



(RESULTING COMPANY)

Registered Office:

Dhannur, 15, Sir P.M. Road, Fort, Mumbai 400 001, Maharashtra, India

Tel: (022) 22704206, Fax: (022) 22704207

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Website: [http://www.nrbindustrialbearings.com /](http://www.nrbindustrialbearings.com/)

Contact Person: Mr. R. G. Mehendale

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(NRB Industrial Bearings Limited was incorporated on 24th February, 2011 under the Companies Act, 1956 in the name and style of 'NRB Industrial Bearings Private Limited'. Subsequently, the Company was converted into a Public Limited Company and the name was changed to 'NRB Industrial Bearings Limited' and fresh Certificate of Incorporation dated 17th November, 2011 was issued by the Registrar of Companies, Maharashtra.

Pursuant to the scheme of arrangement between NRB Bearings Limited and the Company, the industrial bearings undertaking of NRB Bearings Ltd. was demerged and vested to NRB Industrial Bearings Limited. The scheme of arrangement between NRB Bearings Limited and NRB Industrial Bearings Limited has been approved by the Honorable High Court on 24th August, 2012.)

INFORMATION MEMORANDUM FOR LISTING OF 2,42,30,650 EQUITY SHARES OF RS.2/- EACH

NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS INFORMATION MEMORANDUM

ABSOLUTE RESPONSIBILITY OF NRB INDUSTRIAL BEARINGS LIMITED

NRB Industrial Bearings Limited, having made all reasonable enquiries, accepts responsibility for and confirms that this Information Memorandum contains all information with regard to NRB Industrial Bearings Limited, which is material in the context of the issue of shares pursuant to the scheme, that the information contained in the Information Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares of the Company are proposed to be listed on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company has submitted this Information Memorandum with BSE and NSE. The Information Memorandum would also be made available in the website of BSE (www.bseindia.com) and NSE (www.nseindia.com)

REGISTRAR AND SHARE TRANSFER AGENT

Universal Capital Securities Pvt Ltd.
(Formerly known as Mondkar Computers Pvt. Ltd.)
21, Shakil Niwas, Opp. Satyasaibaba Temple,
Mahakali Caves Road, Andheri (East),
Mumbai, Pin: 400093
Tel. No: 022 28257641, 2820 7203-05

Email: info@unisec.in

Contact Person: Mr. Ravindra Utekar, General Manager

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SECTION – I GENERAL

Definitions and Abbreviations:

Act	-	The Companies Act, 1956 (1 of 1956) and includes any statutory modification or re-enactment thereof for the time being in force
Appointed Date	-	1 st October, 2012
Articles	-	Articles of Association of the Company
Audit Committee	-	Committee constituted by the Board in compliance with Clause 49 of the Listing Agreement
Board		Board of Directors of the Company
Certificate of Incorporation		Certificate dated 24 th February, 2011 received from the Registrar of Cos. Maharashtra, Mumbai
Code of Conduct	-	The Code of Business Conduct and Ethics adopted by the Board vide its resolution passed on 31 st October, 2012.
Company or Resulting Company	-	NRB Industrial Bearings Limited, a public limited company incorporated under the Act
Demerger	-	The transfer of the Demerged Undertaking to the Company on 'Going Concern Basis, in consideration of the issue and allotment of fully paid equity shares by the Company to the shareholders of the Demerged Company in proportion of 4 : 1 in compliance with the provisions of Section 2(19AA) of the Income Tax Act, 1961
Demerged Company	-	NRB Bearings Limited
Directors	-	Directors on the Board and Director shall mean any one of them
Demerged Undertaking		Industrial bearings business of NRB including the agency business (other than bearings business for mobile vehicles of every description including farm equipments) and includes the following: 1.1.1. All identified assets whether movable or immovable, real or personal, corporeal or incorporeal, present, future or

	<p>contingent, tangible or intangible, investments short term; long term or joint venture/s, investment(s) related to industrial bearings business wherever situated or held;</p> <p>1.1.2. 99 years lease for Flat No. 10 along with Garage No. 10 and an identified area in basement of Shangrila Building, located at 26, M. L. Dahunakar Road, Mumbai 400 026 with a right to sub-lease the said Flat No. 10 along with Garage No. 10.</p> <p>1.1.3. The right to use the 2nd floor and 3rd floor of the Dhannur Building occupied by NRB, bearing CTS No. 1892 and situated at Sir P. M. Road, Fort Mumbai 400 001 as its office premises for a period of 99 years on such lease rentals and on such other terms and conditions as both NRB and NIBL shall mutually agree.</p> <p>1.1.4. All present and future liabilities (including contingent liabilities) arising out of the activities or operations of Industrial Bearings Undertaking, including loans, debts, current liabilities and provisions, duties and obligations relatable to the Industrial Bearings Undertaking;</p> <p>1.1.5. Without prejudice to the generality of the above, the Industrial Bearings Undertaking shall include in particular:</p> <p>a. All identified properties and assets of whatsoever nature and wherever situated, required for/pertaining to the Industrial Bearings Undertaking, including plant and machinery, equipments, appliances, stock of finished/semi-finished goods, raw materials, components, furniture and fixtures, accessories, vehicles, current assets, liquid funds, samples, plant and other extracts, intellectual</p>
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property, investments in joint ventures related to the industrial bearings business and other properties and assets pertaining to the Industrial Bearings Undertaking. The immovable properties pertaining to the Industrial Bearings Undertaking are described in detail in Annexure 1 herewith.

