

SCHEME OF ARRANGEMENT
BETWEEN
OCL IRON AND STEEL LIMITED
AND
OISL AUTO LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PREAMBLE

This scheme of arrangement is presented under Sections 391 to 394 of the Companies Act, 1956 for the demerger of the Demerged Undertaking (*defined herein after*) of OCL Iron and Steel Limited (“**Demerged Company**”) into OISL Auto Limited (“**Resulting Company**”).

PARTS OF THE SCHEME

This scheme of arrangement is divided into the following parts:

PART I deals with the definitions, share capital, background of Demerged Company and Resulting Company and rationale for this scheme of arrangement;

PART II deals with the transfer and vesting of Demerged Undertaking (*i.e. auto components undertaking, as defined herein after*) of Demerged Company into Resulting Company, as a going concern;

PART III deals with general terms and conditions applicable to this scheme of arrangement.

For OCL IRON AND STEEL LTD.


Director

PART I

1. DEFINITIONS

In this scheme of arrangement, unless inconsistent with the meaning or context, the following expressions shall have the following meaning:

- 1.1. **“Act”** means the Companies Act, 1956 and applicable rules made there under and includes any amendments, statutory re-enactments, and modification thereof from time to time and includes the applicable provisions of Companies Act, 2013, if any, and applicable rules made there under. In case the relevant provisions of the Companies Act, 2013 are notified prior to the effective date (*defined hereinafter*) being achieved, this scheme of arrangement shall be deemed to have been passed under the relevant provisions of Companies Act, 2013 and all references to the Act, sections and rules therein shall be deemed to include a reference to the relevant provisions of the Companies Act, 2013 and rules made thereunder;
- 1.2. **“Appointed Date”** means April 1, 2015 or such other date as the board of directors of the Demerged Company and the Resulting Company deems fit and proper or such other date as the Hon’ble High Court (*defined hereinafter*) may direct or such other competent authority, as may be applicable, from which date the assets and liabilities, described herein after, of the Demerged Undertaking (*defined herein after*) belonging to the Demerged Company shall stand transferred to or vested to or shall be deemed to stand transferred to or vested in the Resulting Company without any further act, instrument, deed or thing;

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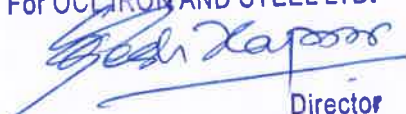
- 1.3. **“Auto Component Business”** means the business of manufacturing of Axle casing, Trumpet Housing, Carrier Planetary Hub, Swivel hub, Axle Arm, Carrier, Brackets, Front Axle Support, Crankcase Machining and Cold Rolled Steel Sections for Auto Segments i.e. Commercial and Passenger vehicles and Non-Auto Segments i.e. Tractors, Agriculture and Construction Equipment;
- 1.4. **“Board of Directors”** or **“Board”** means board of directors of the Demerged Company and Resulting Company and shall also include any duly constituted committee(s) thereof, if any or any person authorized by the board of directors;
- 1.5. **“Companies”** means the Demerged Company and Resulting Company, referred collectively;
- 1.6. **“Demerged Company”** means OCL Iron And Steel Limited, a public limited Company incorporated under the provisions of Act, having its registered office situated at Village Lamloi, PO: Garvana, Rajgangpur, Distt: Sundergarh, Orrisa-770017;
- 1.7. **“Demerged Undertaking”** means the entire Auto Component Business of the Demerged Company, having manufacturing units at A-285, Chipanki Industrial Area, Bhiwadi, Distt. Alwar, Rajasthan and Plot No.- SP-259, Industrial Area, Kaharani, Extn Bhiwadi, Rajasthan-301019 and Begampur Khatola, Gurgaon, Haryana, which would be transferred on a going concern basis to the Resulting Company on and from the Appointed Date. Without prejudice to the generality of the above, the Demerged Undertaking shall mean and include:

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- a) all immovable property(ies) of the Demerged Undertaking including tangible assets, land and building, plant and equipment/ machinery and structures standing thereon (*whether freehold, leasehold, leave and licensed, right of way, tenancies and otherwise*), capital work-in-progress and all documents of title, receipts and easements in relation thereto, all rights, covenants, continuing rights, title and interest in connection with the said immovable properties;
- b) all movable assets pertaining to and in relation to the Demerged Undertaking, whether in present, future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal including but not limited to plant and equipment/ machinery, vehicles, bank balances, cash and cash equivalents, investments including non-current investments of all kinds either in equity shares of listed company or unlisted company, if any, or any other investments made by the Demerged Company pertaining/belonging to the Demerged Undertaking, all loans and advances, whether long-term or short-term, secured or unsecured, recoverable in cash or kind or value to be received including interest accrued thereof, if any, all deposits whether with government or semi government, local authorities or any other institution and bodies, including but not limited to amounts receivables from Central Government/ State Government(s) under any of their scheme(s)/plan(s), balances recoverable from Government Authorities, if any, trade receivables, advance tax(es) paid, unutilized Minimum Alternate Tax (MAT) credit, office equipment's, electrical installations, offices, inventories including but not limited to computers, software, furniture & fixtures, other current assets, capital work-in-progress,


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benefits arising of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favor of or enjoyed by the Demerged Undertaking;

- c) All agreements, rights, contracts, entitlements, permits, licenses, approvals, consents, engagements, arrangements and all other privileges and benefits of every kind, if any, nature and description whatsoever relating to the Demerged Company's business, activities and operations pertaining to Demerged Undertaking;
- d) all the debts (*whether secured or unsecured*) including but not limited to long-term and short-term borrowings, trade payables, long-term and short-term provisions, deferred tax liabilities, current liabilities (*including contingent liabilities*), duties and obligations of the Demerged Company of every kind, nature and description whatsoever and howsoever accruing or arising out of, and all loans and borrowings raised or incurred and utilized for its businesses, activities and operations, if any, pertaining to Demerged Undertaking;
- e) all intellectual property rights (*whether registered or unregistered*), records, files, papers, data and documents, if any, relating to the Demerged Company's business, activities and operations pertaining to Demerged Undertaking;
- f) all legal proceedings of whatsoever nature by or against the Demerged Company, if any, pending as on the Appointed Date and relating to the Demerged Undertaking; and

