

MEMORANDUM AND ARTICLE OF ASSOCIATION

Morganite Crucible (India) Limited

Registered Office: B-11, Waluj, MIDC, Aurangabad – 431 136, Maharashtra



प्रारूप० आई० आर०
Form I. R.

निगमन का प्रमाण-पत्र

CERTIFICATE OF INCORPORATION

ता०.....का सं०.....
No. 38607.....of 19 86.....

मैं एतद्वारा प्रमाणित करता हूँ कि आज.....

कम्पनी अधिनियम 1956 (1956 का 1) के अधीन निगमित की गई है और यह
कम्पनी परिसीमित है।

I hereby certify that GREAVES MORGANITE CRUCIBLE
LIMITED

is this day incorporated under the Companies Act, 1956 (No. 1 of 1956)
and that the Company is limited.

मेरे हस्ताक्षर से आज ता०..... को दिया गया।

Given under my hand at BOMBAY this THIRTEENTH
day of JANUARY One thousand nine hundred and EIGHTYSIX.

(V. GOVINDAN)

कम्पनियों का रजिस्ट्रार
Registrar of Companies



No. 38607



सत्यमेव जयते

कारबार प्रारम्भ करने के लिए प्रमाण-पत्र
Certificate for Commencement of Business

कम्पनी अधिनियम, 1956 की धारा 149 (3) के अनुसरण में
Pursuant of Section 149 (3) of the Companies Act, 1956

मैं एतद्वारा प्रमाणित करता हूँ कि.....

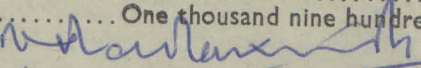
जो कम्पनी अधिनियम, 1956 के अधीन तारीख..... को निगमित की गई थी और जिसने आज विहित प्ररूप में सम्यक् रूप से सत्यापित घोषणा फाइल कर दी है कि उक्त अधिनियम की धारा 149(1) (क) से लेकर (घ) तक/149(2) (क) से लेकर (ग) तक की शर्तों का अनुपालन किया गया है, कारबार प्रारंभ करने की हकदार है।

I hereby certify that the **GREAVES MORGANITE CRUCIBLE LIMITED**

which was incorporated under the Companies Act, 1956, on the **THIRTEENTH** day of **JANUARY** 19**86**, and which has this day filed a duly verified declaration in this prescribed form that the conditions of section ~~149(1)(a) to (c)~~ 149(2)(a) to (c) of the said Act, have been complied with is entitled to commence business.

मेरे हस्ताक्षर से यह तारीख..... को
में दिया गया।

Given under my hand at **BOMBAY**
this **TWENTYFIRST** day of **MAY** 19**86** One thousand nine hundred and **EIGHTY SIX**.


(**V. RADHAKRISHNAN**)
कम्पनियों का रजिस्ट्रार
ADDL. Registrar of Companies
MAHARASHTRA



ले० एस० सी०-10
S. C.-10

MGPTCS-470-19 Genl. Adm. 75-76—GIPTC—(C-423)—25-2-76—4,000.

GOVERNMENT OF INDIA

MINISTRY OF COMPANY AFFAIRS

Maharashtra, Mumbai

Everest , 100, Marine Drive, Mumbai - 400002, Maharashtra, INDIA

Corporate Identity Number : L26920MH1986PLC038607

Fresh Certificate of Incorporation Consequent upon Change of Name

In the matter of M/s GREAVES MORGANITE CRUCIBLE LTD

I hereby certify that GREAVES MORGANITE CRUCIBLE LTD which was originally incorporated on THIRTEENTH day of January NINETEEN EIGHTY SIX under the Companies Act, 1956 (No. 1 of 1956) as GREAVES MORGANITE CRUCIBLE LTD having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E) dated 24/06/1985 vide SRN A01314301 dated 23/06/2006 the name of the said company is this day changed to MORGANITE CRUCIBLE (INDIA) LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Mumbai this TWENTY THIRD day of JUNE TWO THOUSAND SIX.

(V.A. VIJAYAN MENON)

Registrar of Companies
Maharashtra, Mumbai



प्रमाणित उद्धरण TRUE EXTRACT
18/6/07
अतिरिक्त/सहायक कंपनी रजिस्ट्रार
Addl./Asstt. Registrar of Companies
महाराष्ट्र, बम्बई
Maharashtra, Bombay

MEMORANDUM OF ASSOCIATION
OF
MORGANITE CRUCIBLE (INDIA) LIMITED

- I. The name of the Company is **MORGANITE CRUCIBLE (INDIA) LIMITED**
- II. The Registered Office of the Company will be situated in the State of Maharashtra.
- III. Objects for which the Company is established are
 - *(A) THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:-
 1. To manufacture, sell, construct, fabricate, assemble, purchase, hire, let on hire, alter, repair, service, import, export and deal in all sizes and types of foundry crucibles, refractories and allied equipment's and their accessories.
 - *(B) THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS ARE:-
 2. To design, construct, re-construct, build, destroy & rebuild, modernise, renovate, extend, alter, modify, repair foundries and furnaces of all kinds including blast furnace, cold, blast furnace and hot blast furnace, open hearth furnace, crucible furnace and any other related constructions or structures.
 3. To prepare, melt, mix and process any alloys, metals and preparations in foundries, furnaces and hearths.
 4. To manufacture, make, buy, sell, import, export and deal in chemicals and elements required for the manufacture of foundry crucibles and refractories.
 5. To buy, sell, import, export, transport, store, deal in, procure, prepare, mix, process or otherwise treat silicon carbide, ferrosilicon, tars, pitches, synthetic resins, clay, sand, graphite materials, coke, coal, coat-dust, clay, china clay, fire clay, sand, green sand, dry sand, cement sand, fire bricks, carbon, carbide, graphite, silica, oxygen and wax and any other material that may be utilised in the manufacture and fabrication of crucibles, refractories, furnaces and foundries in furtherance of and in relation to the main objects of the Company.

* Amended *vide* Special Resolution passed at the Annual General Meeting of Members held on August 10, 2016

6. To dismantle, break, put to pieces, to crush and to deal with the articles produced to be used in foundries, furnaces and castings.
7. To manufacture, make, remake, alter, repair, model, remodel, castings of all sizes, shapes and kind made in metallic or non-metallic moulds using such material as metal, wood, clay, sand, silica gel and any other material.
8. To carry on the business of metal founders, mechanical engineers, and manufacturers of agricultural implements and other machinery, tool makers, brass founders, metal workers, boiler makers, mill wrights, machinists, iron and steel converters, smiths, wood workers, builders, painters, metallurgists, water supply engineers, gas makers, and merchants and to buy, sell, manufacture, convert, alter, let on hire and deal in machinery, elements and rolling stock.
9. To provide all kinds of liaison, co-ordination, consultation, evaluation and / or expediting services for liaison between clients and/or by person, firm, company, authority, institution, association, organisation, public undertaking and/or government or quasi-government authority. In India or abroad as required for the formation, incorporation, registration, promotion, establishment, conduct, maintenance and continuance of the business.
10. To enter into negotiations and conclude contracts with consultancy organisations, professional associations, research organisations, academic institutions, manufacturers, equipment suppliers, contractors, experts and specialists in any country in the world. For the purchase and / or use by the Company for itself or on behalf of the Company's clients, of technical know-how, technical aid, specialist design and engineering services, management services, accounting and legal services as may in the Company's opinion be beneficial to service its clients and / or to the development and improvement of know- how and industry in India or in any other country.
11. To establish, maintain, provide and conduct or otherwise subsidies, research laboratories or experimental workshops, libraries, exhibitions, seminars for scientific and technical research and experiments, for exchange and enhancement of scientific, technical and management knowledge.
12. To conduct any scientific, chemical, engineering or other investigation, research or experiment with a view to inventing, improving or perfecting any process which may seem capable of being used commercially.