- b. all debts, liabilities, duties and obligations and also including, without limitation, permits, quotas, rights, entitlements, bids, tenders, letters of intent, expressions of interest, municipal and other statutory permissions, approvals, consents, licenses, registrations, subsidies, concessions, exemptions, remissions, tax deducted at source, tax deferrals, tax credits, tenancies in relation to office and factory and/or residential property for the employees, offices, related to the Industrial Bearings Undertaking, investment, cash balances, the benefit of any advance or deposit, financial assets, funds belonging to or proposed to be utilized for the Industrial Bearings Undertaking, bank balances and bank accounts relating to the day to day operations and specific to the working of Industrial Bearings Undertaking, privileges, all other rights and benefits, lease rights, licenses, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephone, telexes, facsimile connection and installations, utilities, power lines, electricity and other services, provisions, funds, benefits of all agreements, contracts including those relating to the agency business, subsidies, grants and incentive schemes formulated by

	<p>Central or State Government, if any, contracts and arrangements and all other interest in connection with or relating to the Industrial Bearings Undertaking;</p> <p>c. any and all licenses, tenancies and property rights, if any, related to Industrial Bearings Undertaking. The trade mark “NRB Industrial” for bearings for industrial application whether registered in the name of NRB or pending application of such registration and any extensions, sub-brands and additional descriptions thereof. It is hereby clarified that the trade mark “NRB” and associated description, design, colour and logo are exclusive property of NRB and NIBL shall not be entitled to use (except as expressly provided herein), similar description, design, colour and logo for its business.</p> <p>d. all records, files, papers, computer programs, manuals, data, libraries, catalogues, papers, drawings, 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 form or electronic form in connection with or relating to the Industrial Bearings Undertaking;</p> <p>e. all identified employees of NRB employed in and / or relatable to the Industrial Bearings Undertaking of NRB;</p> <p>f. all advance monies, earnest monies and/or security deposits, if any, paid or received by NRB in connection with or relating to the Industrial Bearings Undertaking;</p> <p>g. for the purpose of this Scheme, it is clarified that liabilities pertaining to the Industrial Bearings Undertaking include</p>
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and shall be transferred in the manner as defined in section 2(19AA) of the Income Tax Act, 1961 as follows:

- i. the liabilities, debts/obligations at the close of business on the day immediately preceding the Appointed Date which arise out of the respective activities or operations of the Industrial Bearings Undertaking;
- ii. specific loans and borrowings raised, incurred and utilized solely for the activities or operation of the Industrial Bearings Undertaking at the close of business on the day immediately preceding the Appointed Date;
- iii. liabilities other than those referred to in sub-clauses (i) and (ii) above, being the amounts of general or multipurpose borrowings of NRB, allocated to the Industrial Bearings Undertaking in the same proportion in which the value of the assets transferred under this Scheme bear to the total value of the assets of NRB immediately before giving effect to this Scheme;

Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Industrial Bearings Undertaking or whether it arises out of the activities or operations of the Industrial Bearings Undertaking shall be decided by mutual agreement between the Board of Directors of NRB and NIBL.

ANNEXURE I as referred to above:

S/No:	Name & Postal address of the Properties
1)	Bangalore Property – Office No. 404-A, 4 th floor, A Wing Mittal Towers, 21, M.G. Road, Bangalore 560 001
2)	Aurangabad Property - Plot No. 309, Survey No.72, Sector N3 at CIDCO, Aurangabad.

		3)	Aurangabad Property - Plot No.B-18 at Shendra Five Star Industrial Area, MIDC, Aurangabad.
Effective Date	-	The date on which the Certified copy of the Order of the High Court of Mumbai under sections 391 and 394 sanctioning the Scheme is filed with the ROC, Maharashtra at Mumbai or the appointed date which ever is later i.e. 1 st October'2012	
Equity Shares	-	Fully paid-up equity shares of Rs.2/- each of the Company	
Equity Shareholders	-	Equity shareholders of the Company	
Information Memorandum	-	This Information Memorandum filed with the Stock Exchange	
Investor Grievance Committee	-	Committee constituted by the Board in compliance with Clause 49 of the Listing Agreement	
IT Act	-	Income Tax Act, 1961 and includes any statutory amendment or reenactment thereof for the time being in force	
Listing Agreements	-	The Agreements entered into by the Company with the Stock Exchange	
Promoter(s)	-	Sahney family	
Record Date	-	25 th October,2012 i.e., the date fixed by the Board of Directors of the Demerged Company for the purpose of determining the shareholders of the Demerged Company, to whom fully paid Equity Shares are issued and allotted pursuant to the scheme.	
Register of Members	-	The statutory register of members maintained by NRB in accordance with the provisions of the Act	
Share Transfer Agent	-	Universal Capital Securities Pvt. Ltd.	
Scheme	-	Scheme of Arrangement in its present form or with any modification(s) made under Clause 17 of the scheme as approved by the Hon'ble High Court of Bombay on 24 th August, 2012 and which became effective from 1 st October,2012.	

SEBI Act	-	Securities and Exchange Board of India Act, 1992 and includes any statutory amendment or re-enactment thereof for the time being in force
SEBI Regulations	-	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended, including instructions and clarifications issued by SEBI from time to time
Stock Exchange	-	The Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd.
Transfer Amount	-	The price per equity share of the Company or the Demerged Company, as the case may be, on a recognized Stock Exchange where the shares of the Company and of the Demerged Company are listed on the day on which the transfer is made in accordance with applicable regulations
Transferred Liabilities	-	<ol style="list-style-type: none"> 1. The liabilities which arose out of the activities or operation of the Demerged Undertaking; and 2. Specific loans and borrowings raised, incurred and utilized solely for of business on the day immediately preceding the appointment date the activities or operation of the industrial bearings undertaking at the close. 3. Such of the general or multipurpose borrowings of the Demerged Company as are identified by the Board of the Demerged Company and relating to the activities or operations of the Demerged Undertaking which in the aggregate stand in the same proportion as far as is practicable in which the value of the assets transferred to the Resulting Company bear to the assets of the Demerged Company on the Appointed Date.
Whole-time Director	-	A Director includes a director in the whole-time employment of the Company and its Managing Director.