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- g) all employees engaged in or relating to the Demerged Company's business, activities and operations pertaining to Demerged Undertaking.
- h) The broad details of the asset and liabilities comprising of the Demerged Undertaking and figures appearing corresponding to the said assets and liabilities as appearing in the financial statement as at March 31, 2015, are described in the Schedule-I annexed hereto.
- 1.8. **"Effective Date"** means the last date of the dates on which all the conditions and matters referred to in Clause 16 of this Scheme hereof have been fulfilled. References in this Scheme to the date of "upon coming into effect of this Scheme" or "effectiveness of the Scheme" or "the Scheme becoming effective" shall mean the Effective Date;
- 1.9. **"High Court" or "Court"** means the High Court of Orissa at Cuttack having jurisdiction in relation to the Demerged Company and High Court of Rajasthan at Jaipur having jurisdiction in relation to the Resulting Company (*or such other Court/ bench having jurisdiction over Companies involved in the Scheme*), depending on the context and applicability, and the term "High Court" or "Court" shall be interpreted accordingly and shall include National Company Law Tribunal, under the Act, as may be applicable;
- 1.10. **"Iron and Steel Business"** means the business of manufacturing, marketing, trading of steel (steel billets and DRI), sponge iron, cold rolling mill for higher value steel products and generation of power through captive power plants;

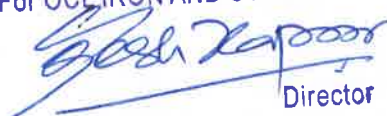
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- 1.11. **“Record Date” or “Book Closure Date”** means the date fixed by the Board or committee thereof, of the Demerged Company for the purpose of determining the members of the Demerged Company to whom new equity shares and new preference shares will be allotted and issued by the Resulting Company pursuant to this Scheme or determined in terms of the applicable provisions of the Act or the Companies Act, 2013;
- 1.12. **“Remaining Undertaking or Remaining Business”** means all undertakings, businesses, activities and operations of the Demerged Company other than the Auto Component Business.
- 1.13. **“Resulting Company”** means OISL Auto Limited, a company incorporated under the provisions of the Companies Act, 2013 and having its registered office at A-285, Chopanki Industrial Area, Chopanki, Bhiwadi, Rajasthan- 301019. The Resulting Company is the wholly owned subsidiary company of the Demerged Company;
- 1.14. **“Scheme” or “the Scheme” or “this Scheme”** means this scheme of arrangement in its present form or with any modifications made under Clause 16 of the Scheme as approved or directed by the High Court(s) or any other appropriate authority;

All terms and words not defined in this Scheme, shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye laws for the time being in force, as the case may be, including any statutory modification or re-enactment thereof from time to time.

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2. SHARE CAPITAL

2.1. Share capital of the Demerged Company as on 31.03.2015 is as under:

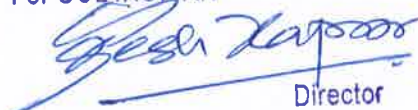
	As at March 31, 2015
Authorized Capital	(Rs.)
34,00,00,000 Equity Shares of Re. 1 each	340,000,000
7,00,00,000 Preference Shares of Rs. 10 each	700,000,000
Total	1,040,000,000
Issued, Subscribed and Paid-up Capital	
13,41,43,160 Equity Shares of Re. 1 each fully paid-up	134,143,160
5,30,05,000 2% Non-Cumulative Redeemable Preference Shares of Rs. 10 each fully paid-up	530,050,000
Total	664,193,160

2.2. The share capital of the Resulting Company as on 23.06.2015 is as under:

	As at June 23, 2015
Authorized Capital	(Rs.)
5,00,000 Equity Shares of Re. 1 each	5,00,000
Total	5,00,000
Issued, Subscribed and Paid-up Capital	
5,00,000 Equity Shares of Re. 1 each fully paid-up	5,00,000
Total	5,00,000

2.3. There has been no alteration in the above share capital structure of

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Demerged Company and the Resulting Company till the date of approval by the Board of Directors to this Scheme.


- 2.4. It is provided that till the Scheme becomes effective, Demerged Company and Resulting Company are free to alter their authorized, issued, subscribed or paid up share capital as required by respective business requirements, subject to the necessary approvals from their respective Boards and member, if required.

3. BACKGROUND

- 3.1. The Demerged Company was initially promoted by OCL India Limited (“OCL”) with the primary objective of carrying on the business of manufacturing of sponge iron, steel ingots, billets and power generation through captive power plants. Subsequently, the steel unit of OCL was demerged into the Demerged Company in the year 2007. The shares of the Demerged Company are listed on BSE Limited and National Stock Exchange of India Ltd. with effect from August 1, 2008. Later on the Demerged Company also set up state of the art plants for automotive parts to cater to the automotive and other industries, for both domestic as well as export market. At present, there are two business segments in the Demerged Company viz., Iron and Steel Business and Auto Components Business. The Iron and Steel Business is largely based in the State of Odisha whereas the Auto Component Business is based in the State of Rajasthan.

- 3.2. The Resulting Company is an unlisted public limited company incorporated under the provisions of the Companies Act, 2013 having its registered office situated in the State of Rajasthan. The Resulting

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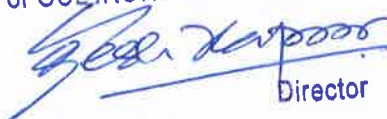
Company is promoted by the Demerged Company and at present is a wholly owned subsidiary company of the Demerged Company. Resulting Company was set up to undertake the business of manufacturing, trading and distributing all kinds of auto parts & components etc.

4. RATIONALE FOR THE SCHEME

The Boards of Directors of the Companies are of the view that proposed demerger of the Demerged Undertaking belonging to the Demerged Company into the Resulting Company would *inter-alia* have the following benefits:

- a) given the distinct nature of operations of both business segments, it is proposed to hive-off Auto Component Business from Demerged Company into the Resulting Company, which, upon hive-off, is owned by the shareholders of the Demerged Company in the same proportion in which they own shareholding in the Demerged Company;
- b) the demerger would enable greater/ enhanced focus of management in the Auto Component Business thereby facilitating the management to efficiently exploit opportunities for the business;
- c) it is expected that the proposed demerger will lead to increased market capitalization of both the Companies which will exceed the market capitalization of the Demerged Company alone thereby unlocking shareholder value;
- d) all the manufacturing assets and liabilities relating to Auto Component Business will be housed under one entity, i.e., the Resulting Company which will enable the Demerged Company to improve its business

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efficiency and focus on its core business, i.e. the Iron and Steel Business;

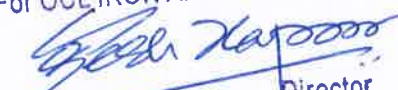
- e) the demerger will thrive in achieving and sustaining competitiveness and development of long-term internal and core competencies;
- f) it is believed that the proposed segregation will create enhanced value for shareholders and allow a focus strategy in operations which would be in the best interest of all the stakeholders. The demerger proposed by this Scheme will enable investors to hold investment in businesses with different investment characteristics thereby enabling them to select investments in business which best suit their investment strategies and risk profiles; and
- g) the demerger will also provide for independent collaboration and expansion without committing the existing organization in its entirety.