13. To make surveys, reports, designs, estimates, evaluations, economic studies, market studies, drawings, charts, graphs and to furnish all other related services either to enable estimation of the technical feasibility and economic viability of a project or for implementing a project.
14. To design, engineer, procure, inspect, test and/or to supervise and/or to assist and/or to undertake construction, fabrication, erection, trial runs and commissioning of any work, assignment and/or project involving any or all of the architectural, civil, structural, electrical, mechanical, chemical, metallurgical, agricultural, mining, environmental, nuclear, electronics, communication or any other branch of engineering.
15. To acquire, collect, formulate and prepare technical details, specifications, drawings, plans, blue prints for designing systems, fabrication, assembly or manufacture of any machinery, plant, equipment, components, parts, accessories, sub-assemblies or integrated systems.
16. To survey, demolish, level, grade, upgrade, remodel, fabricate, repair, construct and/or landscape buildings, industrial sheds, roads, fencing, wells, towers, chimneys, bridges, culverts, tracks, storage tanks, foundations and other civil construction works.
17. To purchase, transport, receive, store and use equipment and materials for construction and related activities aimed at commissioning the project.
18. To fabricate, straighten, bend, cut, punch, drill, weld or otherwise join and assemble all structural components, sheet metal panels and vessels, material handling plants and process equipment.
19. To inspect, check, test, verify, take trial runs, rectify, re-arrange, reconnect, reassemble, commission and hand over the installation in part or in whole.
20. To enter into working arrangements with persons, firms, companies or any organisation in India or in any country of the world which in the Company's opinion will directly or indirectly enhance the value of or render profitable any of the company's rights or properties.
21. To recruit, train, employ, hire or contract such personnel as may be necessary.
22. To receive consideration, commission and or compensation for making available such services.

23. To acquire by lease, exchange, purchase, hire or otherwise land and premises either vacant or comprising buildings and factory houses in existence and considered suitable for use thereof by the Company to carry out its object as expressed herein or to set up, build, construct and erect buildings, factory or factories on such land and premises and to equip the same with necessary machinery, plants, appliances and apparatus.
24. To acquire and take over the whole or any part of the business, goodwill, trademarks, etc. and the property and liabilities of any person or persons, firm or corporation or any industrial undertaking either existing or new and engaged in carrying on and conducting any business which the Company is authorised to carry on.
25. To acquire from time to time and to manufacture and deal in all such stock-in trade, goods, chattels and effects as may be necessary or convenient for business or undertaking for the time being carried on or engaged in by the Company.
26. To purchase, take on lease or in exchange or otherwise acquire any moveable or immoveable property including plant and machinery, buildings and transport vehicles, patents, licenses, secret formulae, rights or privileges which the Company may think necessary or convenient for the purpose of its business and to construct, maintain and alter any buildings or works necessary or convenient for the purpose of the Company.
27. To borrow or raise or secure the payment of money for the purpose of the Company's business in such manner and on such terms and with such rights, powers and privileges as the Company shall think fit and in particular by the issue of or upon guarantee, bonds, debentures, bills of exchange, deposit notes, promissory notes or other obligations or securities of the Company and with a view thereto to mortgage and charge the under - taking and all or any of the immoveable and moveable property, present or future, and all or any of the uncalled capital for the time being of the Company, and to purchase, redeem or pay off any such securities subject to the provisions of Section 58A and directives of Reserve Bank of India.
28. To draw, make, accept, endorse, discount, execute and/or issue Promissory Notes, Bills of Exchange, Hundies, Bills of Lading, Warrants, Debentures, bank - guarantees, import licenses, letters of credit and other Negotiable or transferable instruments.

29. To enter into any partnership or arrangement in the nature of partnership or other arrangement of a like nature with any person or persons, corporation or industrial undertaking engaged or interested in or about to become engaged or interested in the carrying on and conduct of any business or enterprise which the Company is authorized to carry on or conduct or from which the Company would or might derive any benefit whether direct or indirect.
30. To sell or dispose of the undertaking of the Company or any part here of in such manner and for such consideration as the Company may think fit and in particular for shares fully or partly paid up, debenture, debenture stock or security of any other company and improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the Company.
31. To act as Agents for the Government or any local Authority or for any other person or persons and to carry on the business of agency of any description consistent, however, with the objects as expressed herein.
32. To promote, organise or float any public or private company or companies for the carrying on of any of the aforesaid objects or any object incidental or ancillary to the business or undertaking of the Company.
33. To invest and deal with the monies and funds belonging or entrusted to the Company not immediately required in such investments and in such manner as may from time to time be determined and in particular to accumulate funds or to acquire or take up by subscription, purchase or otherwise shares or stock in or the security of any company, association or undertaking and to vary such investment and transactions and to lend monies to such persons and on such terms and with or without security as may seem expedient and particularly to clients and others having dealings with the Company as may be expedient and to guarantee the performance of contract of any such persons provided that the Company shall not carry on the business of banking as defined by the Banking Regulation Act, 1949.
34. To amalgamate or get amalgamated, wholly with any company incorporated under the law relating to the incorporation and administration of companies in India on the basis of such scheme of amalgamation as may be considered fit and expedient.
35. 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 of interest, by publication of books and periodicals and by granting prizes, rewards and donation.

36. To remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing any of the shares or debenture capital or other securities of the Company or in or about the formation or promotion of the Company or the conduct of its business, and to pay the preliminary expenses of the Company.
37. To distribute any of the Company's property among the members in specie as permissible under the Companies Act in the event of winding up.
38. To do the things in any part of the world and either as principal, agent, trustee or otherwise whether alone or in conjunction with others and by or through agents, sub-directors, trustees or otherwise.
39. To provide for the welfare of employees or ex-employees of the Company and the wives and families or the dependents or connections of such persons by building or contributing to the building of houses, dwelling or chawls, or by grants of money, pensions, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards, places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Company shall think fit and to subscribe or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality or operation of public and general utility or otherwise.
40. To aid pecuniary 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.
41. To subscribe or guarantee money for any national, charitable, benevolent, public, object or fund or for any exhibition or for any purpose which in the opinion of the Board of Directors may be likely directly or indirectly to further the objects of the Company or the interest of its members.
42. To pay for any business, properties, rights or privileges acquired by the Company either in shares of the Company or partly in shares and partly in cash or otherwise.

