82

Annexure "K"

Brief particulars of Orient Electric Limited and Orient Paper and Industries Limited

Particulars	Transferee/ Resulting Company	Transferor/ Demerged Company
Name of the company	Orient Electric Limited ("OEL" or the **"Resulting Company"**)	Orient Paper and Industries Limited **("OPIL" or the "Demerged Company")**
Date of Incorporation & details of name changes, if any	10 October 2016	25 July 1936 The Demerged Company was originally incorporated as 'Orient Paper Mills Limited' under the Indian Companies Act, 1913 vide a certificate of registration dated July 25, 1936 issued by the Registrar of Joint Stock Companies, Bengal and received its certificate of commencement of business on July 30, 1936. Thereafter, the name of the Demerged Company was changed to 'Orient Paper & Industries Limited' and the Demerged Company received a fresh certificate of incorporation from the Registrar of Companies, Cuttack dated September 13, 1978.
Registered Office	Unit – VIII, Plot No. 7, Bhoinagar, Bhubaneswar, Cuttack – 751012, Odisha, India	Unit – VIII, Plot No. 7, Bhoinagar, Bhubaneswar – 751012, Odisha, India
Brief particulars of the scheme	The Scheme of Arrangement provides for demerger of Consumer Electric Business of OPIL into OEL under Section 391-394 of the Companies Act, 1956	

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Rationale for the scheme	(i)The Demerged Company is engaged in 2 (two) distinct lines of business namely: (a)manufacture and distribution of paper and paper products such as writing paper, printing paper and tissue paper - (collectively referred to as the "Paper Business"); and (b)manufacture and distribution of consumer appliances such as fans, lighting products, Home Appliances and switch gears (collectively referred to as the "Consumer Electric Business"). (ii)The nature of risk and competition involved in each of the Paper Business and Consumer Electric Business is distinct, necessitating different management approaches and focus. Moreover, the competitive dynamics of these businesses are also different. (iii)The separation of the Consumer Electric Business, by way of this Scheme from the Demerged Company would lead to significant benefits for both businesses including: (a)enable a dedicated management focus and to accelerate growth of the Consumer Electric Business unlocking significant value for the shareholders of Orient Paper and Industries Limited; and (b)access to varied sources of funds for the rapid growth of both businesses. (iv)With a view to achieve the aforesaid growth potential, the Demerged Company proposes to re-organise and segregate, by way of the Scheme, its business, undertaking and investments in the Consumer Electric Business. (v)The Scheme does not have any adverse effect on either the shareholders or the employees or the creditors of the Demerged Company.	
Date of resolution passed by the Board of Director of the company approving the scheme	October 17, 2016	October 17, 2016
Date of meeting of the Audit Committee in which the draft scheme has been approved	October 17, 2016	October 17, 2016
Appointed Date	March 1, 2017	

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84

Name of Exchanges where securities of the company are listed	Shares of OEL are not listed on any stock exchanges	BSE Limited and the National Stock Exchange of India Limited
Nature of Business	The Resulting Company has been incorporated to carry out the business of consumer electric business.	The Demerged Company has two primary business segments, being the paper business and the consumer electric business.
Capital before the scheme	Please refer Annexure 'K 1'.	
No. of shares to be issued	20,48,68,760 (The Company is in process of issuing equity shares on a right basis and accordingly, shareholding pattern of the company may undergo change)	
Cancellation of shares on account of cross holding, if any	5,00,000 equity shares (100%)	-
Capital after the scheme	Please refer Annexure 'K 2'.	
Net Worth Pre Post	As per the Net Worth certificate issued by M/s. Jain M S & Co., Chartered Accountants dated 07.11.2016	
Valuation by independent Chartered Accountant - Name of the valuer/valuer firm and Regn no.	As per Valuation Report issued by M/s NDA & Associates, Chartered Accountants, dated 17.10.2016 FRN :028709N	
Methods of valuation and value per share arrived under each method with weight given to each method, if any.		
Fair value per shares		

