the Effective Date.

PART-II

2. SHARE CAPITAL

2.1 The share capital of the Transferor Company as on September 30, 2010 is as under:-

A. Authorized Share Capital	Amount (Rs.)
12,00,00,000 Equity Shares	
of Re. 1/- each	12,00,00,000
4,00,000 6% Redeemable	
Cumulative Preference Shares	4,00,00,000
of Rs. 100/- each	
B. Issued and Subscribed	Amount (Rs.)
Share Capital	
11,96,59,200 Equity Shares	
of Re. 1/- each	11,96,59,200
C. Paid Up Share Capital	Amount (Rs.)
11,96,39,200 Equity Shares	
of Re. 1/- each	11,96,39,200

2.2 The share capital of Transferee Company as at December 8, 2010 is as under: -

A. Authorized Share Capital	Amount (Rs.)
12,05,00,000 Equity shares	
of Re. 1/- each	12,05,00,000
B. Issued, Subscribed and	Amount (Rs.)
Paid Up Share Capital	
5,00,000 Equity shares	
of Re. 1/- each	5,00,000

PART-III

3. TRANSFER AND VESTING OF DEMERGED UNDERTAKING

3.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date:

- (i) The Demerged Undertaking shall without any further act, deed, instrument, matter or thing be demerged and vested in the Transferee Company on a going concern basis at book value (i.e., values as stated in the books of accounts of the Transferor Company immediately before the Appointed Date) pursuant to the provisions of Section 394 of the Act, together with all estate, assets, debts, outstandings, credits, liabilities, rights, claims, title, interest and authorities including accretions and appurtenances so as to become the property of the Transferee Company free from any encumbrance subject to the clauses hereinbelow.
- (ii) Without prejudice to the generality of sub-clause 3.1(i) above, it is expressly provided that in respect of such of the assets of the Demerged Undertaking, including cash and bank balances, as are movable in nature or are otherwise capable of transfer by physical delivery, by paying over or by endorsement and delivery, the same shall be so transferred by the Transferor Company to the Transferee Company, with effect from the Appointed Date, after the Scheme is sanctioned by the High Court without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company as an integral part of the Demerged Undertaking.
- (iii) All the licenses, essentiality certificates, permits, quotas, approvals, permissions, incentives, sales tax deferrals, loans, subsidies, concessions, grants, rights, claims, leases, refund of monies, tenancy rights, liberties, rehabilitation schemes, special status and other benefits or privileges enjoyed by or conferred upon or held or availed of by and all rights and benefits that have accrued or which may accrue to the Transferor Company relating to the Demerged Undertaking shall, pursuant to the provisions of Section 394(2) of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date the licenses, essentiality certificates, permits, quotas, approvals, permissions, incentives, sales tax deferrals, loans, subsidies, concessions, grants, rights, claims, leases, refund of monies, tenancy rights, liberties, rehabilitation schemes, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible under applicable law.
- (iv) All assets, estate, rights, titles, interests, licenses, essentiality certificates and authorities (including for the operation of bank accounts) acquired by or permits, quotas, approvals, permissions, incentives, sales tax deferrals, loans or benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes and other assets, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by and/or all rights and benefits that have accrued or which may accrue to the Transferor Company relating to the Demerged Undertaking on or after the Appointed Date and prior to the Effective Date in connection with or in relation to the operation of the Transferor Company relating to the Demerged Undertaking shall, upon the coming into effect of this Scheme, pursuant to the provisions of Section 394(2) of the Act, without any further act, instrument or deed, be and stand transferred to and vested or deemed to have been transferred to and vested in the Transferee Company.