PART- II

5. TRANSFER AND VESTING

- 5.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Demerged Undertaking belonging to the Demerged Company shall stand demerged and transferred and be vested in the Resulting Company, on a going concern basis, without any further act, deed, instrument, matter or thing, so as to become on and from the Appointed Date, the undertaking of the Resulting Company and to vest in the Resulting Company, all rights, titles, interests or obligations of the Demerged Undertaking therein, in the manner described herein.

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5.2. With effect from the Appointed Date and subject to the provisions of this Scheme, including in relation to the mode of transfer or vesting, all immovable property of the Demerged Undertaking including tangible assets, land together with building, plant and machinery and structures standing thereon (*whether freehold, leasehold, leave and licensed, right of way, tenancies and/or otherwise*), capital work-in-progress which immovable properties are currently being used for the purpose of and in relation to the Demerged Undertaking and all documents of title, receipts and easements in relation thereto, all rights, covenants, continuing rights, title and interest in connection with the said immovable properties shall, unless otherwise agreed between the Companies, be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in the Resulting Company as a going concern pursuant to the provisions of Section 391 to 394A of the Act and all other applicable provisions of the Act so as to become, on and from the Appointed Date, the assets, rights, title and interests of the Resulting Company. Upon the coming into effect of the Scheme, the title to such immovable properties shall be mutated and transferred by appropriate authorities, in accordance with terms hereof, in favor of the Resulting Company. It is expressly clarified that in so far any leasehold properties forming part of the Demerged Undertaking are concerned, the Resulting Company may enter into fresh lease agreements or terminate any lease agreements that are already in existence with any third party.

5.3. With effect from the Appointed Date and subject to the provisions of this Scheme, including in relation to the mode of transfer or vesting, all rights, titles, interest and privileges in the movable, tangible and intangible properties, assets including plant and equipment, vehicles, bank balances,


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cash and cash equivalents, investments including non-current investments of all kinds either in equity shares of listed company or unlisted company or any other investments, if any, made by the Demerged Company, all loans and advances, whether long-term or short-term, secured or unsecured, recoverable in cash or kind or value to be received including interest accrued thereof, all deposits whether with government or semi government, local authorities or any other institution and bodies, including but not limited to amounts receivables from Central Government/ state government(s) under any of their scheme/plans, balances recoverable from government authorities, advance tax(es) paid, if any, unutilized Minimum Alternate Tax (MAT) credit, office equipment's, electrical installations, offices, inventories including but not limited to computers, software, furniture & fixtures, trade receivables, other current assets, capital work-in-progress, benefits arising of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Demerged Company, intellectual property (*whether registered or unregistered*), if any, pertaining to the Demerged Undertaking, shall be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in the Resulting Company as a going concern pursuant to the provisions of Section 391 to 394A of the Act and all other applicable provisions of the Act so as to become, on and from the Appointed Date, the assets, rights, title and interests of the Resulting Company.

- 5.4. All the assets, as mentioned herein above, that have accrued or which may accrue to the Demerged Company pertaining to the Demerged Undertaking on or after the Appointed Date shall pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be transferred to and stand vested in and/or be

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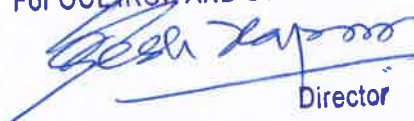
deemed to have been transferred to and stand vested in and be available to the Resulting Company.

5.5. Without prejudice to clause 5.2, clause 5.3 and clause 5.4 as above, upon the Scheme becoming effective, in respect of such of the assets, as mentioned herein above, of the Demerged Company pertaining to the Demerged Undertaking as are movable in nature, or incorporeal property, or are otherwise capable of transfer by manual delivery or transferring possession or by endorsement and/ or delivery, along with such other documents as may be necessary to the end and intent that the property therein upon such transfer become the property, assets, rights, title, interest and authorities of the Resulting Company in pursuance of section 394 of the Act without any further act, instrument or deed. In respect of such of the assets other than those referred to hereinabove, the same shall also, without any further act, instrument or deed, be transferred and vested in and/or be deemed to be transferred to and stand vested in the Resulting Company pursuant to the effectiveness of this Scheme.

5.6. With effect from the Appointed Date & upon coming to effect of the Scheme:

a) All the licenses, rights, claims, including refund claims lying with any statutory authority which may accrue to the Demerged Company pertaining to the Demerged Undertaking, if any, shall, pursuant to the provisions of section 394 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 stand vested in and be available to the Resulting Company. The Resulting

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Company shall file the relevant intimations, if required, for the record of the statutory authorities who shall take them on file and record the change of name pursuant to Scheme becoming effective.

- b) The entire taxes, direct and indirect or any other taxes, including but not limited to prepaid taxes being tax deducted at source (TDS)/advance tax, Minimum Alternate Tax (MAT) credits, sales tax, value added tax (VAT) and also self-assessment taxes, if any, paid by the Demerged Company under the Income Tax Act, 1961 (*hereinafter referred to as "IT Act"*) or any other statute, pertaining to the Demerged Undertaking for the period commencing from the Appointed Date, shall be deemed to be the taxes paid by or for the benefit of the Resulting Company and credit for such taxes shall be allowed to the Resulting Company notwithstanding that certificates or challans or orders for such taxes are in the name of the Demerged Company and not in the name of the Resulting Company. The Resulting Company shall, after the Effective Date, be entitled to file with the authorities concerned the relevant return(s) as required under the IT Act or any other statutes/ laws for the period after the Appointed Date notwithstanding that the period for filing such return may have elapsed. Further Resulting Company shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by the Demerged Company for any year, if so necessitated or consequent to this Scheme, notwithstanding that the time prescribed for such revision may have elapsed.
- c) Upon the coming into effect of the Scheme all kinds of intellectual property rights, if any, whether or not registered with the relevant authorities concerned or applications submitted at any time on or

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before the Effective Date by the Demerged Company or by the employees / officers / directors of Demerged Company for the benefit or which may pertain to the Demerged Undertaking, if any, shall stand transferred to and vested along with all the undertakings in the name of Resulting Company without any further act, instrument or deed.