43. To pay all expenses of and incidental to the formation and registration of the Company, and the issue of its capital, including any underwriting or other commission, broker's fees and charges in connection therewith.
44. To undertake, carry out, promote and sponsor rural development including any programme for promoting the social and economic welfare of, or the uplift of the public in any rural area and to incur any expenditure on any programme of rural development and to assist execution and promotion thereof either directly or through any agency or in any other manner. Without prejudice to the generality of the foregoing, "programme of rural development" shall also include any program me for promoting the social and economic welfare of or the uplift of the public in any rural area to promote and assist rural development, and the words "rural area" shall include such areas as may be regarded as rural areas under Section 35 CC of the Income-tax Act, 1961, or any other law relating to rural development for the time being in force or as may be regarded by the Directors as rural areas and in order to implement any of the above mentioned objects or purposes, transfer and/or divest without consideration or at such fair or concessional value the ownership of any property of the Company to or in favour of any public or local body or authority or Central or State Government or any public institutions or trusts engaged in the programs of rural development.
45. To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of national economy and for discharging the social and moral responsibilities of the Company to the public or any section of the public as also any activity likely to promote national welfare or social, economic or moral uplift of the public or any section of the public and in such manner and by any means without prejudice to the generality of the foregoing, undertake, carry out, promote and sponsor any activity for publication of any books, literature, newspapers etc. or for organising lectures or seminars likely to advance these objects or for giving merit awards, for giving scholarships, loans or any other assistance to deserving students or other scholars or persons to enable them to prosecute their studies or academic pursuits or researches and for establishing, conducting or assisting any institution fund, trust, etc. having any one of the aforesaid objects as one of its objects by giving donations or otherwise in any other manner in order to implement any of the above mentioned objects or purposes, transfer and/or divest without consideration or at such fair or concessional value the ownership of any property of the Company to or in favour of any public or local body or authority or Central or State Government or any public institutions, or trusts established or operating under by virtue of, or pursuant to any law for the time being in force.

- * (IV) The liability of the members is limited and this liability is limited to the amount unpaid, if any, on shares held by them.

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- (V) The Authorized Capital of the Company is Rs. 5,45,00,000 (Rupees Five Crores Forty Five Lakhs Only) divided into 1,09,00,000 (One Crore Nine Lakhs) Equity Shares of Rs. 5/- each capable of being increased in accordance with the Company's regulations and the legislative provisions for the time being in force in that behalf. The shares in the capital of the Company for the time being whether original or increased, may be divided into several classes, with any preferential, qualified or other special rights, privileges, conditions or restrictions attached thereto whether in regard to dividend, voting, return of the capital or otherwise. The Company shall have power to issue redeemable preference shares and cumulative convertible preference shares. The rights of the holders of any class of shares, for the time being forming part of the capital of the Company, may be modified, affected, varied, extended or surrendered either with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of a Special Resolution passed at a separate meeting of the holders of those shares.
- (VI) We, the several persons, whose names and addresses are subscribed, are 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 against our respective names : -

* Amended *vide* Special Resolution passed at the Annual General Meeting of Members held on August 10, 2016

** Amended *vide* Order dated February 22, 2018 of National Company Law Tribunal, Mumbai Bench in the matter of approval of Scheme of Amalgamation between Morganite Crucible (India) Limited and Diamond Crucible Company Limited.

*** Amended *vide* Ordinary Resolution passed at the Annual General Meeting of Members held on August 06, 2020.

Names, addresses, descriptions and occupations of subscribers	No. of shares taken by each subscribers	Signatures of subscribers	Signature, names, addresses, descriptions and occupations of witnesses
1. Govind Mathrani E/8, Sea Face Park, Bhulbai Desai Road, Mumbai – 400 026 s/o Harbhagwandas P Mathrani Business Executive	10 (Ten) Equity Shares	Sd/-	<p>Neema Nimish Thakore 71, Pushpak Apartments, 31, Altamount Road, Bombay – 400 026</p> <p>W/o Nimish Bhishma Thakore</p> <p>Service</p> <p>Sd/-</p>
2. Mervan Nowroji Kapadia Patropolis Colaba Road Bombay – 400 005 S/o Dr Nowroji Bejonji Kapadia Business Executive	10 (Ten) Equity Shares	Sd/-	
3. David Anthony Mascarenhas 71, Jupiter Apartments, 41, Cuffe Parade, Bombay – 400 005 S/o William Xavier Mascarenhas Engineer	10 (Ten) Equity Shares	Sd/-	
4. Inder Kumar Malhotra “Coolshanagh” N.Gamadia Road Bombay – 400 026 S/o Shri Basheshar Das Company Executive	10 (Ten) Equity Shares	Sd/-	
5. Samudram Venkatasubbaiya Mani 4-C, Somerset Place, 61-D, Warden Road, Bombay – 400 026 S/o Samudram Venkatasubbaiya Business Executive	10 (Ten) Equity Shares	Sd/-	
6. Shiva Nath Puri 52A, Twin Towers, Off. Veer Savarkar Marg, Prabhadevi, Bombay – 400 026 S/o Shri Radhey Sham Puri Company Executive	10 (Ten) Equity Shares	Sd/-	
7. Shekhar Datta 2A, Doiphin, Pilot Bunder Road, Colaba Bombay – 400 005 S/o Dr. Late Surendra Kumar Datta Company Executive	10 (Ten) Equity Shares	Sd/-	
Total Shares Taken	70 (Seventy)		

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH

CSP NO. 1081 OF 2017

IN

CSA NO. 861 OF 2017

Morganite Crucible (India) Limited

.....First Petitioner Company /Transferee Company

AND

Diamond Crucible Company Limited

.....Second Petitioner Company/Transferor Company

In the matter of Companies Act, 2013
under Section 230 - 232 of the Companies Act,
2013;

AND

In the matter of Scheme of Amalgamation
between Morganite Crucible (India) Limited
having CIN L26920MH1986PLC038607 ('MCIL' or
'Transferee Company') and Diamond Crucible
Company Limited having CIN
U27100MH1981PLC269185 ('DCCL' or
'Transferor Company') and their respective
Shareholders and Creditors ('the Scheme')

Judgment/Order delivered on 22ND February, 2018

Coram:

Hon'ble **B. S.V. Prakash Kumar**, Member (J)

Hon'ble **V. Nallasenapathy**, Member (T)

For the Petitioner(s): Mr. Hemant Sethi I/b Hemant Sethi & Co
Mr. S Ramakantha, Joint Director in the office of
Regional Director

Mr. Parvez Naikwadi Assistant Registrar of
Companies, Mumbai

Mr. Santosh Dalvi, Assistant in office of Official
Liquidator

Per: **V. Nallasenapathy**, Member (T)



ORDER

1. Heard the learned counsel for the Petitioner Companies. No objector has come before the Tribunal to oppose the Petitions and nor any party has controverted any averments made in the Petitions.
2. The sanction of the Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013, to the Scheme of Amalgamation between Morganite Crucible (India) Limited having CIN L26920MH1986PLC038607 ('MCIL' or 'Transferee Company') and Diamond Crucible Company Limited having CIN U27100MH1981PLC269185 ('DCCL' or 'Transferor Company') and their respective Shareholders and Creditors ('the Scheme').
3. The Counsel for the Petitioner Companies submits that the Transferee Company is engaged in the manufacturing and selling of silicon carbide and clay graphite crucibles and its accessories. The Transferor Company, a wholly owned subsidiary of the Transferee Company is engaged in the business of manufacturing and selling of clay graphite crucibles and its accessories.
4. The Counsel for the Petitioner Companies submits that below is the rationale for the proposed Scheme of Arrangement:

The Transferor Company is wholly owned subsidiary of the Transferee Company. Both Transferor and Transferee Company are engaged in the same line of business and share common corporate values and culture. With a view to maintain simple corporate structure and eliminate duplicate corporate procedures, it is desirable to integrate and consolidate the Transferor Company with Transferee Company. The merger of Transferor Company with Transferee Company shall result in:



- i. Economies of scales, reduction in overheads including administrative, managerial and other expenditure, operational rationalization, organizational efficiency, and optimal utilization of resources
 - ii. Significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by both the Transferor Company and the Transferee Company
 - iii. Achieving business and administrative synergies for the Morganite Group; and
 - iv. Pooling of managerial, technical and financial resources of the Transferee Company, the Transferor Company leading to increased competitive strength, cost reduction, and efficiencies, productivity gains and logistic advantages to the business operations, optimising the working capital usage, which is very critical for the operations considering circumstances for availing working capital credit.
5. The Counsel for the Petitioner Companies submits that the Board of Directors of the Transferor Companies and the Transferee Company have approved the said Scheme of Amalgamation by passing Board Resolutions which are annexed to the Company Scheme Petition.
6. The Counsel appearing on behalf of the Petitioner Companies further states that the Petitioner Companies have complied with all the directions passed in Company Scheme Application No. 861 of 2017 of the Petitioner Companies, by the National Company Law Tribunal (NCLT/Tribunal), Mumbai bench and that the Company Scheme Petition No. 1081 of the Petitioner Companies has been filed in consonance with the orders passed in abovementioned Company Scheme Application.
7. By order dated 21 December 2017 passed by the National Company Law Tribunal (NCLT/Tribunal), Mumbai bench filed by the Petitioner



Companies was admitted and fixed for final hearing on 24 January 2018.

8. The Counsel appearing on behalf of the Petitioner Companies further states that the Petitioner Companies have complied with all requirements as per directions of the Tribunal and they have filed necessary affidavits of compliance in the Tribunal. Moreover, the Petitioner Companies through their Counsel undertakes to comply with all statutory requirements if any, as required under the Companies Act, 1956 / 2013 and the Rules made there under whichever is applicable. The said undertakings given by the Petitioner Companies are accepted.

9. The Regional Director has filed a Report dated 8th December 2017 stating therein, save and except as stated in paragraph IV (a) to (e), it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph IV, of the said Report it is stated that:

a) In addition to compliance of **AS-14 (IND AS-103)** the Transferee Company shall pass such accounting entries which are necessary in connection with the Scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS-8) etc;

b) As per **PART- I Definitions Clause 1.3 of the Scheme.**
"Appointed Date" For the purpose of this scheme and for Income Tax Act, 1961, the **"Appointed Date"** means **1st October 2017**, or such other date as may be approved by the National Company Tribunal, Mumbai bench. In this regard, it is submitted in terms of provisions of section 232(6) of the Companies Act, 2013 it should be **1st October 2017**;

As per existing practice, the Petitioner Companies are required to serve Notice for Scheme of Amalgamation/ Arrangement to the Income tax Department for their comments. It appears that the Company vide letter dated 25.09.2017 has served a copy of company petition No. 1081/2017 along with relevant orders



- d) The tax implication if any arising out of the scheme is subject to final decision of the Income Tax Authorities. The approval of the scheme by this Hon'ble Tribunal may not deter the Income Tax Authority to scrutinize the tax return filed by the Transferee Company after giving effect to this Scheme. The decision of the Income Tax Authority is binding on the petitioner company;
- e) As regards Part - II Clause 10 of the Scheme (Combination of Authorised Capital), and fee payable by the Transferee Company shall be in accordance with the provisions of Section 232(3)(i) of the Companies Act, 2013.

Under these circumstances the Regional Director, prays this Hon'ble Tribunal may kindly be pleased to:

- (a) Take this report on record;
- (b) Consider the observations made at Sr. No. IV (a) to (e) mentioned above
- And
- (c) Pass such other order or orders as deemed fit and proper in facts and circumstances of the case.

The Registrar of Companies Mumbai has filed his report stating that no complaint, no prosecution, no scrutiny pending against the companies under reference.

10. As far as the observations made in paragraph IV (a) of the Report of Regional Director is concerned, the Petitioner Companies undertakes that in addition to compliance with Indian Accounting Standard 103 - "Business Combinations", the Transferee Company shall pass such accounting entries as may be necessary in connection with the Scheme of Amalgamation to comply with any other applicable accounting standards including Indian Accounting Standard 8.

As far as the observations made in paragraph IV (b) of the Report of Regional Director is concerned, the Petitioner Companies



undertakes to submit that the Appointed Date shall be 1st October 2017.

12. In so far as observations made in paragraph IV (c) & IV (d) of the Report of Regional Director are concerned, the Petitioner Companies through their Counsel submits that the Petitioner Companies undertake to comply with all applicable provisions of the Income Tax Act, 1961 and all tax issues arising out of the Scheme will be met and answered in accordance with law.
13. In so far as observations made in paragraph IV (e) of the Report of Regional Director are concerned, the Petitioner Companies submits that the fee payable by the Transferee Company shall be in accordance with the provisions of Section 232(3)(i) of the Companies Act, 2013.
14. The observations made by the Regional Director have been explained by the Petitioner Companies in paragraph 10 to 13 above. The clarifications and undertakings given by the Petitioner Companies are hereby accepted.
15. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
16. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No 1081 of 2017 filed by the Petitioner Companies has been made absolute in terms of prayer clause (a) to (c) of the Petition.
17. Petitioner Companies are directed to file a copy of this order along with a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically, along with E-Form INC-28, in addition to the physical copy within 30 days from the date of issuance of the order by the Registry.



18. The Petitioner Company to lodge a copy of this order and the Scheme duly certified by the Deputy Director, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of receipt of the order.
19. The Petitioner Companies to pay costs of 25,000 each to the Regional Director, Western Region, Mumbai and to Official Liquidator.
20. Costs to be paid within four weeks from the date of receipt of the order.
21. All authorities concerned to act on a certified copy of this order along with Scheme duly certified by the Deputy Director, National Company Law Tribunal, Mumbai Bench.
22. Any person interested shall be at liberty to apply to the Tribunal in the above matter for any direction that may be necessary.

sd/-

sd/-

V. Nallasenapathy, Member (T) B.S.V. Prakash Kumar, Member (J)

22.2.2018

Certified True Copy

Date of Application 27/2/2018

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Deputy Director

National Company Law Tribunal, Mumbai Bench

SCHEME OF AMALGAMATION

BETWEEN

DIAMOND CRUCIBLE COMPANY LIMITED
(CIN: U27100MH1981PLC269185)
(Transferor Company)

AND

MORGANITE CRUCIBLE (INDIA) LIMITED
(CIN: L26920MH1986PLC038607)
(Transferee Company)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
(Under section 230 to 232 of the Companies Act, 2013)

PREAMBLE

- (A) Diamond Crucible Company Limited ('DCCL' or 'The Transferor Company'), having CIN: U27100MH1981PLC269185, a public limited company, having its registered office at B-11, MIDC Waluj, Aurangabad, Maharashtra – 431136. The Company is engaged in the business of manufacturing and selling of clay graphite crucibles and its accessories.
- (B) Morganite Crucible (India) Limited ('MCIL' or 'The Transferee Company') having CIN: L26920MH1986PLC038607, a public limited company, having its registered office at B-11, MIDC Waluj, Aurangabad, Maharashtra – 431136. The Company is engaged in the business of manufacturing and selling of silicon carbide and clay graphite crucibles and its accessories. The Transferee Company is currently listed on BSE Limited with Scrip Code: 523160.
- (C) The Transferor Company is wholly owned subsidiary of the Transferee Company.