Abbreviations:

NRB	-	NRB Bearings Limited
NIBL	-	NRB Industrial Bearings Limited

BSE	-	The Bombay Stock Exchange
NSE	-	National Stock Exchange of India Ltd.
FEMA	-	Foreign Exchange Management Act, 1999
RBI	-	Reserve Bank of India
SEBI	-	Securities and Exchange Board of India
FIIIs	-	Foreign Institutional Investors
ROC	-	Registrar of Companies, Maharashtra, Mumbai
SEBI (ICDR)	-	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009
Regulations		notified by SEBI on August 26, 2009
CIN	-	Corporate Identification Number

FORWARD-LOOKING STATEMENTS

We have included statements in this Information Memorandum, which contain words or phrases such as “will”, “aim”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” “will help”, “will develop”, “will be sustained” and similar expressions or variations of such expressions, that are “forward looking statements”. Similarly, statements that describe our Objectives, plans or goals also are forward-looking statements. Actual results may differ materially from those suggested by the forward looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to:

- General economic and business conditions in India and other countries;
- Regulatory changes and our ability to respond to them;
- Our ability to successfully implement our strategy, our growth and expansion plans;
- Technological changes;
- Changes in the value of the Rupee and other currency changes;
- Changes in Indian or international interest rates;
- Changes in political conditions in India and other countries;
- Changes in the foreign exchange control regulations in India and other countries.
- Our exposure to market risks, general economic and political conditions in India and other countries, which have an impact on our business activities or investments;
- The monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally;
- Changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry.
- Any adverse outcome in the legal proceedings in which the Company is involved.

For further discussion of factors that could cause our actual results to differ, By their nature, certain market risk disclosures are only estimates and could be materially different

from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

We do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not materialize.

SECTION – II RISK FACTORS AND MANAGEMENT PERCEPTION THERETO**INTERNAL RISK FACTORS**

The Company is largely dependent on the performance of the industrial machinery manufacturing sector, which in turn is sensitive to macro economic factors like economic growth, government economic policies, interest rates, inflation etc. and other related factors like income levels, pay commissions, monsoons, market participants, infrastructure, market demand both domestic and international, crude oil prices, tariff structure, etc.

Business-

Nearly 65% of the sale of industrial bearings takes place through distribution channels both for replacement, actual users and small OEMS.

Some of the major industries to which the company would supply are Material handling, mining equipment, construction machinery, sugar, tea, cement, steel industries, food processing, Textile, Agriculture, Power Industries, paper industries, Railways etc.

NIBL exports its products mainly to Europe in selected markets such as Italy, Germany, Austria, Spain and U.K.

NIBL's Agency Division represents some of the leading manufacturers of specialized bearing products from Europe and U.S.A.

Competition

Global market for industrial bearings is US \$ 40 billions of which India consumes just about 5%, bulk of which is imported.

NIBL is committed to high quality standards, lean management practices, cost competitiveness, continuous improvement, motivated employees, customer focus and services, partnership spirit with stake holders, compliance with regulations, total transparency and high standards of corporate governance.

Input costs**Basic raw materials**

Steel is most important inputs/raw material for the company. Therefore, any rise in these commodity prices will impact the company's margins and profitability. However, the company is able to pass on any fluctuation in prices to its customers substantially.

Availability of skilled labour:

The Company does not envisage any problem in getting skilled manpower for its business operations.

Other input costs

A substantial increase in other input costs also may also affect the company's profitability.

Availability of finance

Availability of credit or financing is a major factor which can have a direct bearing on the performance of the Company. Change in credit policies/norms by lenders in view of the economic challenges will have an adverse impact in terms of operations and expansions of the Company thereby affecting its bottom line.

Exchange Rate Fluctuations

The Company imports raw materials, components and capital equipments on a need basis. The Company has significant long term borrowings in foreign currency and business transaction in various other countries. This exposes the Company to significant foreign exchange fluctuation risk.

Regulatory approvals and managing compliances

We are subject to extensive regulations by the Securities and Exchange Board of India (SEBI), Stock Exchanges, RBI, Foreign Exchange Management Act (FEMA) & Regulations in India.

New laws/rules/regulation and changes in any law and application of current laws/rules/regulations could affect the company's operations and mobilization of funds.

Retention of management team

The success of business of the Company is substantially dependent on its management team and its ability to effectively position the company. Therefore their leaving the Company could adversely affect the business. The challenge is to attract, motivate and retain such personnel.

EXTERNAL RISKS**Global economic slowdown**

The global economic and financial crisis has hit businesses across industries and sectors. The crisis had a major impact on the capital goods industry that culminated onto the industrial bearings sector as well. This has slowed down the demand for the Company's products. Such events have a direct correlation on the operating performance of the company.

Stability and general economic environment in country

Our performance and growth are dependent on the health of the Indian economy. The economy could be negatively impacted by the political instability and uncongenial regulatory environment, which may include unfavorable changes in liberalization policies, natural calamities, interest rates, commodity and energy prices and various other factors. Moreover the Indian securities markets are smaller vis a vis global markets. As experienced in the past Indian stock exchanges have been subject to substantial fluctuations in stock prices on account of varied reasons and events. If these occur again the market price and liquidity of the company's shares could be adversely affected.