- d) With effect from the Effective Date and until such time the names of the bank accounts of the Demerged Company in relation to the Demerged Undertaking, if any, are replaced with that of the Resulting Company, the Resulting Company shall be entitled to operate the bank accounts of the Demerged Company in relation to the Demerged Undertaking, in so far as may be necessary. The banks shall continue to honour the cheques, other negotiable instruments, payment orders and instructions issued/ signed by the Demerged Company or signed by the existing signatories of the Demerged Company for payment after the Effective Date. Similarly, all cheques and other negotiable instruments received in the name of Demerged Company in relation to the Demerged Undertaking, w.e.f. the Effective Date and until such time shall be for and on account of the Resulting Company and accordingly to be accepted by the bankers of Demerged Company and credited to the account of Resulting Company.

5.7. Upon the coming into effect of the Scheme and with effect from the Appointed Date:

- a) All secured or unsecured debts, liabilities including but not limited to deferred tax liabilities, contingent liabilities, current liabilities, non-

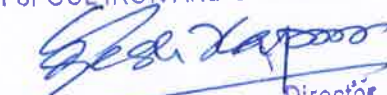
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current liabilities, statutory payables, TDS payable, expenses payable and other current liabilities or other advances received, whether disclosed or undisclosed, whether accounted for in the books of accounts or not, duties, taxes, statutory expenses, short-term and long-term provisions and obligations, if any, of the Demerged Company along with any charge, encumbrance, lien or security thereon, if any, in relation to the Demerged Undertaking shall also be vested or be deemed to be and stand vested, without any further act, instrument or deed, to the Resulting Company, pursuant to the provisions of Section 394 of the Act so as to become the debts, liabilities, duties and obligations of the Resulting Company. Further that it shall not be necessary to obtain separate 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 sub-clause.

- b) If there are any general or multipurpose borrowings in the books of account of the Demerged Company, so much of the amount of the general purpose borrowings or multipurpose borrowing, as standing in the same proportion in which the value of the assets transferred pursuant to the Scheme bears to the total value of the assets of such Demerged Company immediately before the demerger, shall also stand transferred to the Resulting Company pursuant to the Scheme.
- c) Where any of the liabilities and obligations of the Demerged Company pertaining to the Demerged Undertaking as on the Appointed Date transferred to the Resulting Company have been discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have

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been for and on account of the Resulting Company.

d) All loans raised and utilized and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Demerged Company in relation to the Demerged Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Resulting 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 Resulting Company and shall become the debt, duties, undertakings, liabilities and obligations of the Resulting Company.

5.8. Upon the Scheme becoming effective subject to applicable law(s) for the time being in force, license(s), permission(s), approval(s), registration(s) with any regulatory authority, wherever applicable, and/or consents held by the Demerged Company pertaining to the Demerged Undertaking, and not surrendered, shall stand vested in Resulting Company, with effect from the Appointed Date (*save and except as otherwise specified in this Scheme*), without any further act, deed, instrument, matter or thing, shall be appropriately registered with the concerned statutory authority(ies) in favour of the Resulting Company. The benefits of all license(s), permission(s), approval(s), registration(s) with any regulatory authority pertaining to the Demerged Undertaking, wherever applicable on the Demerged Company shall vest in and become available to the Resulting Company pursuant to the Scheme becoming effective. However, if any statutory license(s),

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permission(s), approval(s), registration(s) with any regulatory authority, wherever applicable, and/or consents held by the Demerged Company that are not required by the Resulting Company, will, if required, by applicable law(s), be cancelled or surrendered by the Demerged Company.

5.9. This Scheme complies with the conditions relating to “demerger” as specified under section 2(19AA) of the IT Act. If any term or provision of this Scheme is found or interpreted to be inconsistent with the said provision at a later date, including resulting from an amendment of law or for any other reason, whatsoever, then the provisions of such amended section(s) of the IT Act shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with conditions contained in section 2(19AA) of the IT Act. Such modification shall however not affect other parts of this Scheme.

5.10. It is expressly clarified that, in case of any question that may arise as to whether any particular asset or liability and/or employee pertains or does not pertain to the Auto Component Business, i.e. the Demerged Undertaking, or whether it arises out of the activities or operations of the Auto Component Business, the same shall be decided by mutual agreement between Board of Directors of the Companies.

6. CONSIDERATION

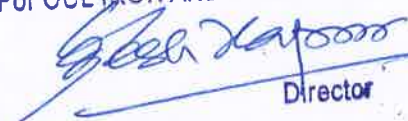
6.1. Upon the coming into effect of this Scheme and in consideration of the demerger of the Demerged Undertaking belonging to the Demerged Undertaking in Resulting Company and pursuant to this Scheme:

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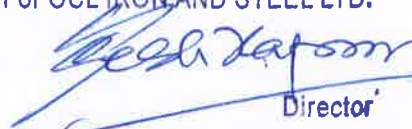
- (a) Resulting Company shall, without any further act or deed, issue and allot 1,14,00,000, 2% Non-Cumulative Redeemable Preference shares of Rs. 10/- each fully paid up (*hereinafter also referred to as the "New Preference Shares"*) at par on a proportionate basis to each preference shareholder of Demerged Company, whose name is recorded in the register of members of Demerged Company as preference shareholder as on the Record Date or Book Closure Date;
- (b) Resulting Company shall, without any further act or deed, issue and allot 13,41,43,160 equity shares of Re. 1/- each (*hereinafter also referred to as the "New Equity Shares"*) at par to each member of Demerged Company whose name is recorded in the register of members of Demerged Company as equity shareholder as on the Record Date or Book Closure Date in the ratio of 1:1 i.e. 1 (one) equity share of Rs. 1 each of the Resulting Company to be issued to the equity shareholders of the Demerged Company for every 1 (one) equity share of Rs. 1 each held by them in the Demerged Company;
- (c) In case any members' shareholding in the Demerged Company is such that the member becomes entitled to a fraction of New Preference Shares or New Equity Shares in the Resulting Company, such fraction shall be rounded off to the nearest whole integer;
- (d) The New Preference Shares and the New Equity Shares shall be subject to the Memorandum and Articles of Association of the Resulting Company;