3.2 Upon coming into effect of this Scheme and with effect from the Appointed Date:

- (i) All debts, liabilities, duties and obligations of any kind, nature or description, secured or unsecured, whether provided for or not, whether disclosed or undisclosed in the books of accounts of Transferor Company, as on the Appointed Date, and relating to the Demerged Undertaking shall, pursuant to the provisions of Section 394(2) of the Act, without any further act, instrument or deed be and shall stand transferred to and vested in the Transferee Company, so as to become the debt, liabilities, duties and obligations of the Transferee Company. Further, 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, duties and obligations have arisen in order to give effect to the provisions of this Clause.
- (ii) It is clarified that in so far as the assets of the Transferor Company are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowings of the Transferor Company, shall, without any further act or deed continue to relate to such assets or any part thereof after the Effective Date and shall not relate to or be available as security or charge in relation to any or any part of the assets of the Transferee Company, save to the extent

warranted by the terms of the existing security arrangements, if any. The term loan(s) outstanding in the books of the Transferor Company is related to the Retained Business of the Transferor Company and no part thereof is being transferred alongwith the Demerged Undertaking to the Transferee Company, therefore the charge, if any, on the assets of the Demerged Undertaking, shall not extend to the Transferee Company.

- (iii) It is further clarified that, upon the coming into effect of the Scheme and in cases other than those referred to in Clause 3.2(i) above, proportionate part of the general or multipurpose borrowings and liabilities raised for financing the working capital of the Transferor Company shall, without any further act or deed be and shall stand transferred to the Transferee Company in the same proportion in which the value of the current assets transferred under this Scheme bears to the total value of the current assets of the Transferor Company immediately before the demerger of the Demerged Undertaking. The Charge on the assets of the Transferor Company in respect of the working capital loan(s) shall be transferred to the assets of the Transferee Company in proportion to the working capital transferred to the Transferee Company.
- (iv) Where any of the liabilities and obligations of the Transferor Company as on the Appointed Date deemed to be transferred to the Transferee Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- (v) All loans raised and used and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Company in relation to or in connection with the operation of the Demerged Undertaking after the Appointed Date and prior to the Effective Date shall also be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and, to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394(2) of the Act, without any further act, instrument or deed be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- (vi) Subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of this Clause shall operate notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security document, all of which instruments shall stand modified and/or superseded by the foregoing provisions.

3.3 With effect from the Appointed Date and until the Effective Date:

- (i) Transferor Company shall carry on and shall be deemed to have carried on all business and activities relating to the Demerged Undertaking of the Transferor Company for and on behalf of the Transferee Company. Transferor Company shall carry on all such business and activities relating to the Demerged Undertaking of Transferor Company with due care and diligence. The business shall be carried out by the Transferee Company with prudence and in a manner as was operated by the Transferor Company.
- (ii) All profits or incomes accruing or arising to the Transferor Company and all taxes thereon (including but not limited to the effect of advance tax, tax deducted at source, etc.), any expenditure incurred by or losses arising to the Transferor Company relating to the Demerged Undertaking shall, for all purposes be treated and be deemed to be and accrue as the profits or incomes, taxes thereon (including but not limited to the effect of advance tax, tax deducted at source, etc.), expenditure or losses as the case may be, of the Transferee Company.
- (iii) Any of the rights, powers, authorities, privileges related or pertaining to the Demerged Undertaking exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company.

3.4 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts including customer contracts, deeds, bonds, tenders, bid documents, expression of interest, memorandum of understanding, agreements, schemes, arrangements, and other instruments including those relating to tenancies, lease, licences, trademarks, patents, copy rights or other intellectual property rights, other assurances privileges, powers, facilities of every kind and description and of whatsoever nature in relation to the Demerged Undertaking to which the Transferor Company is a party or the benefit of which the Transferor Company may be eligible, and which are subsisting or

have effect immediately before the Effective Date, shall continue in full force and effect against or in favour of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, Transferee Company had been a party or beneficiary thereto or thereunder.