1. Rationale & Purpose for the Scheme of Amalgamation

- 1.1. The Transferor Company is wholly owned subsidiary of the Transferee Company. Both Transferor and Transferee Company are engaged in the same line of business and share common corporate values and culture. With a view to maintain simple corporate structure and eliminate duplicate corporate procedures, it is desirable to integrate and consolidate the Transferor Company with Transferee Company. The merger of Transferor Company with Transferee Company shall result in –



- a) Economies of scales, reduction in overheads including administrative, managerial and other expenditure, operational rationalization, organizational efficiency, and optimal utilization of resources
- b) Significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by both the Transferor Company and the Transferee Company
- c) Achieving business and administrative synergies for the Morganite Group; and
- d) Pooling of managerial, technical and financial resources of the Transferee Company, the Transferor Company leading to increased competitive strength, cost reduction, and efficiencies, productivity gains and logistic advantages to the business operations, optimising the working capital usage, which is very critical for the operations considering circumstances for availing working capital credit.

Parts of the Scheme of Amalgamation

This Scheme of Amalgamation is divided into the following parts:-

Part I: Definitions of the terms used in this Scheme of Amalgamation

Part II: Dealing with the amalgamation of the Transferor Company with the Transferee Company

Part III: Consideration for Amalgamation and Accounting Treatment.

Part IV: General Terms and Conditions.



PART – I

1. DEFINITIONS OF THE TERMS USED IN THIS SCHEME OF AMALGAMATION

In this Scheme (as defined hereinafter), unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned herein below:

- 1.1 **“Act” or “The Act”** "means the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions, for time being in force, if any. As on the date of approval of this Scheme by the respective Board of Directors of the Transferor Company and the Transferee Company, Sections 230-232 of the Companies Act, 2013 are in force. References in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 2013 unless stated otherwise.
- 1.2 **“Amalgamation”** means the Amalgamation of the Transferor Company with the Transferee Company, pursuant to sections 230 to 232 and other relevant provisions of the Act as contemplated in the Scheme.
- 1.3 **“Appointed Date** For the purpose of this Scheme and for Income Tax Act, 1961, the "Appointed Date" means 1st October 2017, or such other date as may be approved by the National Company Law Tribunal, Mumbai Bench.
- 1.4 **“Board of Directors” or “Board”** means the board of directors of the Transferor Company or Transferee Company, as the case may be, and shall include a duly constituted committee thereof.
- 1.5 **“DCCL” or “the Transferor Company”** means Diamond Crucible Company Limited, a company incorporated under the Act, having Corporate Identification Number U27100MH1981PLC269185 and having its registered office at B-11, MIDC Waluj, Aurangabad, Maharashtra – 431136. The Company is engaged in the business of manufacturing and selling of clay graphite crucibles and its accessories.
- 1.6 **“Effective Date”** means the date on which the authenticated copies or certified copies of the Orders of NCLT under Section 230-232 of the Act sanctioning the scheme is received by the Transferor Company and Transferee Company. Whereas for the purpose of their Scheme being effective, appointed date shall be relevant date in compliance with section 230 (6) of the Act; this effective date shall be the date relevant for giving effect to the vesting of undertaking of the Transferor Company, employee contracts, business contracts and other aspects of the merger which in general parlance cannot be given retro-actively without the Tribunal's Order to this effect. It is further clarified that the merger shall be effective only with respect to the Appointed Date;



- 1.7 **"NCLT"** means the National Company Law Tribunal at Mumbai, Maharashtra.
- 1.8 **"MCIL" or "the Transferee Company"** means Morganite Crucible (India) Limited, a company incorporated under the Act, having Corporate Identification Number L26920MH1986PLC038607 and having its registered office at B-11, MIDC Waluj, Aurangabad, Maharashtra – 431136. The Company is engaged in the business of manufacturing and selling of silicon carbide and clay graphite crucibles and its accessories. The Transferee Company is currently listed on BSE Limited with Scrip Code: 523160.
- 1.9 **"Scheme of Amalgamation" or "this Scheme" or "the Scheme"** means this Scheme of amalgamation of DCCL with MCIL in its present form with any amendment/modifications approved or imposed or directed by the shareholders or creditors and/or by the NCLT, Mumbai bench and accepted by the board of directors.
- 1.10 **"Undertaking of the transferor company"** means entire business (including rights in business assets), activities and operations of Transferor Company on a going concern basis, and shall include, without limitation:
- a) all assets and properties of the Transferor Company, whether leasehold or freehold, movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature, including buildings, plant and machinery, offices, security deposits, right to use intellectual property, capital work-in-progress, stock, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), cash and bank accounts (including bank balances), benefit of any deposits, financial assets, investments, benefit of any bank guarantees, performance guarantees and letters of credit in relation to the Undertaking, vehicles, generator sets, godowns, furniture, fixtures, office equipment's, computers, appliances, accessories, power and telephone lines, water pipelines, other infrastructure services, common areas, rights of usage and enjoyment, share of any jointly held assets, and other facilities;
 - b) all licenses, no objections, consents, permits, approvals, quotas, rights, entitlements, letters of intent, expressions of interest, patents, copyrights, records, designs, and all other intellectual property rights in the aforesaid, municipal permissions, approvals, consents, subsidies, privileges, all other rights including tax deferrals and exemptions and other benefits, lease rights, receivables, and liabilities related thereto, and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company;
 - c) all earnest moneys and/or security deposits paid by the Transferor Company;



- d) all books, records, files, papers, engineering and process information, computer programmes, software licenses (whether proprietary or otherwise), drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form of the Transferor Company;
- e) all rights, privileges, benefits and obligations of the holders of securities in the Transferor Company;
- f) all debts, borrowings, obligations and liabilities, both present and future, whether secured or unsecured, whether provided for or not in the books of account or disclosed in the balance sheet of the Transferor Company;
- g) all investments of the Transferor Company and rights, privileges and obligations attaching to such investments;
- h) all staff, workmen and employees of the Transferor Company engaged in or in relation to the business of the Transferor Company at respective sites, branches and other offices and all provisions and benefits made in relation to such employees including but not limited to provident funds, registrations and reserves; and
- i) all taxes including (but not limited to) Minimum Alternate Tax ("MAT") paid under Section 115JAA/ 115JB of the Income Act, duties, cess of whatsoever nature refundable / receivable to the Transferor Company from any statutory / governmental authority.