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- (e) The New Preference Shares shall be issued by the Resulting Company in physical form, unless otherwise notified in writing by any of the preference shareholder of the Demerged Company, and on the same terms and conditions as they were originally issued to the preference shareholders of the Demerged Company on the Record Date as may be determined by the Board of Directors of Demerged Company or a Committee thereof, and the period of redemption of the New Preference Shares issued by the Resulting Company shall be determined as if they were originally issued by the Demerged Company. Correspondingly, to the extent of New Preference Shares issued by the Resulting Company to the preference shareholder of the Demerged Company, the preference shares so held by the preference shareholders of the Demerged Company, equivalent to the value of the New Preference Shares, shall stand cancelled in the hands of the preference shareholders of the Demerged Company and accordingly necessary adjustments shall be made by the Demerged Company in its financial statements. In the event such notice has not been received by the Resulting Company in respect of any of the preference shareholder of the Demerged Company as on the Record Date, the New Preference Shares shall be issued to such members in physical form.
- (f) The New Equity Shares shall be issued in dematerialized form, unless otherwise notified in writing by any of the Equity Shareholder of the Demerged Company, and on the same terms and conditions as they were originally issued, on the Record Date as may be determined by the Board of Directors of Demerged Company or a Committee thereof. In the event that such notice has not been received by the Resulting Company in respect of any of

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the equity shareholder of the Demerged Company as on the Record Date, the New Equity Share shall be issued to such members in dematerialized form provided that such members shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event any shareholder has notified the Resulting Company, as contemplated above that they desire to be issued shares in the physical form or if the details furnished by any member do not permit electronic credit of the shares of Resulting Company, then Resulting Company shall issue New Preference Shares and/or the New Equity Shares in physical form to such shareholders;

- (g) The new shares allotted by the Resulting Company shall remain frozen in the depositories systems till listing /trading permission will be given by designated Stock Exchange;
- (h) Approval of this Scheme by the shareholders of Resulting Company shall be deemed to mean that the said shareholders have also accorded all relevant consents under the Act for the issue and allotment of New Preference Shares and the New Equity Shares by Resulting Company to preference shareholder and equity shareholder of the Demerged Company; and
- (i) Issuance of New Preference Shares and the New Equity Shares shall be made pursuant to the circular(s) issued by the Securities Exchange Board of India on February 4, 2013 bearing no. CIR/CFD/DIL/5/2013 and on May 21, 2013 bearing no.



CIR/CFD/DIL/8/2013 (*hereinafter referred to as "SEBI Circulars"*).

6.2. The New Equity Shares issued by the Resulting Company shall be listed and/ or admitted to trading on the National Stock Exchange of India Ltd. and/or the BSE Limited and on such other stock exchanges on which the existing equity shares of the Demerged Company are listed at the Record Date (*herein after collectively referred to as the "Stock Exchanges"*). The Resulting Company shall enter into such arrangement(s) and give such confirmation(s) and/or undertaking(s) as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the Stock Exchanges. On such formalities being fulfilled, the Stock Exchanges shall list and/or admit the New Equity Shares for purpose of trading on the floor of the Stock Exchanges.

6.3. The Resulting Company shall, if and to the extent required, apply for and obtain any approval(s) from concerned regulatory authority(ies) for the issue and allotment of the New Equity Shares and New Preference Shares to the members of the Demerged Company, wherever applicable, under the provisions of the Scheme.

7. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

7.1. The Demerged Company shall carry on the business of the Demerged Undertaking and other incidental matters with due prudence in the same manner as carried before and shall not (without the prior written consent of the Resulting Company), alienate, charge, mortgage, encumber or otherwise deal with or dispose of the Demerged

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Undertaking or any part thereof except in the ordinary course of business.

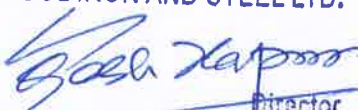
7.2. With effect from the Appointed Date and upto, and including, the Effective Date, the Demerged Company shall not sell, transfer or alienate, charge, mortgage or encumber or otherwise deal with or dispose of Demerged Undertaking or any part thereof save and except in each case:

- (a) if the same is in the ordinary course of business of the Demerged Undertaking as carried on by the Demerged Company as on the date of filing this Scheme with the High Court; or
- (b) if the same is expressly permitted by this Scheme; or
- (c) if the prior written consent of the Board of the Resulting Company has been obtained.

Notwithstanding the above, the Demerged Company will not, in any event, transfer or otherwise dispose of or create any form of encumbrance in any manner over the shares held by the Demerged Company in the Resulting Company, without prior approval of the Resulting Company in this regard.

7.3. Save and except as otherwise specified in this Scheme, any income or profit accruing or arising to the Demerged Company or expenditure or losses arising or incurred or suffered by the Demerged Company pertaining to the business(s) of the Demerged Undertaking from the Appointed Date and till the Effective Date shall for all purposes be

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treated as the income or profits or losses or expenditures, as the case may be, of the Resulting Company.

7.4. All estate(s), asset(s), right(s), title(s), interest(s) and authority(ies) pertaining to the Demerged Undertaking accrued to and/or acquired by the Demerged Company after the Appointed Date and prior to the Effective Date shall have been or deemed to have been accrued to and/or acquired for and on behalf of the Resulting Company and 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 or vested in or be deemed to have been transferred to or vested in the Resulting Company to that extent and shall become the estate(s), asset(s), right(s), title(s), interest(s) and authority(ies) of the Resulting Company.

7.5. Until the Effective Date, the holders of shares of the Demerged Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under the Articles of Association of the Demerged Company including the right to receive dividends.

8. EMPLOYEES

8.1. Upon the Scheme becoming effective, all staff, workmen and permanent employees of the Demerged Company pertaining to the Demerged Undertaking, if any, who are in service on the Effective Date shall be deemed to have become staff, workmen and employees (*as the case may be*) of the Resulting Company with effect from the Appointed Date without any break or interruption in their service, on same terms and conditions on which they are engaged as on the

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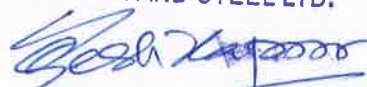
Effective Date and the terms and conditions and benefits deriving, being deposited in any provident fund, gratuity scheme, etc, if any, of their employment with the Resulting Company shall in no event be less favorable than those applicable to them with reference to the Demerged Company on the Effective Date.