War, terrorism or other acts of violence

Terrorist attacks and other acts of violence or war, including those involving India or other countries and other such acts have a direct or indirect effect on Indian and worldwide markets. Such acts may also result in a loss of business confidence and have other consequences that could adversely affect our business, results of operations and financial condition directly or indirectly.

Volatility in trading post listing

There has been no public market for the Company's equity shares till now and the prices of the Company's equity shares may fluctuate after this listing. There can be no assurance that an active trading market for the equity shares will develop or be sustained after this listing. The Company's share price could be volatile.

SECTION III - INTRODUCTION**Industry and Business Overview****Summary**

The following summary should be read together with the risk factors and the more detailed information about us and our financial results included elsewhere in this Information Memorandum.

Industry and Business Overview

Industrial Bearings market is far more widespread. It is spread over every segment of Industry. Since every motion, rotating or linear requires support of bearings arrangement, the applications and varieties of bearing products is enormous, which not only widens to a huge size range with variations, but calls for a special variety of products such as: Slewing Rings, Track Rollers, Rod Ends, Spherical Plain, Cam followers, Linear motion system, Re-circulating bearings, Ball bushings, Plain bearings and many more. Global market of Anti-friction Ball and Roller Bearings is estimated to be 60 billion US Dollars. Approximately 70% bearings are used in industries other than automobiles. In India Industrial Bearings are manufactured by few players mostly it is imported from Europe, Japan and other countries. As the infrastructure develop the Bearing Industry has got opportunity to grow up

Demand Drivers for the Industry

1. Increasing Infrastructure development in India (around \$500billion in the next 5-6 years)
2. Entry of International players
3. Increasing income levels
4. Easy access to capital
5. Improvisation in quality resulting in increased exports

India: A promising Industrial component hub

Increase in trend of Designing and Manufacturing of Industrial Machinery and Equipments in India has triggered growth potential of Industrial Application of Bearings

Liberal Government policies making way for growth

The government has already made clear its continuing focus on infrastructure from Power and Oil & Gas, Roads, Ports and Airports. As per planning commission estimates the government has planned substantial investment in the 12th Five Year Plan aggregating USD 1 trillion. This infrastructure spending will lead to growth in the manufacturing sector.

GENERAL INFORMATION**NRB Industrial Bearings Limited**

NRB Industrial Bearings Limited was incorporated on 24th February, 2011 as a Private Limited Company. The Company was subsequently converted into a Public Limited and a fresh Certificate of Incorporation dated 17th November, 2011 (U29253MH2011PLC213963) was issued by the Registrar of Companies, Maharashtra, Mumbai.

Registered Office

15, Dhannur,

Sir P.M. Road, Fort

Mumbai 400 001

Maharashtra, India

Tel No: (022) 2270 4206

Website: www.nrbindlbearings.com

Fax: (022) 22704207

Board of Directors as on date

Sr. No.	Name of Director	Designation
1.	Mr. Trilochan Singh Sahney	Chairman (Promoter)
2.	Mr. Devesh Singh Sahney	Managing Director (Promoter)
3.	Mrs. Harshbeena Sahney Zaveri	Director (Promoter)
4.	Mr. Daljit Mirchandani	Director (Independent)
5.	Mr. Shailesh Sheth	Director (Independent)
6.	Mr. Pankaj Baliga	Director (Independent)

Authority for listing:

The Hon'ble High Court of Bombay, vide its order dated 24th August, 2012 has approved the Scheme of Arrangement between NRB Bearings Limited (demerged Company) and NRB Industrial Bearings Limited (Resulting company), whereby the industrial bearings business including the agency business of the demerged company has been vested with the Resulting Company.

BSE and NSE has already given its in principal approval to the Scheme of Arrangement as required by Clause 24(f) of the Listing Agreement. The Equity shares of the Company to be issued pursuant to the Scheme shall be listed and admitted to trading on Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Ltd. (NSE).

Such listing and admission for trading is not automatic and will be subject to fulfillment by the Company of listing criteria of BSE and NSE for such issues and also subject to such other terms and conditions as may be prescribed by BSE and NSE at the time of the application by the Company seeking listing.

Eligibility Criterion

There being no initial public offering or rights issue, the eligibility criteria in terms of Regulation 26(1) of SEBI (Issue of Capital & Disclosure) Regulations, 2009 do not become applicable. However, the Company has applied to SEBI for relaxation from the applicability of provisions of Rule 19(2)(b) of the Securities Contract (Regulations) Rules, 1957, in accordance with Circular No SEBI/CFD/SCRR/01/2009/03/09 dated 3rd September, 2009 issued under Section 11 of the Securities and Exchange Board of India Act, 1992, read with sub-rule (7) of rule19 of the Securities Contract Regulation Rules, 1957. The Company has submitted its Information Memorandum, containing information about itself, making disclosure in line with the disclosure requirement for public issues, as applicable to BSE and NSE for making the said Information Memorandum available to public through its respective website viz. www.bseindia.com and www.nseindia.com.

The Company will publish an advertisement in the news papers containing its details in line with the details required in terms of SEBI Circular No. SEBI/CFD/SCRR/01/2009/03/09 dated 3rd September, 2009.