- 3.5 Pursuant to the demerger of Demerged Undertaking, in case for the purpose of entering into any contract, tenders, bid documents, expression of interest, memorandum of understanding, agreements or any other such instruments, the Transferee Company is required to demonstrate experience, track record and credentials of the Demerged Undertaking, then the experience, track record and credentials gained by the Transferor Company in relation to Demerged Undertaking in the past prior to demerger would be considered to be equivalent as the experience, track record and credentials of the Transferee Company.
- 3.6 The transfer of the said assets and liabilities of the Transferor Company to the Transferee Company relating to the Demerged Undertaking and the continuance of all the contracts or legal proceedings by or against the Transferee Company shall not affect any contract or proceedings relating to the said assets or the liabilities already concluded by the Transferor Company on or after the Appointed Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done, executed for and on behalf of the Transferor Company as acts, deeds and things done, executed for and on behalf of the Transferee Company.
- 3.7 Without prejudice to the other provisions of this Scheme and the fact that the vesting of the Demerged Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmation or other writings or tripartite arrangement with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme or as are required to remove any difficulties and carry out any formalities or compliance for the implementation of this Scheme. The Transferor Company will, if necessary, also be a party to the above.
- 3.8 With effect from the Appointed Date, all taxes, duties, cess payable by Transferor Company relating to the Demerged Undertaking and all or any refunds/ credit/ claims relating thereto shall be treated as the liability or refund/ credit/ claims, as the case may be, of Transferee Company. The Transferee Company shall be entitled to file/ revise its tax returns, TDS certificates, TDS returns and other statutory returns, if required and shall have the right to claim refund/ credits and/ or set off all amounts paid by the Transferor Company in relation to the Demerged Undertaking under the relevant income tax, sales tax, service tax or any other tax laws. The right to make such revisions in the tax returns and to claim refunds/credits is expressly reserved in favor of the Transferee Company.
- 3.9 Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Demerged Undertaking or whether it arises out of the activities or operations of Demerged Undertaking shall be decided by mutual agreement between the Board of Directors of the Transferor Company and the Transferee Company.
- 3.10 Upon the coming into effect of this Scheme, all legal proceedings of whatever nature by or against the Transferor Company relating to Demerged Undertaking, if pending, on the Effective Date, shall not abate, be discontinued or be in any way prejudicially affected by reason of the vesting of the Demerged Undertaking of the Transferor Company in the Transferee Company or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.
- 3.11 The Transferee Company undertakes to have all legal proceedings initiated by or against the Transferor Company referred to in Clause 3.10 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the Transferor Company. The Transferor Company too shall file the requisite application, if so requested by the Transferee Company.
- 3.12 Notwithstanding the above, in case the proceedings referred to in Clause 3.10 above cannot be transferred for any reason, the Transferor Company shall defend the same in accordance with the advice of the Transferee Company and at the cost of the Transferee Company, and the Transferee Company shall reimburse, indemnify and hold harmless the Transferor Company against all liabilities and obligations incurred by the Transferor Company in respect thereof.

3.13 Upon the coming into effect of this Scheme:

- (i) All employees of the Transferor Company engaged in or in relation to the Demerged Undertaking, and who are in such employment as on the date immediately preceding the Effective Date shall become the employees of the Transferee Company, and subject to the provisions of this Scheme, on terms and conditions not less favourable than those on which they are engaged as on the Effective Date by the Transferor Company and without any interruption of or break in services as a result of the transfer of the Demerged Undertaking.
- (ii) The Transferee Company further agrees that for the purpose of payment of any retirement benefit/ compensation, such immediate uninterrupted past services with the Transferor Company shall also be taken into account. The Transferee Company undertakes to continue to abide by the terms of agreement/ settlement entered into by the Transferor Company with employees' union / employee or associations of the Transferor Company.
- (iii) The accounts/funds of the employees whose services are transferred under sub-clause (i) above, relating to superannuation, provident fund and gratuity fund shall be identified, determined and transferred to the respective Trusts/Funds of Transferee Company and such employees shall be deemed to have become members of such Trusts/Funds of the Transferee Company.
- (iv) Until such time that Transferee Company creates its own funds, Transferee Company and the employees of Transferor Company whose services are transferred under sub-clause (i) above shall continue to make contributions pertaining to the employees of the Demerged Undertaking to the relevant funds/trusts of the Transferor Company. Such contributions pertaining to the employees of the Demerged Undertaking shall be transferred to the funds/trusts created by Transferee Company on creation of relevant funds/trusts by Transferee Company.