- 8.2. The Resulting Company will file the relevant intimations to the statutory authorities concerned who shall take the same on record and endorse the name of the Resulting Company for the Demerged Company.
- 8.3. Subject to other provisions contained in this Scheme all contracts, deeds, understandings, bonds, guarantees, agreements, instruments and writings and benefits of whatsoever nature, if any, pertaining to the Demerged Undertaking , to which any of the Demerged Company is a party and subsisting or having effect on the Effective Date, shall remain in full force and effect against or in favour of the Resulting Company and may be enforced by or against the Resulting Company as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party thereto.

9. CONTRACTS, DEEDS, RESOLUTIONS, ETC.

- 9.1. Subject to other provisions contained in this Scheme all contracts, deeds, understandings, bonds, guarantees, agreements, instruments and writings and benefits of whatsoever nature, if any, pertaining to the Demerged Undertaking , to which any of the Demerged Company is a party and subsisting or having effect on the Effective Date, shall remain in full force and effect against or in favour of the Resulting Company and may be enforced by or against the Resulting Company as fully and

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effectually as if, instead of the Demerged Company, the Resulting Company had been a party thereto.

10. LEGAL PROCEEDINGS

10.1. If any suit, appeal or other proceedings of whatsoever nature by or against the Demerged Company in relation to the Demerged Undertaking is pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the demerger of the Demerged Undertaking or anything contained in this Scheme, but the said suit, appeal, or other legal proceedings, as the case maybe, may be continued, prosecuted and enforced, as the case may be, by or against the Resulting Company and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Demerged Company, as if this Scheme has not been made. In the event that the legal proceedings referred to herein require the Demerged Company and/or the Resulting Company to be jointly treated as parties thereto, the Resulting Company shall be added as party to such proceedings.

10.2. On and from the Effective Date, the Resulting Company may, if required, initiate any legal proceedings in relation to Demerged Undertaking in its own name, whether pertaining to the period prior to the Appointed Date or thereafter.

11. ACCOUNTING TREATMENT

11.1. Accounting treatment in the books of the Demerged Company:

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- a) The Demerged Company shall, upon the Scheme becoming effective, record the deletion of the respective assets and liabilities of the Demerged Undertaking vested in Resulting Company, pursuant to this Scheme, at their respective book values;
- b) Any inter-unit loans and advances and other dues outstanding as of the Appointed Date between the Iron and Steel Business unit of the Demerged Company and Auto Component Business unit of the Demerged Company, as demerged in to the Resulting Company, will stand recoverable/payable, as the case may be;
- c) The preference share capital of the Demerged Company as on the Appointed Date shall stand cancelled and extinguished, to the extent of Rs. 11,40,00,000 represented by 1,14,00,000, 2 % Non-Cumulative Redeemable Preference Shares of Rs. 10/- each.
- e) The share premium received by the Demerged Company on the preference shares so cancelled, in terms of clause 6.1 (e) of this Scheme, shall stand transferred to the Resulting Company and to that extent, the share premium account of the Demerged Company shall stand reduced accordingly. Similarly the preference share capital redemption reserve, as appearing in the books of the Demerged Company, shall be transferred proportionately to the extent of the preference share capital being cancelled pursuant to this Scheme over the entire preference share capital as appearing in the books of the Demerged Company.
- f) Upon the Scheme becoming effective, the amount under surplus in the

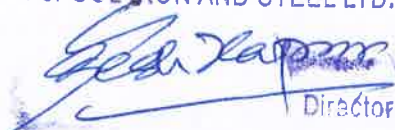
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profit and loss account amounting to Rupees 41,44,03,451.14, as on the Appointed Date, pertaining to the Demerged Undertaking of the Demerged Company shall stand transferred to the Resulting Company and corresponding amount shall be adjusted from the profit and loss account of the Demerged Company;

- g) Any surplus or deficit arising between the book value of the all assets over book value of the all liabilities of the Demerged Undertaking vested in the Resulting Company, as further reduced by the transfer to the Resulting Company of preference share capital redemption reserve, securities premium reserve and surplus in the profit and loss account, shall be adjusted in the books of the Demerged Company against the following, in the order specified:
- Capital Reserve Account;
 - Securities Premium Account; and
 - General Reserve;
 - Profit and Loss Account
- h) Any such cancellation of the preference share capital account, reduction to the share premium account, adjustment in the preference share capital redemption reserve account or capital reserve account etc. of the Demerged Company shall be considered, to the extent applicable, as a reduction in accordance with provisions of Sections 100 to 103 of the Act and/or Section 55 and Section 52 of the Companies Act, 2013 and the order of the High Court sanctioning the Scheme shall be deemed to be also the order under Section 102 of the Act.
- i) Notwithstanding the above, the Board of Directors of the Demerged

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Company, in consultation with its statutory auditors, shall be authorised to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with the prescribed Accounting Standards specified by the Central Government under Section 133 of the Companies Act, 2013 and generally accepted accounting principles.

11.2. Accounting treatment in the books of the Resulting Company:

- a) Resulting Company shall, upon the Scheme becoming effective, record the assets and liabilities of the Demerged Undertaking, including the inter-unit balances between the Auto Component Business unit and Iron and Steel Business unit, vested in it pursuant to this Scheme, at their respective book values;
- b) Resulting Company shall also record the preference share capital redemption reserve, share premium account, surplus in the profit and loss account, so transferred from the books of the Demerged Company pursuant to this Scheme, at their respective book values.
- c) Upon the Scheme becoming effective and upon the shares being issued to the shareholders of the Demerged Company under para 6 of this Scheme the entire investment of the Demerged Company in the equity share capital of the Resulting Company, as on the Appointed Date, will stand cancelled and be reduced, and, the Resulting Company shall pay to the Demerged Company a sum equal to the face value of each equity share so cancelled and reduced held by the Demerged Company in the Resulting Company.
- d) Resulting Company shall credit its Share Capital Account with the

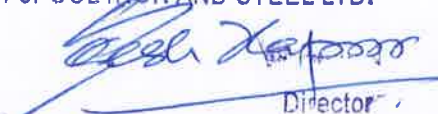
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aggregate face value of the New Preference Shares and New Equity Shares issued to the shareholders of the Demerged Company;