Auditors

M/s. Deloitte Haskins & Sells
Chartered Accountants
Tower 3, 27th-32nd Floor,
Indiabulls Finance Centre,
Elphinstone Mill Compound,
Senapati Bapat Marg,
Elphinstone (W)
Mumbai 400 013
Tel: (022) 61854000

Bankers to the Company

1. Standard Chartered Bank

Compliance Officer

Name : Mr. Chander Dingria
Designation : Deputy Manager Finance
Address : 15, Dhannur, Sir P. M. Road,
Fort, Mumbai
Maharashtra ,India
E-mail address: chander.dingria@nibl.in
Telephone No : (022) 22704206

CAPITAL STRUCTURE:

Consequent to issue and allotment of shares pursuant to the Scheme, the share capital of the Company is as follows:

PRE SCHEME OF ARRANGEMENT

Particulars	Amount (Rs.)
Authorised Share Capital	
2,50,000 Equity Shares of Rs.2/- each	5,00,000
Issued, Subscribed and Paid-up Share Capital	
2,50,000 Equity Shares of Rs.2/- each	5,00,000

POST SCHEME OF ARRANGEMENT

Particulars	Amount (Rs.)
Authorised Share Capital	
2,50,00,000 Equity Shares of Rs.2/- each	5,00,00,000
Issued, Subscribed and Paid-up Share Capital	
2,42,30,650 Equity Shares of Rs.2/- each	4,84,61,300

SHAREHOLDING PATTERN

Statement showing Shareholding Pattern (Pre and Post Allotment)

1) Pre Allotment

Statement Showing Shareholding Pattern								
			Table (I)(a)					
Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a percentage of(A+B)	As a percentage of (A+B+C)	Number of shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)= (VIII)/(I V)*100
(A)	Shareholding of Promoter and Promoter Group							
1	Indian							
(a)	Individuals/ Hindu Undivided Family				0.00	0.00		
(b)	Central Government/ State Government(s)				0.00	0.00		
(c)	Bodies Corporate	1	2,50,000		100	100		
(d)	Financial Institutions/ Banks				0.00	0.00		
(e)	Any Others(Specify)				0.00	0.00		
(e-i)	Trust				0.00	0.00		
(e-ii)					0.00	0.00		
	Sub Total(A)(1)	1	2,50,000		100.00	100.00	0	0.00
2	Foreign							
a	Individuals (Non-Residents Individuals/ Foreign Individuals)				0.00	0.00		
b	Bodies Corporate				0.00	0.00		
c	Institutions				0.00	0.00		
d	Qualified Foreign Investor				0.00	0.00		
e	Any Others(Specify)				0.00	0.00		
	Sub Total(A)(2)	0	0	0	0.00	0.00	0	

	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	1	2,50,000	0	100.00	100.00	0	0.00
(B)	Public shareholding							
1	Institutions							
(a)	Mutual Funds/ UTI							
(b)	Financial Institutions / Banks							
(c)	Central Government/ State Government(s)							
(d)	Venture Capital Funds							
(e)	Insurance Companies							
(f)	Foreign Institutional Investors							
(g)	Foreign Venture Capital Investors							
(h)	Qualified Foreign Investor							
(i)	Any Other (specify)							
(i-ii)								
(i-ii)								
	Sub-Total (B)(1)							
B 2	Non-institutions							
(a)	Bodies Corporate							
(b)	Individuals							
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh							
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.							
(c)	Qualified Foreign Investor							
(d)	Any Other (specify)							

(d-i)	Clearing members							
(d-ii)	NRI / OCB's							
(d-iii)	Foreign Nationals							
	Sub-Total (B)(2)							
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)							
	TOTAL (A)+(B)	1	2,50,000		100.00	100.00		
(C)	Shares held by Custodians and against which Depository Receipts have been issued							
1	Promoter and Promoter Group					0.00		
2	Public					0.00		
	Sub-Total (C)	0	0	0		0	0	
	GRAND TOTAL (A)+(B)+(C)	1	2,50,000	0	100.00	100.00	0	0.00

(D)(b) Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category “Promoter and Promoter Group”

Sr. No.	Name of the shareholder	Details of Shares held		Encumbered shares (*)		
		Number of shares held	As a % of grand total (A) +(B) +(C)	No.	As a percentage	As a % of grand total (A)+(B)+(C) of sub-clause (I)(a)
(I)	(II)	(III)	(IV)	(V)	(VI)=(V)/(II I)*100	(VII)
1	NRB Bearings Limited	2,50,000	100.00		0.00	0.00
TOTAL		2,50,000	100.00	0	0.00	0.00

(I)(c)(i) Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category “Public” and holding more than 1 % of the total number of shares

Sr. No.	Name of the shareholder	Number of shares held	Shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}
1	NIL	0.00	0.00
2			
3			
4			
5			
TOTAL		0.00	0.00

(I)(c)(ii) Statement showing holding of securities (including shares, warrants, convertible securities) of persons (together with PAC) belonging to the category “Public” and holding more than 5% of the total number of shares of the Company.