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Exchange ratio	1 (one) equity shares of Re 1 (Indian Rupee one) each of Resulting Company credited as fully paid up for every 1 (one) equity share of Re 1 (Indian Rupee One) each held by such shareholder in the Demerged Company					
Name of Merchant Banker giving fairness opinion	IDBI Capital Markets & Securities Ltd.					
Shareholding pattern	Pre		Post		Pre and Post	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	5,00,000	100.00	7,83,29,922	38.23	7,83,29,922	38.23
Public	-	-	12,65,38,838	61.77	12,65,38,838	61.77
Custodian	-	-	-	-	-	-
TOTAL	5,00,000	100.00	20,48,68,760	100.00	20,48,68,760	100.00
No of shareholders	1 (6 shares held by 6 nominees on behalf of OPIL)		22559		22559	
Names of the Promoters	1. OPIL				1. Central India Industries Ltd. 2. Chandra Kant Birla	
Names of the Board of Directors	1. Mr. Manohar Lal Pachisia 2. Mr. Pramod Chandra Agarwala 3. Mr. Pradeep Kumar Sonthalia				1. Mr. Chandra Kant Birla 2. Mr. Amitabha Ghosh 3. Mr. Basant Kumar Jhawar 4. Mr. Michael Bastian 5. Mr. Narendra Singh Sisodia 6. Ms. Gauri Rasgotra 7. Mr. Manohar Lal Pachisia	
Details regarding change in management control if any	There shall be no change in management control of OPIL.					

For Orient Paper & Industries Limited

(P K Sonthalia)
President (Finance) & CFO

Kolkata, the 15 December 2016

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Orient Paper and Industries Limited
Birla Building 13th fl, 9/1 RN Mukherjee Road, Kolkata 700001, India +91 033 30573700 Email: info@orientpaperindia.com
Registered Office: Unit VIII, Plot No 7, Bhoinagar, Bhubaneshwar 751012, India www.orientpaperindia.com CIN: L21011OR1936PLC000117

86

Annexure 'K1'

1. **The Share capital of the Demerged Company prior to the Scheme is as follows:**

Authorised Share Capital	**Amount (Rs)**
75,00,00,000 Equity Shares of Re 1 each	75,00,00,000
25,00,000 Preference Shares of Rs 100 each	25,00,00,000
Total	**100,00,00,000**
Issued Share Capital	
20,48,87,970-Equity Shares of Re 1 each	20,48,87,970
Total	**20,48,87,970**
Subscribed and Fully Paid Up Share Capital	
20,48,68,760-Equity Shares of Re 1 each, fully paid up	20,48,68,760
Total	**20,48,68,760**
Add: Forfeited shares (amount originally paid up)	9,605
Total	**20,48,78,365**

The Demerged Company is in the process of issuing shares to its shareholders on rights basis. Accordingly, the share capital of the Demerged Company may undergo a change.

2. **The Share capital of the Resulting Company prior to the Scheme is as follows:**

Authorised Share Capital	**Amount (Rs)**
5,00,000 Equity Shares of Re 1 each	5,00,000
Total	**5,00,000**
Issued, Subscribed and Fully Paid up Share Capital	
5,00,000 Equity Shares of Re 1 each	5,00,000
Total	**5,00,000**

The entire share capital of the Resulting Company as on 15 October 2016 is held by the Demerged Company and hence the Resulting Company is a wholly-owned subsidiary of the Demerged Company.

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87

Annexure 'K2'

1. **There shall be no change in share capital of the Demerged Company post the Scheme.**

2. **The Share capital of the Resulting Company post Scheme is as follows:**

Authorised Share Capital	**Amount (Rs)**
25,00,00,000 Equity Shares of Re 1 each	25,00,00,000
Total	**25,00,00,000**
Issued, Subscribed and Fully Paid Up Share Capital	
20,48,68,760 Equity Shares of Re 1 each, fully paid up	20,48,68,760
Total	**20,48,68,760**

The Demerged Company is in the process of issuing shares to its shareholders on rights basis. Accordingly, the paid up share capital of the Resulting Company may undergo a change.

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