1.11 "SEBI" means the Securities and Exchange Board of India

1.12 "Stock Exchange" means the Bombay Stock Exchange Limited ('BSE') on which the equity shares of MCIL are listed and traded.

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, as the case may be or any statutory modification or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT shall be effective from the Appointed Date but shall be operative from the Effective Date.



3. SHARE CAPITAL

- 3.1 Share Capital of the Transferee and Transferor Company as on 31st March, 2017 is as under:

Transferor Company

Particulars	Amount (INR)
Authorized Capital	
35,000 equity shares of Rs.100 each	35,00,000
10,000 12% cumulative redeemable preference shares of Rs. 100 each	10,00,000
Issued, Subscribed and Paid-up	
35,000 equity shares of Rs.100 each	35,00,000

Subsequent to 31st March, 2017, there has been no change in the authorized capital and issued, subscribed and paid-up capital of Transferor Company.

Transferee Company

Particulars	Amount (INR)
Authorized Capital	
50,00,000 Equity Shares of Rs. 10 each	5,00,00,000
Issued, Subscribed and Paid-up	
28,00,000 Equity Shares of Rs. 10 each	2,80,00,000

Subsequent to 31st March, 2017, there has been no change in the authorized capital and issued, subscribed and paid-up capital of Transferee Company.

PART – II

4. TRANSFER AND VESTING OF UNDERTAKING OF TRANSFEROR COMPANY

- 4.1 With effect from the Appointed Date, the entire business and whole of the undertaking (as defined) of the Transferor Company, including but not limited to land and building, plant & machinery, inventories, receivables, cash and bank balances, investments of all kinds, cash balances with banks, loans, advances, contingent right or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permits and consents, quotas, rights, entitlements, contracts, licenses, whether vested or potential and whether under agreements or otherwise, tenancies, and all advantages of whatsoever nature and wheresoever situated belonging to or enjoyed by the Transferor Company, including but without being limited to trade and service names and marks,



patents, copyrights, designs and other intellectual property rights of any nature whatsoever, authorizations, benefits, including but not limited to the benefit(s) under Income-tax Act, 1961 (including tax relief under the Income-tax Act, 1961 such as credit for advance tax, TDS, etc.), service tax (including benefit of any unutilized CENVAT / service tax credits etc.) permits, approvals, concessions, reliefs, rights to use and avail of assets shall, without any further act, instrument or deed stand transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company, free from all encumbrances, but subject to subsisting charges and pledges, if any.

- 4.2 All tangible movable assets of the Transferor Company, which are capable of being physically transferred including all movable plant and machinery and cash in hand, shall be delivered to the Transferee Company to the end and intent that the property therein passes to the Transferee Company. The Bank balances as appearing in the books of the Transferor Company shall also be transferred to the Transferee Company.
- 4.3 All immovable properties would become the properties of Transferee Company under and pursuant to order of the NCLT approving this Scheme, without requiring the execution of any other deed or document or instrument of conveyance, and the order of the NCLT shall for all purposes be treated as the instrument conveying such properties and assets to Transferee Company.
- 4.4 The transfer and vesting as aforesaid shall be subject to the existing charges / hypothecation / mortgages, if any, as may be subsisting and agreed to be created over or in respect of the said assets or any part thereof, provided however, any reference in any security documents or arrangements to which the Transferor Company is a party wherein the assets of the Transferor Company has been or is offered or agreed to be offered as security for any financial assistance or obligations then the same shall be construed as reference only to the assets pertaining to the Transferor Company and shall be vested in the Transferee Company by virtue of this Scheme to the end and intent that the charges shall not extend or deemed to extend to any assets of the Transferee Company.

Provided that the Scheme shall not operate to enlarge the security for the said liabilities of Transferor Company which shall vest in the Transferee Company by virtue of the Scheme and the Transferee Company shall not be obliged to create any further, or additional security thereof after the amalgamation has become effective or otherwise. Further, the Scheme shall not operate to enlarge the security for any liabilities of the Transferee Company, in as much as the security shall not extend to the assets transferred by the Transferor Company to the Transferee Company in terms of Clause 4.1 above.

- 4.5 The liabilities of the Transferor Company shall also, without any further act, instrument or deed be and transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by the Transferee Company pursuant to the provisions of Sections 230-232 of the Act, so as to become the liabilities of the Transferee Company and further that 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 liabilities have arisen, in order to give effect to the provisions of this clause.

- 4.6 The Transferee Company may at any time after the coming into effect of the Scheme in accordance with the provisions of this Scheme, if so required, under any law or otherwise, execute necessary writings, in favour of the creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliances referred to above on the part of Transferor Company to be carried out or performed.
- 4.7 With effect from the Appointed Date and upon coming into effect of this Scheme, all the rights, licenses, permission, approvals, consent etc. to carry on the operations and business of the Transferor Company shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the Statutory Authorities concerned in favour of the Transferee Company. The benefit of all statutory and regulatory permissions, consents, registrations or other licenses and consents shall vest in and become available to the Transferee Company pursuant to this Scheme.
- 4.8 The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme shall be in accordance with section 2(1B) of the Income tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with the said section. Such modification will however not affect the other parts of the Scheme.

5. CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC.

- 5.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, insurance policies, indemnities, guarantees, arrangements and other instruments, whether pertaining to immovable properties or otherwise of whatsoever nature to which the Transferor Company are a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the date of NCLT approval to the Scheme is received, shall continue in full force and effect on or against or in favor of, as the case may be, of the Transferee company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto or there under.



- 5.2 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, power of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of Transferee Company and Transferee company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to Transferee Company. Transferee Company shall make applications and do all such acts or things which may be necessary to obtain relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.
- 5.3 Transferee, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company are a party in order to give formal effect to the above provisions. Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances, referred to above, on behalf of the Transferor Company.

6. LEGAL PROCEEDINGS

- 6.1 All legal proceedings of whatsoever nature by or against the Transferor Company pending and/ or arising on or after the Appointed Date and relating to the Transferor Company shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against Transferee Company in the manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company, if this Scheme had not been made."
- 6.2 Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in Clause 6.1 above transferred in its name respectively and to have the same continued, prosecuted and enforced by or against Transferee Company to the same extent as would or might have been continued and enforced by or against the Transferor Company, to the exclusion of the Transferor Company.

7. EMPLOYEES

- 7.1 On the Scheme becoming effective, all employees of the Transferor Company in service on the date on which NCLT approval to the Scheme is received shall be deemed to have become employees of Transferee Company with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with Transferee Company shall not be less favorable than those applicable to them with reference to the Transferor Company on the date



on which NCLT approval to the Scheme is received. 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.