Sr. No.	Name(s) of the shareholder(s) and the Persons Acting in Concert (PAC) with them	Number of shares	Shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}
1	NIL	0.00	0.00
TOTAL		0.00	0.00

(I)(d) Statement showing details of locked-in shares

Sr. No.	Name of the shareholder	Number of locked-in shares	Locked-in shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}
1	NIL	0.00	0.00
2			0.00
TOTAL		0.00	0.00

(II)(a) Statement showing details of Depository Receipts (DRs)

Sr. No.	Type of outstanding DR (ADRs, GDRs, SDRs, etc.)	Number of outstanding DRs	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}
1				0.00
2				0.00
3				0.00
4				0.00
TOTAL		0	0	0.00

2) Post Allotment

Statement Showing Shareholding Pattern								
Category code	Category of Shareholder	Number of Shareholders	Table (I)(a)		Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
			Total number of shares	Number of shares held in dematerialized form	As a percentage of (A+B) ¹	As a percentage of (A+B+C)	Number of shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)= (VIII)/(I V)*100
(A)	Shareholding of Promoter and Promoter Group							
1	Indian							
(a)	Individuals/ Hindu Undivided Family	13	8094748	8094748	33.41	33.41		
(b)	Central Government/ State Government(s)				0.00	0.00		
(c)	Bodies Corporate				0.00	0.00		
(d)	Financial Institutions/ Banks				0.00	0.00		
(e)	Any Others(Specify)				0.00	0.00		
(e-i)	Trust	1	9438910	9438910	38.95	38.95		
(e-ii)					0.00	0.00		
	Sub Total(A)(1)	14	17533658	17533658	72.36	72.36	0	0.00

NRB INDUSTRIAL BEARINGS LIMITED

INFORMATION MEMORANDUM

2	Foreign							
a	Individuals (Non-Residents Individuals/ Foreign Individuals)				0.00	0.00		
b	Bodies Corporate				0.00	0.00		
c	Institutions				0.00	0.00		
d	Qualified Foreign Investor				0.00	0.00		
e	Any Others(Specify)				0.00	0.00		
	Sub Total(A)(2)	0	0	0	0.00	0.00	0	
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	14	17533658	17533658	72.36	72.36	0	0.00
(B)	Public shareholding							
1	Institutions							
(a)	Mutual Funds/ UTI	8	1235474	1233724	5.10	5.10		
(b)	Financial Institutions /Banks	2	1450	1450	0.01	0.01		
(c)	Central Government/ State Government(s)				0.00	0.00		
(d)	Venture Capital Funds				0.00	0.00		
(e)	Insurance Companies				0.00	0.00		
(f)	Foreign Institutional Investors	7	1912686	1912686	7.89	7.89		
(g)	Foreign Venture Capital Investors				0.00	0.00		
(h)	Qualified Foreign Investor				0.00	0.00		
(i)	Any Other (specify)				0.00	0.00		
(i-ii)					0.00	0.00		
(i-ii)								
	Sub-Total (B)(1)	17	3149610	3147860	13.00	13.00		
B 2	Non-institutions							
(a)	Bodies Corporate	251	1537073	1536073	6.34	6.34		
(b)	Individuals				0.00	0.00		

I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	10005	1820118	1669459	7.51	7.51		
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	1	93000	93000	0.38	0.38		
(c)	Qualified Foreign Investor				0.00	0.00		
(d)	Any Other (specify)				0.00	0.00		
(d-i)	Clearing members	82	48559	48559	0.20	0.20		
(d-ii)	NRI / OCB's	143	48532	48532	0.20	0.20		
(d-iii)	Foreign Nationals	1	100	100	0.00	0.00		
	Sub-Total (B)(2)	10483	3547382	3395723	14.64	14.64		
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	10500	6696992	6543583	27.64	27.64		
	TOTAL (A)+(B)	10514	24230650	24077241	100.00	100.00		
(C)	Shares held by Custodians and against which Depository Receipts have been issued							
1	Promoter and Promoter Group					0.00		
2	Public					0.00		
	Sub-Total (C)	0	0	0		0	0	
	GRAND TOTAL (A)+(B)+(C)	10514	24230650	24077241		100.00	0	0.00

Notes:

1. Post Allotment 2,50,000 Equity Shares of Rs. 2/- each held by NRB Bearings Limited in the Company were cancelled as an integral part of Scheme of Arrangement.

(I)(b) Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category “Promoter and Promoter Group”

Sr. No.	Name of the shareholder	Details of Shares held		Encumbered shares (*)		
		Number of shares held	As a % of grand total (A) + (B) + (C)	No.	As a percentage	As a % of grand total (A)+(B)+(C) of sub-clause (I)(a)
(I)	(II)	(III)	(IV)	(V)	(VI)=(V)/(III)*100	(VII)
1	AARTI D SAHNEY	101750	0.42		0.00	0.00
2	AMBITA SAHNEY	373175	1.54		0.00	0.00
3	ANJANA KAUR THAKKAR	373200	1.54		0.00	0.00
4	BHUPINDER SINGH SAHNEY	449402	1.85		0.00	0.00
5	BRIJWEEN KAUR SAHNEY	629850	2.60		0.00	0.00
6	DEVESH S SAHNEY	908650	3.75		0.00	0.00
7	DIPIKA KAUR SAHNEY	373425	1.54		0.00	0.00
8	HANWANTBIR KAUR SAHNEY	97000	0.40		0.00	0.00
9	HARSHBEENA SAHNEY ZAVERI	1116183	4.61		0.00	0.00
10	JASJIV SINGH DEVINDER S SAHNEY	152950	0.63		0.00	0.00
11	JASMIN SAHNEY PILLAI	376725	1.55		0.00	0.00
12	RAJIV DEVINDER SAHNEY	213337	0.88		0.00	0.00
13	TRILOCHAN SINGH SAHNEY	2929101	12.09		0.00	0.00
14	TRILOCHAN SANT SINGH SAHNEY	9438910	38.95		0.00	0.00
TOTAL		17533658	72.36	0	0.00	0.00

(I)(c)(i) Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category “Public” and holding more than 1 % of the total number of shares

Sr. No.	Name of the shareholder	Number of shares held	Shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}
1	ACACIA INSTITUTIONAL PARTNERS, LP	452582	1.87
2	ACACIA PARTNERS, LP	870370	3.59
3	ACACIA BANYAN PARTNERS	360124	1.49
4	ICICI PRUDENTIAL LIFE INSURANCE COMPANY	1354678	5.59
5	HDFC TRUSTEE CO LTD - HDFC MULTIPLE YIELD	968587	4.00
TOTAL		4006341	16.53

(I)(c)(ii) Statement showing holding of securities (including shares, warrants, convertible securities) of persons (together with PAC) belonging to the category “Public” and holding more than 5% of the total number of shares of the Company.