3.14 Transfer and vesting of the assets, liabilities and obligations of the Demerged Undertaking as per this Scheme and continuances of the proceedings by or against the Transferee Company shall not in any manner affect any transaction or proceedings already completed by the Transferor Company (in respect of the Demerged Undertaking) on or before the Appointed Date to the end and intent that the Transferee Company accepts all such acts, deeds and things done and executed by and/or on behalf of the Transferor Company as acts, deeds and things done and executed by and on behalf of the Transferee Company.

3.15 (i) With effect from the Effective Date, the Transferee Company shall commence and carry on and shall be authorized to carry on the business of Demerged Undertaking.

- (ii) For the purpose of giving effect to the demerger order passed under Sections 391 to 394 of the Act in respect of this Scheme by the High Court, the Transferee Company shall, at any time pursuant to the order on this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the demerger of the Demerged Undertaking of Transferor Company in accordance with the provisions of Sections 391 to 394 of the Act. The Transferee Company shall be authorized to execute any pleadings, applications, forms etc. as are required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.

3.16 The Transferee Company unconditionally and Irrevocably agrees and undertakes to pay, discharge and satisfy all the liabilities and obligations of the Transferor Company relating to the Demerged Undertaking with effect from the Appointed Date, in order to give effect to the foregoing provisions.

3.17 The Transferee Company shall, with effect from the Appointed Date and upon the Scheme coming into effect, record the assets and liabilities of the Demerged Undertaking of Transferor Company vested in it pursuant to this Scheme, at the respective book values thereof and in the same form as appearing in the books of the Transferor Company at the close of business of the day immediately preceding the Appointed Date.

PART IV

4. RIGHTS AND ENTITLEMENT OF MEMBERS OF DEMERGED COMPANY AND RESULTING COMPANY; MATTERS RELATING TO ACCOUNTS ETC.

4.1 ISSUE OF SHARES

- 4.1.1 With effect from the Effective Date, in consideration of the transfer of the Demerged Undertaking by the Transferor Company to the Transferee Company in terms of this Scheme, the Transferee Company shall without any further act, application, instrument or deed, issue and allot to the equity shareholders of the Transferor Company holding fully paid up shares in the Transferor Company and whose name appears in the Register of Members of the Transferor Company on**

the Record Date, one equity share of the nominal value of Re. 1 each, credited as fully paid in the capital of the Transferee Company (the "Transferee Company New Equity Shares"), for every one equity share(s) of the nominal value of Re. 1 each fully paid up held by them in the Transferor Company.

- 4.1.2 The said equity shares in Transferee Company to be issued to the members of Transferor Company shall be subject to the Memorandum and Articles of Association of Transferee Company and shall rank *pari passu* in all respects with the existing equity shares in Transferee Company and that the equity shares issued pursuant to this scheme will be entitled to dividend from the same date as the existing shares of the Transferee Company.
- 4.1.3 All the Equity shares of the Transferee Company to be issued and allotted in terms of sub-clause 4.1.1 above will be listed and/or admitted to trading on the National Stock Exchange and/or the Bombay Stock Exchange Ltd. where the existing shares of the Transferor Company are listed and/or admitted to trading in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and further amendments thereof. The Transferee Company shall enter into such arrangements and give such confirmations as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said Stock Exchanges. On such formalities being fulfilled the said Stock exchanges shall list and / or admit such Equity Shares also for the purpose of trading.
- 4.1.4 The Transferee Company shall issue and allot Equity Shares to the equity shareholders of the Transferor Company in terms of sub-clause 4.1.1 in dematerialized form, except for those equity shareholders of the Transferor Company who hold the shares of the Transferor Company in Certificate form, unless the said equity shareholders, by notice in writing, inform the Transferee Company on or before such date as may be determined by the Board of Directors of the Transferee Company or a committee thereof, to receive the Equity Shares in dematerialized form. The members receiving the shares in dematerialized form shall be required to have an account with a depository participant and shall provide details thereof and such other confirmations as may be required. The Transferee Company shall issue and directly credit the dematerialized securities account of such members with the equity shares of the Transferee Company.