- e) Any excess in the value of net assets, net liabilities and the general reserves of Demerged Undertaking transferred to the Resulting Company pursuant to the order of the High Court over the face value of the New Preference Shares and New Equity Shares allotted by the Resulting Company shall be credited to capital reserve account of the Resulting Company. In case the result of the above is negative, such result must be accounted for as a "Goodwill" account. The goodwill, if any, arising pursuant to the Scheme shall be amortized over a period of 5 years and tested for impairment at the end of each reporting period, in accordance with prescribed Accounting Standards issued by The Institute of Chartered Accountants of India and generally accepted accounting principles;
- f) In case of any differences in accounting policy between the Resulting Company and the Demerged Company, the impact of such differences shall be quantified and adjusted in the General Reserve Account of the Resulting Company to ensure that the true financial statements of the Resulting Company on the Appointed Date are on the basis of consistent accounting policy;
- g) Upon the Scheme becoming effective, the Resulting Company, shall credit its reserves account with the balance under the head securities premium reserve, surplus (profit and loss) and the preference redemption reserve account, to the extent forming part of the Demerged Undertaking, transferred from the Demerged Company as on the Appointed Date; and

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- h) Any such cancellation of the equity share capital of the Resulting Company shall be considered, to the extent applicable, as a reduction in accordance with provisions of Sections 100 to 103 of the Act and the order of the High Court sanctioning the Scheme shall be deemed to be also the order under Section 102 of the Act.
- i) Notwithstanding the above, the Board of Directors of the Resulting Company or a Committee thereof, in consultation with its statutory auditors, shall be authorised to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with the prescribed Accounting Standards specified by the Central Government under Section 133 of the Companies Act, 2013 and generally accepted accounting principles.

12. SAVING OF CONCLUDED TRANSACTIONS

12.1. The transfer and vesting of the asset(s), liability(ies), reserves, provisions, and obligation(s) relating to the Demerged Undertaking of the Demerged Company, as described under clause 5 of this Scheme above, and the continuance of the proceedings by or against the Resulting Company, under clause 10 of this Scheme above shall not in any way affect any transaction(s) or proceeding(s) in relation to the Demerged Undertaking already completed by the Demerged Company, on and after the Appointed Date to the end and intent that the Resulting Company accepts all acts, deeds, matters and things done and executed by and/ or on behalf of the Demerged Undertaking, as acts, deeds and things done and executed by and on behalf of the Resulting Company.

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13. REMAINING UNDERTAKING TO CONTINUE WITH DEMERGED COMPANY

13.1. The Remaining Undertaking and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company.

(a) All legal, taxation or other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Remaining Undertaking (*including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Undertaking*) shall be continued and enforced by or against the Demerged Company after the Effective Date. The Resulting Company shall not in any event be responsible or liable in relation to any such legal, taxation or other proceeding against the Demerged Company, which relate to the Remaining Undertaking.

(b) If proceedings are taken against any of the Resulting Company in respect of the matters referred to in sub-clause (a) above, it shall defend the same in accordance with the advice of the Demerged Company and at the cost of the Demerged Company, and the latter shall reimburse and indemnify the Resulting Company against all liabilities and obligations incurred by the Resulting Company in respect thereof.

13.2. With effect from the Appointed Date and up to and including the

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Effective Date:

- (a) the Demerged Company shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Undertaking for and on its own behalf;
- (b) all profits accruing to the Demerged Company thereon or losses arising or incurred by it (*including the effect of taxes, if any, thereon*) relating to the Remaining Undertaking shall, for all purposes, be treated as the profits or losses, as the case may be, of the Demerged Company; and
- (c) All assets and properties acquired by the Demerged Company in relation to the Remaining Undertaking on and after the Appointed Date shall belong to and continue to remain vested in the Demerged Company.

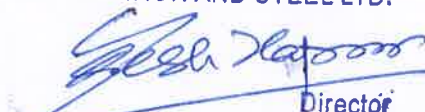
PART III

GENERAL TERMS AND CONDITIONS

14. APPLICATION TO HIGH COURT

14.1. The Demerged Company and the Resulting Company shall make necessary applications / petitions with the respective High Courts under section 391 to 394 of the Act and other applicable provisions, if any under the Act or any other law for the time being in force, for the sanction of this Scheme.

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15. MODIFICATIONS/AMENDMENTS TO THE SCHEME

15.1. The Demerged Company and the Resulting Company by their respective Board, may assent to/ make and/or consent to any modifications/ amendments to this Scheme or to any conditions or limitations that the High Court and/or any other authority under any law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate by them (*i.e. the Board*). The Demerged Undertaking and the Resulting Company by their respective Board be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, whether by reason of any directive or orders of any other authorities or otherwise however arising out of or under or by virtue of the Scheme and/ or any matter concerned or connected therewith.

15.2. The term, any other authority referred to in Clause 15.1 above, shall specifically include:

- (i) the Stock Exchanges with which the Demerged Company shall file a copy of this Scheme under sub-clause (f) of Clause 24 of the Listing Agreement of the respective Stock Exchanges; and
- (ii) the regulatory authorities.

15.3. If any part of this Scheme is considered invalid, ruled illegal by any court of a competent jurisdiction, or unenforceable under present or future law(s), then such part shall be severable from the remainder of the

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Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any of the Companies or their respective members or creditors, in which case the Scheme will be modified to such extent, as will best preserve for them the benefits and obligations of the Scheme, including but not limited to such part.

16. CONDITIONALITY OF THE SCHEME

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


16.1. The occurrence of the Appointed Date.

16.2. The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of the Demerged Company and the Resulting Company as prescribed under the Act or as may be directed by the High Court or any other appropriate authority as may be applicable except to the extent as may be waived by the Court and/or any other competent authority as may be applicable.

16.3. The sanction of this Scheme by the High Court or any other appropriate authority under Section 391 to 394 and other applicable provisions, if any, of the Act in favour of the Resulting Company and the Demerged Company.

16.4. Certified copy of the Orders of the High Court sanctioning the Scheme being filed with the Registrar of Companies, Rajasthan and the Registrar of Companies, Odisha by the Companies.

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16.5. The requisite(s), consent(s), approval(s) or permission(s) of statutory or regulatory authorities, if any, which by law may be necessary for the implementation of this Scheme, being obtained, including approvals as may be required from any other authority as referred in Clause 15.2 of this Scheme above.

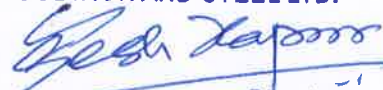
17. EFFECT OF NON-RECEIPT OF APPROVALS

17.1. In the event any of the said sanctions and approvals referred to in Clause 15 of this Scheme above not being obtained and/ or the Scheme not being sanctioned by the High Court or such other appropriate authority, if any, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated herein under or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as if specifically provided in the Scheme or as may otherwise arise in law and agreed between some or all of the respective parties to this Scheme.