Sr. No.	Name(s) of the shareholder(s) and the Persons Acting in Concert (PAC) with them	Number of shares	Shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}
1	ICICI PRUDENTIAL LIFE INSURANCE CO	1354678	5.59
TOTAL		1354678	5.59

(I)(d) Statement showing details of locked-in shares

Sr. No.	Name of the shareholder	Number of locked-in shares	Locked-in shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}
1	TRILOCHAN SANT Singh SAHNEY	2359727	9.74
2			0.00
TOTAL		2359727	9.74

(II)(a) Statement showing details of Depository Receipts (DRs)

Sr. No.	Type of outstanding DR (ADRs, GDRs, SDRs, etc.)	Number of outstanding DRs	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}
1				0.00
2				0.00
3				0.00
4				0.00
TOTAL		0	0	0.00

Statement showing holding of Depository Receipts (DRs), where underlying shares held by "Promoter/promoter group" are in excess of 1% of the total**(II)(b) number of shares**

Sr. No.	Name of the DR Holder	Type of outstanding DR (ADRs, GDRs, SDRs, etc.)	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}
1				0.00
2				0.00
3				0.00
TOTAL			0	0.00

SALIENT FEATURES OF SCHEME OF ARRANGEMENT

The salient features of the Scheme are as follows:

PART A**RATIONALE FOR THE SCHEME**

1. NRB is engaged in the business of manufacturing of bearings. NRB has pioneered the production of needle roller bearings in India. NRB has the widest range of bearings produced in the country. NRB is one of the top four bearings manufacturers in India. Several renowned companies source their requirements from NRB.
2. The industrial bearings are used for several industrial applications and hence, there is a need to manage the Industrial Bearings Undertaking as an independent entity, so as to enhance its capabilities and to focus on the operations.
3. NIBL is a wholly owned subsidiary of NRB and has been incorporated to carry on the business of manufacturing and selling industrial bearings. The Scheme of Arrangement is proposed for demerger and vesting of the Industrial Bearings Undertaking of NRB into NIBL, which is expected to provide greater flexibility to both the entities in its operations. The restructuring proposed under the Scheme is expected to unlock shareholders' value and create long term value for all the other stakeholders.

PART B**DEFINITIONS****1. DEFINITIONS**

In this scheme, unless inconsistent with the subject, the following expression shall have the meanings respectively assigned against them:

- 1.1. **“Act”** means the Companies Act, 1956 and shall include any statutory modification, re-enactment or amendments thereof for the time being in force.
- 1.2. **“Appointed Date”** means the 1st day of April, 2012 or such other date as may be approved by the High Court of Judicature at Bombay or any other appropriate authority.
- 1.3. **“Effective Date”** means the date on which the certified or authenticated copy of the Orders of High Court of Judicature at Bombay or any other appropriate authority under Sections 391 and 394 read with sections 100 to 103 of the Act sanctioning the Scheme is filed with the Registrar of Companies, Maharashtra at Mumbai or the Appointed date whichever is later.
- 1.4. **“High Court”** means the High Court of Judicature at Bombay.
- 1.5. **“Industrial Bearings Undertaking”** means the industrial bearings business of NRB including the agency business (other than bearings business for mobile vehicles of every description including farm equipments) and includes the following:
 - 1.5.1. All identified assets whether movable or immovable, real or personal, corporeal or incorporeal, present, future or contingent, tangible or intangible, investments short term; long term or joint venture/s, investment(s) related to industrial bearings business wherever situated or held;
 - 1.5.2. 99 years lease for Flat No. 10 along with Garage No. 10 and an identified area in basement of Shangrila Building, located at 26, M. L. Dahunakar Road, Mumbai 400 026 with a right to sub-lease the said Flat No. 10 along with Garage No. 10.
 - 1.5.3. The right to use the 2nd floor and 3rd floor of the Dhannur Building occupied by NRB, bearing CTS No. 1892 and situated at Sir P. M. Road, Fort Mumbai 400 001 as its office premises for a period of 99 years on such lease rentals and on such other terms and conditions as both NRB and NIBL shall mutually agree.

- 1.5.4. All present and future liabilities (including contingent liabilities) arising out of the activities or operations of Industrial Bearings Undertaking, including loans, debts, current liabilities and provisions, duties and obligations relating to the Industrial Bearings Undertaking;
- 1.5.5. Without prejudice to the generality of the above, the Industrial Bearings Undertaking shall include in particular:
- h. All identified properties and assets of whatsoever nature and wherever situated, required for/pertaining to the Industrial Bearings Undertaking, including plant and machinery, equipments, appliances, stock of finished/semi-finished goods, raw materials, components, furniture and fixtures, accessories, vehicles, current assets, liquid funds, samples, plant and other extracts, intellectual property, investments in joint ventures related to the industrial bearings business and other properties and assets pertaining to the Industrial Bearings Undertaking. The immovable properties pertaining to the Industrial Bearings Undertaking are described in detail in Annexure 1 herewith.
 - i. all debts, liabilities, duties and obligations and also including, without limitation, permits, quotas, rights, entitlements, bids, tenders, letters of intent, expressions of interest, municipal and other statutory permissions, approvals, consents, licenses, registrations, subsidies, concessions, exemptions, remissions, tax deducted at source, tax deferrals, tax credits, tenancies in relation to office and factory and/or residential property for the employees, offices, related to the Industrial Bearings Undertaking, investment, cash balances, the benefit of any advance or deposit, financial assets, funds belonging to or proposed to be utilized for the Industrial Bearings Undertaking, bank balances and bank accounts relating to the day to day operations and specific to the working of Industrial Bearings Undertaking, privileges, all other rights and benefits, lease rights, licenses, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephone, telexes, facsimile connection and installations, utilities, power lines, electricity and other services, provisions, funds, benefits of all agreements, contracts including those relating to the agency business, subsidies, grants and incentive schemes formulated by Central or State Government, if any, contracts and arrangements and all other interest in connection with or relating to the Industrial Bearings Undertaking;