4.2 ACCOUNTING TREATMENT

Upon coming into effect of this Scheme, the Transferor Company and the Transferee Company shall give effect to the following accounting treatment as at the Appointed Date:

4.2.1 In the books of the Transferor Company

Upon coming into effect of this Scheme, the Transferor Company shall give effect to the following accounting treatment as at the Appointed Date:

- (i) The book values of the assets and the liabilities of the Transferor Company being transferred as a part of the Demerged Undertaking to the Transferee Company shall be reduced in the books of the Transferor Company on the close of business on the day prior to the Appointed Date.
- (ii) The Reserve and Surplus of the Company specific to the Demerged Undertaking in the form of General Reserve, Profit & Loss Account shall be transferred as a part of the Demerged Undertaking to the Transferee Company as may be decided by the Board of Directors of the Transferor Company and the Transferee Company as on the Appointed Date. Pursuant to the demerger of the Demerged Undertaking of the Transferor Company in accordance with this Scheme, the difference, if any, arising between the net book value of assets and liabilities of the Demerged Undertaking and Reserve and Surplus so transferred, shall be debited to general reserve of the Transferor Company.

4.2.2 In the books of the Transferee Company

Upon coming into effect of this Scheme, the Transferee Company shall give effect to the following accounting treatment as at the Appointed Date :

- (i) The Transferee Company shall, record the assets, liabilities and reserve and surplus of Demerged Undertaking vested in it pursuant to this Scheme, at the respective book values thereof as appearing in the books of the Transferor Company, at the close of business on the day prior to the Appointed Date.
- (ii) The Transferee Company shall credit to its Share Capital Account in its books of account the aggregate face value of the new equity shares issued by it to the members of the Transferor Company pursuant to Clause 4.1 of the Scheme.

- (iii) The excess or deficit remaining after recording the aforesaid entries in sub-clause (i) and (ii) above, shall be credited to its Capital Reserves or debited to General Reserve, as the case may be.
- 4.2.3 The accounts of Transferor Company and Transferee Company shall be revised and reconstructed in accordance with the terms of this Scheme with effect from the Appointed Date.
- 4.2.4 In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the impact of such differences shall be quantified and adjusted with the reserves of Transferee Company to ensure that the true financial statements of Transferee Company on the Appointed Date are on the basis of consistent accounting policy.
- 4.2.5 Notwithstanding the above, the Board of Directors of the Transferee Company is authorised to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with the prescribed Accounting Standards issued by the Institute of Chartered Accountants of India and applicable generally accepted accounting principles.