18. INCREASE IN AUTHORISED CAPITAL OF THE RESULTING COMPANY AND CONSEQUENT REDUCTION OF THE AUTHORISED CAPITAL OF THE DEMERGED COMPANY

18.1. Upon the Scheme becoming effective, the Authorised Share Capital of the Demerged Company, to the extent of Rs. 31,00,00,000 (*Rupees Thirty One Crores only*) will get transferred to the Resulting Company and accordingly, the Authorised Share Capital of the Resulting Company shall stand increased by Rs. 31,00,00,000 (*Rupees Thirty*

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One Crores only) to Rs. 31,05,00,000 (Rupees Thirty One Crores and Five Lacs only).

- 18.2. The Authorised Share Capital of the Demerged Company shall automatically stand reduced to Rs. 73,00,00,000 (*Rupees Seventy Three Crores Only*), as on the Effective Date, without any further, act, deed, instrument or thing. The Authorised Share Capital of the Demerged Company and the Resulting Company shall, as on the Effective Date, be classified into Equity Share Capital and Preference Share Capital.
- 18.3. Accordingly the words and figures in Clause V of the Memorandum of Association of the Demerged Company shall stand modified and be substituted to read as follows:

“V(a) The authorized share capital of the Company is Rs. 73,00,00,000/- (Rupees Seventy Three Crores Only) consisting of 17,00,00,000 (Seventeen Crore) Equity Shares of Re. 1/- (Rupee One) each and 5,60,00,000 (Five Crores and Sixty Lacs) preference shares of Rs. 10/- (Rupees Ten) each with such rights, privileges and conditions attached thereto as may be determined by the Company in general meeting at the time of issue. The Company has and shall always have power to divide the share capital, for the time being, into several classes and to increase or reduce its capital from time to time and to vary, modify or abrogate any rights, privileges or conditions attached to any class of shares in such manner as may for the time being provided by the regulations of the Company.”

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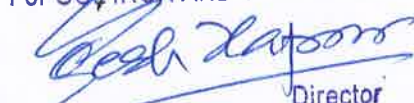

Director

18.4. Further, the words and figures in Clause V of the Memorandum of Association of the Resulting Company shall stand modified and be substituted to read as follows:

V The authorized share capital of the Company is Rs. 31,05,00,000/- (Rupees Thirty One Crores and Five Lacs Only) consisting of 17,05,00,000 (Seventeen Crores and Five Lacs) Equity Shares of Re. 1/- (Rupee One) each and 14,00,00,000 (Fourteen Crores) preference shares of Rs. 10/- (Rupees Ten) each with such rights, privileges and conditions attached thereto as may be determined by the Company in general meeting at the time of issue. The Company has and shall always have power to divide the share capital, for the time being, into several classes and to increase or reduce its capital from time to time and to vary, modify or abrogate any rights, privileges or conditions attached to any class of shares in such manner as may for the time being provided by the regulations of the Company."

18.5. It is expressly clarified that the filing fee and stamp duty already paid by the Demerged Company on its Authorized Share Capital, which is being transferred to the Resulting Company in terms of Clause 18.1 above, shall be deemed to have been paid by the Resulting Company and accordingly, the Resulting Company shall not be required to pay any fee / stamp duty on the Authorized Share Capital so increased. However, the Resulting Company and the Demerged Company shall file the amended copy of its Memorandum of Association with the concerned Registrar of Companies (the "RoC") within 30 days from the Effective Date and the ROC shall take the same on record.

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18.6. It is hereby clarified that for the purposes of clause 18 of this Scheme, the consent of the shareholders of the Demerged Company and the Resulting Company to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and that no further resolution under any applicable provisions of the Act, would be required to be separately passed.

19. COSTS, CHARGES AND EXPENSES

19.1. All costs, charges, taxes including duties, levies and other expenses, if any (*save as expressly otherwise agreed*) arising out of, in connection to or in relation to or incurred in carrying out and implementing this Scheme and to put it into operation shall be borne and paid by the Resulting Company. It is expressly clarified that wherever the chargeability of duties, taxes etc are dependent upon the order of the High Court, being instrument in nature of conveyance, then in that case, the order of the Rajasthan High Court shall be considered as the principal instrument, being finally executed, for the purposes of payments of duties, fees, cess, taxes etc., if any, and that the Resulting Company shall be liable to pay all such duties, fees, cess, taxes etc., if any, in this regard.

20. DIFFERENCES

20.1. In case any doubt or difference or issue (*in relation to the Scheme*) arises between the Demerged Company and the Resulting Company, any of their shareholders, creditors, employees or persons, entitled to or claiming any right to any New Equity Shares in the Resulting

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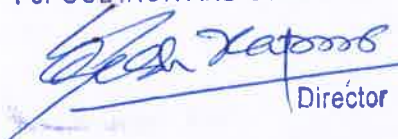
Company or as to the interpretation of any term of this Scheme or implementation of this Scheme, after the Scheme becomes effective, then the Board of the Resulting Company shall resolve all such disputes and its decision shall be final and binding on all concerned.

Schedule-I

Details of Assets of Demerged Undertaking as at March 31, 2015	
Assets	Amount (in Rs)
Non-current Assets	
Tangible Assets	5,20,43,65,322.19
Capital work-in-progress	1,98,49,23,920.41
Non-current investments	5,00,000.00
Long-term Loans and advances	4,11,44,566.00
Current Assets	
Inventories	21,12,48,751.87
Trade receivables	25,78,84,008.98
Cash and cash equivalents	6,52,79,710.34
Short-term Loans and advances	2,208,55,527.96
Other current assets	0.00
Total	7,98,62,01,807.76

Details of Liabilities of Demerged as at March 31, 2015	
Liabilities	Amount (in Rs.)
Non- Current liabilities	
Long-term Borrowings	4,85,50,84,800.00
Deferred Tax Liabilities (net)	27,61,86,924.07

For OCL IRON AND STEEL LTD.


 Director

Long-term Provisions	19,39,260.00
Current Liabilities	
Short-term Borrowings	50,95,411.00
Trade Payables	6,25,03,877.21
Other Current Liabilities	1,05,12,06,539.34
Short-term Provisions	38,355.00
Sub-total	6,25,20,55,166.62
Share Premium Amount (pertaining to the preference share capital to be issued by the Resulting Company and corresponding reduction of the same in the Demerged Company)	102,60,00,000.00
Proportionate amount of the Preference Share Capital Redemption Reserve	4,56,00,000.00
Surplus amount of the profit and loss account	41,44,03,481.14

For OCL IRON AND STEEL LTD.


Director