- 7.2 In so far as the existing provident fund, gratuity fund and pension and/ or superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Company (collectively referred to as the "Funds"), the Funds and such of the investments made by the Funds which pertains/ relates to the employees of the Transferor Company shall be transferred to Transferee Company and shall be held for their benefit pursuant to this Scheme in the manner provided hereinafter. The Funds shall, subject to the necessary approvals and permissions and at the discretion of Transferee Company, either be continued as separate funds of Transferee Company for the benefit of the employees of the Transferor Company or be transferred to and merged with other similar funds, if any, of Transferee Company. In the event that Transferee Company does not have its own funds in respect of any of the above, Transferee Company may, subject to necessary approvals and permissions, continue to contribute to the relevant Funds of the Transferor Company, until such time that Transferee Company creates its own fund, at which time the Funds and the investments and contributions pertaining to the employees of the Transferor Company shall be transferred to the funds created by Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continuous for the purpose of the said fund or funds.

8. CONDUCT OF BUSINESS UNTIL THE SCHEME IS APPROVED BY NCLT

With effect from the Appointed Date and upto and including the date on which NCLT approval to the Scheme is received:

- 8.1 The Transferor Company undertake to preserve and carry on their business, with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber or otherwise deal with or dispose of any undertaking or any part thereof save and except in each case:
- (a) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the NCLT; or
 - (b) if the same is expressly permitted by this Scheme; or
 - (c) if the prior written consent of the Board of Directors of Transferee Company has been obtained.
- 8.2 The Transferor Company shall carry on and be deemed to have carried on all business and activities and shall stand possessed of all the assets, rights, title and interest of the Transferor Company for and on account of, and in trust for Transferee Company.



- 8.3 All profits and cash accruing to or losses arising or incurred (including the effect of taxes if any thereon), by the Transferor Company, respectively, shall for all purposes, be treated as the profits/ cash, taxes or losses of Transferee Company.

9. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations pertaining /relating to the Transferor Company, pursuant to this Scheme, and the continuance of the proceedings by or against Transferee Company, under Clause 6 hereof shall not affect any transactions or proceedings already completed by the Transferor Company, on and after the Appointed Date to the end and intent that Transferee Company accepts all 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 Transferee Company.

10. COMBINATION OF AUTHORISED SHARE CAPITAL

- 10.1 On coming into effect of this Scheme, the authorized equity share capital of the Transferee Company shall automatically stand increased without any further act or deed on the part of the Transferee Company, including payment of Stamp Duty and Registrar of Companies fees, by the authorized share capital of Transferor Company amounting to INR 45,00,000/- (Rupees Forty Five Lacs) and the Memorandum of Association and Articles of Association of the Transferee Company shall stand amended accordingly without any further act or deed be and stand altered, modified and amended, and the consent of the shareholders of the Transferee Company shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Section 16, Section 31 or any other applicable provisions of the Act, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Company towards their authorized share capital shall be utilized and applied to the increased authorized share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorized share capital and, accordingly, the Transferee Company shall not be required to pay any fees/ stamp duty on the authorized share capital so increased.
- 10.2 Pursuant to the Scheme and after the Scheme becomes effective, the authorized equity share capital of the Transferee Company will be Rs. 5,45,00,000/- (Rupees Five Crore Forty Five Lakhs only) divided into 54,50,000 (Fifty Four Lakhs Fifty Thousand only) equity shares of Rs. 10 (Rupees Ten Only) each.



- 10.3 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act, and Clause V of the Memorandum of Association and Article 4 of the Articles of Association of the Transferee Company shall respectively stand substituted by virtue of the Scheme to read as follows:

Clause V of the Memorandum of Association of the Transferee Company:

The Authorised Share Capital of the Company is Rupees Five Crores Forty Five Lakhs [Rs. 5,45,00,000] divided into 54,50,000 equity shares of [Rs. 10] each capable of being increased in accordance with the Company's regulations and the legislative provisions for the time being in force in that behalf. The shares in the capital of the Company for the time being whether original or increased, may be divided into several classes, with any preferential, qualified or other special rights, privileges, conditions or restrictions attached thereto, whether in regard to dividend, voting, return of the capital or otherwise. The rights of the holders of any class of shares, for the time being forming part of the capital of the Company, may be modified, affected, varied, extended or surrendered either with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of a Special Resolution passed at a separate meeting of the holders of those shares.

PART – III

11. CONSIDERATION

The proposed Scheme of Amalgamation of the Transferor Company with Transferee Company is in the nature of business combination, wherein the Transferor Company (Wholly Owned Subsidiary) will get merge into Transferee Company (Holding Company), and hence no consideration is payable by the Transferee Company, pursuant to the sanction of the Scheme.

- 11.1 The entire equity share capital of the Transferor Company is held by the Transferee Company and its nominees thus no shares of the Transferee Company shall be allotted pursuant to amalgamation, due to operation of law.
- 11.2 Upon the scheme being effective, the entire equity share capital of the Transferor Company, as held by the Transferee Company shall be cancelled and extinguished.
- 11.3 The investment in the equity shares of the Transferor Company appearing in the books of account of the Transferee Company shall, without any further act or deed, stand cancelled and be adjusted in accordance with para 12.3.



12. ACCOUNTING TREATMENT FOR AMALGAMATION

Upon the Scheme becoming effective and with effect from the Appointed Date, the Amalgamation of the Transferor Company with Transferee Company shall be accounted as per the below method:

- 12.1 The Transferee Company shall account for the amalgamation of the Transferor Company on the basis of 'pooling of interest' method as stated in Appendix C of Indian Accounting Standard (IND AS) 103 Business Combinations.
- 12.2 The pooling of interest method is considered to involve the following:
 - (i) The assets and liabilities of the combining entities are reflected at their carrying amounts.
 - (ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.
- 12.3 The value of the investments in the equity shares of the Transferor Company held by the Transferee Company shall stand cancelled in the books of the Transferee Company, without further act or deed.
- 12.4 The balance of the retained earnings appearing in the financial statements of the Transferor Company is aggregated with the corresponding balance appearing in the financial statements of the Transferee Company.
- 12.5 The identity of the reserves shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company. As a result of preserving the identity, reserves which are available for distribution as dividend before the business combination would also be available for distribution as dividend after the business combination. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the Transferor Company shall be transferred to capital reserve and should be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.
- 12.6 Upon Scheme becoming effective, the accounts of the Transferee Company, as on the appointed date shall be reconstructed in accordance with the terms of this Scheme.
- 12.7 The difference arising between the carrying value of the assets, liabilities and reserves pertaining to the Transferor Company and the carrying value of investments in the books of Transferee Company shall be debited to the General Reserve/Retained Earnings of the Transferee Company.



PART – IV

13. APPLICATION TO THE NCLT

Transferee Company and the Transferor Company shall, with all reasonable dispatch, make necessary applications to the NCLT pursuant to Sections 230 – 232 of the Act, for convening and/or seeking exemption to convene meetings of shareholders/ creditors, for sanctioning and carrying out of this Scheme and for consequent dissolution of the Transferor Company without winding up and shall apply for and obtain such other approvals, as required by law.

14. MODIFICATIONS/AMENDMENTS TO THE SCHEME

Transferee Company and the Transferor Company by their respective Board of Directors may assent to any modifications/amendments to the Scheme or to any conditions or limitations that the NCLT and/or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors). Transferee Company and the Transferor Company by their respective Board of Directors 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 howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith. The aforesaid powers of the Board shall be exercised with the approval of the NCLT.

15. WINDING UP OF TRANSFEROR COMPANY

On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up.