PART V

5. GENERAL TERMS AND CONDITIONS

- 5.1 Transferor Company and Transferee Company shall, with all reasonable dispatch, make applications to the High Court where the registered offices of the Transferor Company and the Transferee Company are situated, for sanctioning this Scheme under Sections 391 to 394 of the Act and any questions or issues or disputes arising out of this agreement shall be subject to the jurisdiction of the High Court only.
- 5.2 The Transferor Company and the Transferee Company may assent from time to time on behalf of all persons concerned to any modifications or amendments or additions to this Scheme or to any conditions or limitations which either the Boards of Directors or a committee or committees of the concerned Board of Directors authorized in that behalf by the concerned Board of Directors (hereinafter referred to as the "Delegates") of the Transferor Company and the Transferee Company deem fit, or which the High Court or any other authorities under law may deem fit to approve of or impose and which the Transferor Company and the Transferee Company may in their discretion deem fit and 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 to review the position relating to the satisfaction of the conditions to this Scheme and if necessary, to waive any of those (to the extent permissible under law) for bringing this Scheme into effect.
- 5.3 In the event that the Transferor Company or the Transferee Company may find any of the modifications or conditions which may be imposed by the High Court or other authorities unacceptable for any reason, then the Transferor Company and the Transferee Company are at liberty to withdraw the Scheme. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by the Delegates of the respective Companies.
- 5.4 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Transferor Company and the Transferee Company or their Delegates may give and are authorized to determine and give all such directions as may be necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.
- 5.5 The Scheme is conditional upon and subject to:
 - (a) The Scheme being agreed to by the respective requisite majorities of the members and creditors (where applicable) of both, the Transferor Company and Transferee Company, as may be required by the High Court either at a meeting or through consent/ No-objection Letters on the application made for direction under Section 391 of the Act for calling/ dispensing of a meeting and necessary resolution if any, been passed under the Act for the purpose.
 - (b) Sanction of the High Court under section 391 to 394 of the Act and necessary order or orders under section 394 of the Act being obtained.
 - (c) Such other sanction and approvals as may be required by law in respect of the Scheme being obtained.

- (d) This Scheme, although to come into operation from the Appointed Date, shall not become effective until the date on which the certified copies of the orders of the High Court under Sections 391 to 394 of the Act are duly filed with the offices of the Registrar of Companies, New Delhi.
- 5.6 Transferor Company and Transferee Company reserve their right to and are expressly permitted to revise their Income Tax returns and related TDS certificates and the right to claim refunds, advance tax credits, etc. upon this Scheme becoming effective.
- 5.7 All costs, charges, taxes, duties, levies and fees including registration fee of any deed, document, instrument or Court's order including this Scheme or in relation to or in connection with negotiations leading upto the Scheme and all other expenses, if any, arising out of or incurred in carrying out and implementing the terms and conditions or provisions of this Scheme and incidental thereto but excluding stamp duty shall be borne by Transferor Company and shall be treated as costs relating to the demerger under this Scheme. The applicable stamp duty costs shall be borne by the Transferee Company.
- 5.8 The demerger complies with the provisions of Section 2(19AA) of the Income Tax Act, 1961, such that:
- All the properties of the Demerged Undertaking being transferred by Transferor Company immediately before the Demerger become the properties of the Transferee Company by virtue of the Demerger;
 - All the liabilities relating to the Demerged Undertaking being transferred by Transferor Company, immediately before the Demerger become the liabilities of the Transferee Company by virtue of the Demerger;
 - The properties and the liabilities, if any, relating to the Demerged Undertaking being transferred by Transferor Company are transferred to the Transferee Company at the values appearing in the books of account of Transferor Company immediately before the Demerger;
 - The Transferee Company issues shares to the shareholders of Transferor Company in consideration of the Demerger on a proportionate basis;
 - The shareholders of Transferor Company shall become the shareholders of the Transferee Company by virtue of the Demerger; and
 - The transfer of the Demerged Undertaking will be on a going concern basis.
- 5.9 Upon the sanction of this Scheme and upon this Scheme becoming effective, with effect from the Appointed Date, the following shall be deemed to have occurred in the sequence and in the order stated as under:
- The demerger of the Demerged Undertaking of Transferor Company as defined under Section 2 (19AA) of the Income Tax Act, 1961; and
 - Issue and allotment of fully paid-up equity shares by the Transferee Company to the equity shareholders of Transferor Company as per sub-clause 4.1.1 above.
- 5.10 Transferor Company and Transferee Company shall also take all such other steps as may be necessary or expedient to give full and formal effect to and implement to the provisions of this Scheme.