16. CONDITIONALITY OF THE SCHEME

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

- 16.1 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 Transferor Company as prescribed under the Act and as may be directed by the NCLT or any other appropriate authority as may be applicable. In so far as approval of shareholders of MCIL is concerned, as aforesaid, is concerned, it is clarified that in terms of paragraph 9(a) of Annexure I of SEBI Circular dated 10th March, the scheme shall provide for voting by shareholders through e-voting and shall be acted upon only if the votes casted by the public shareholders in favour of the Scheme are more than the number of votes cast by them against it.



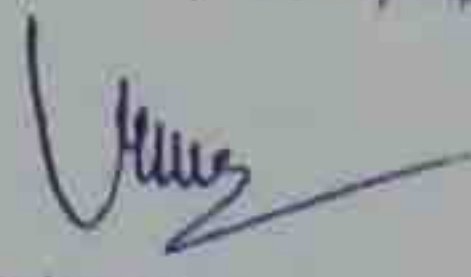
- 16.2 The sanction of this Scheme by the NCLT or any other appropriate authority under Sections 230 - 232 and other applicable provisions, if any of the Act in favour of Transferee Company and the Transferor Company.
- 16.3 Certified or authenticated copy of the Order of the NCLT sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra by Transferee Company and the Transferor Company.
- 16.4 The requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority, if any, which by law may be necessary for the implementation of this Scheme.

17. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in Clause 16 not being obtained and/ or the Scheme not being sanctioned by the NCLT 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 hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law and agreed between the respective parties to this Scheme. Each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme unless otherwise mutually agreed.

18. COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of Transferee Company and the Transferor Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by Transferee Company.

~~Certified~~ True Copy
Date of Application 27/02/2018
Number of Pages 15
Fee Paid Rs. 75
Applicant called for collection copy on 23/3/18
Copy prepared on 23/3/18
Copy issued on 23/3/18

Deputy Director
National Company Law Tribunal, Mumbai Bench



THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
***ARTICLES OF ASSOCIATION**
OF
MORGANITE CRUCIBLE (INDIA) LIMITED

Interpretation

- I. (1) In these regulations—
- (a) “the Act” means the Companies Act, 2013,
 - (b) “the seal” means the common seal of the company.
- (2) 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

- II. 1. 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.
2. (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,—

*Adopted new set of Article of Association at the Annual General Meeting of members held on August 10, 2016 in place and substitution of the existing Article of Association of the Company

- (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.
3. (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 certificates 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.
4. 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.

5.
 - (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.
6.
 - (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.
7. 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 *paripassu* there with.
8. 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.

Lien

- 9.** (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.

- 10.** 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.
- 11.** (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.
- 12.** (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

- 13.** (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.
- 14.** 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 instalments.

- 15.** The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 16.** (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.
- 17.** (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.
- 18.** 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

- 19.** (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.
- 20.** 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.
- 21.** 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.
- 22.** 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

- 23.** (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.
- 24.** (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.
- 25.** (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.

- 26.** 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 been titled 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 there after 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

- 27.** If a member fails to pay any call, or instalment 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 instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
- 28.** 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 notices 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.
- 29.** 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.

- 30.** (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.
- 31.** (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.
- 32.** (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 there upon 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.

- 33.** The provisions of these regulations as to forfeiture shall apply in the case of non-payment 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.

Alteration of capital

- 34.** 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.
- 35.** 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.
- 36.** 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.
- 37.** 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

- 38.** (i) 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 a fore said;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) 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;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. (i) 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

40. 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

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. (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 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.

Proceedings at general meetings

- 43.** (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.
- 44.** The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
- 45.** 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.
- 46.** 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

- 47.** (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.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) 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

- 48.** 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.
- 49.** A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- 50.** (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.
- 51.** 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.
- 52.** Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- 53.** 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.
- 54.** (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

- 55.** 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.
- 56.** An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
- 57.** 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.

Board of Directors

- 58.** The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.
- 59. (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.
- 60. The Board may pay all expenses incurred in getting up and registering the company.
- 61. 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.
- 62. 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.
- 63. 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.
- 64. (i) Subject to the provisions of section 149, 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.

Proceedings of the Board

- 65.** (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.
- 66.** (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.
- 67.** 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.
- 68.** (i) 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.
- 69.** (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.

70. (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.
71. (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.
72. 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 afterward 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.
73. 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.

***Chief Executive Officer, Manager, Company Secretary
or Chief Financial Officer***

74. 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.
- 75. 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

- 76. (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 two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors 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

- 77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- 78. 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.
- 79. (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 equalising 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.
- 80.**
 - (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 where of 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.
- 81.** 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.
- 82.**
 - (i) Any dividend, interest or other monies payable in cash in respect of shares maybe 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.

- 83.** 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.
- 84.** 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.
- 85.** No dividend shall bear interest against the company.

Accounts

- 86.** (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

- 87.** Subject to the provisions of Chapter XX of the Act and rules made there under—
- (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

- 88.** 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.

Note: The Articles shall be signed by each subscriber of the memorandum of association who shall add his address, description and occupation, if any, in the presence of at least one witness who shall attest the signature and shall likewise add his address, description and occupation, if any, and such signatures shall be in form specified below:

Names, addresses, descriptions and occupations of subscribers	No. of shares taken by each subscribers	Signatures Of Subscribers	Signature, names, addresses, descriptions and occupations of witnesses
1. Govind Mathrani E/8, Sea Face Park, Bhulbai Desai Road, Mumbai – 400 026 s/o Harbhagwandas P Mathrani Business Executive	10 (Ten) Equity Shares	Sd/-	<p>Neema Nimish Thakore 71, Pushpak Apartments, 31, Altamount Road, Bombay – 400 026</p> <p>W/o Nimish Bhishma Thakore Service Sd/-</p>
2. Mervan Nowroji Kapadia Patropolis Colaba Road Bombay – 400 005 S/o Dr Nowroji Bejonji Kapadia Business Executive	10 (Ten) Equity Shares	Sd/-	
3. David Anthony Mascarenhas 71, Jupiter Apartments, 41, Cuffe Parade, Bombay – 400 005 S/o William Xavier Mascarenhas Engineer	10 (Ten) Equity Shares	Sd/-	
4. Inder Kumar Malhotra “Coolshanagh” N.Gamadia Road Bombay – 400 026 S/o Shri Basheshar Das Company Executive	10 (Ten) Equity Shares	Sd/-	
5. SamudramVenkatasubbaiya Mani 4-C, Somerset Place, 61-D, Warden Road, Bombay – 400 026 S/o SamudramVenkatasubbaiya Business Executive	10 (Ten) Equity Shares	Sd/-	
6. Shiva Nath Puri 52A, Twin Towers, Off. Veer Savarkar Marg, Prabhadevi, Bombay – 400 026 S/o Shri Radhey Sham Puri Company Executive	10 (Ten) Equity Shares	Sd/-ss	
7. Shekhar Datta 2A, Doiphin, Pilot Bunder Road, Colaba Bombay – 400 005 S/o Dr. Late Surendra Kumar Datta Company Executive	10 (Ten) Equity Shares	Sd/-	
Total Shares Taken	70 (Seventy)		