- j. any and all licenses, tenancies and property rights, if any, related to Industrial Bearings Undertaking. The trade mark "NRB Industrial" for bearings for industrial application whether registered in the name of NRB or pending application of such registration and any extensions, sub-brands and additional descriptions thereof. It is hereby clarified that the trade mark "NRB" and associated description, design, colour and logo are exclusive property of NRB and NIBL shall not be entitled to use (except as expressly provided herein), similar description, design, colour and logo for its business.
- k. all records, files, papers, computer programs, manuals, data, libraries, catalogues, papers, drawings, 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 form or electronic form in connection with or relating to the Industrial Bearings Undertaking;
- l. all identified employees of NRB employed in and / or relatable to the Industrial Bearings Undertaking of NRB;
- m. all advance monies, earnest monies and/or security deposits, if any, paid or received by NRB in connection with or relating to the Industrial Bearings Undertaking;
- n. for the purpose of this Scheme, it is clarified that liabilities pertaining to the Industrial Bearings Undertaking include and shall be transferred in the manner as defined in section 2(19AA) of the Income Tax Act, 1961 as follows:
 - iv. the liabilities, debts/obligations at the close of business on the day immediately preceding the Appointed Date which arise out of the respective activities or operations of the Industrial Bearings Undertaking;
 - v. specific loans and borrowings raised, incurred and utilized solely for the activities or operation of the Industrial Bearings Undertaking at the close of business on the day immediately preceding the Appointed Date;
 - vi. liabilities other than those referred to in sub-clauses (i) and (ii) above, being the amounts of general or multipurpose borrowings of NRB, allocated to the Industrial Bearings Undertaking in the same proportion in which the value of

the assets transferred under this Scheme bear to the total value of the assets of NRB immediately before giving effect to this Scheme;

Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Industrial Bearings Undertaking or whether it arises out of the activities or operations of the Industrial Bearings Undertaking shall be decided by mutual agreement between the Board of Directors of NRB and NIBL.

- 1.6. **“NRB” or “the Demerged Company”** means NRB Bearings Limited a company incorporated under the Act and having its registered office at Dhannur, 15 P.M. Road, Fort, Mumbai - 400001.
- 1.7. **“NIBL” or “the Resulting Company”** means NRB Industrial Bearings Limited, a company incorporated under the Act and having its registered office 15, Dhannur, Sir P. M. Road, Mumbai – 400001.
- 1.8. **“Record Date”** means the date to be fixed by the Board of Directors of NRB in consultation with the Board of Directors of NIBL for the purpose of reckoning names of the equity shareholders of NRB, who shall be entitled to receive shares of the Resulting Company upon coming into effect of this Scheme;
- 1.9. **“Remaining Business of NRB”** means all the undertakings, businesses, activities and operations of NRB including but not restricted to the bearings business for mobile vehicles of every description including farm equipments other than the Industrial Bearings Undertaking;
- 1.10. **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Arrangement in its present form or with any modification(s) made under clause 17 of the scheme as approved or directed by the High Court of Judicature at Bombay.

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, the Securities Contract Regulation Act, 1956, the Depositories Act, 1996 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) and amendments(s) made under Clause 17 of the Scheme, approved or imposed or directed by the High Court of Judicature at Bombay, shall be effective from the Appointed Date but shall be operative from the Effective Date.

PART C**DEMERGER OF INDUSTRIAL BEARINGS UNDERTAKING OF NRB INTO NIBL****4. TRANSFER AND VESTING OF UNDERTAKING OF THE DEMERGED COMPANY**

With effect from the Appointed Date and upon the Scheme becoming effective, the Industrial Bearings Undertaking of NRB shall, pursuant to the provisions contained in Sections 391 to 394 and other relevant provisions, if any, of the Act, without any further act, deed, matter or thing, stand transferred to and vested in and/or be deemed to be transferred to and vested in NIBL at book values and on a going concern basis, in accordance with section 2(19AA) of the Income Tax Act, 1961, in the following manner:

4.1 All assets along with all rights, interests and other benefits without any further act, instrument or deed pertaining to the Industrial Bearings Undertaking shall be transferred to and vested in and/or be deemed to be transferred and vested from NRB to NIBL, with effect from the Appointed Date;

4.1.1 Any and all assets relating to the Industrial Bearings Undertaking, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and recordable pursuant to this Scheme shall stand transferred and vested by NRB to NIBL and shall become the property and an integral part of NIBL. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred and vested accordingly. Such delivery and transfer shall be made on a date to be mutually agreed upon between the respective Boards of Directors or Committees thereof of NRB and NIBL and shall be deemed to be transferred to and vested from NRB into NIBL with effect from the Appointed Date. No stamp duty shall be payable on the transfer of such movable properties (including shares and other investments) upon its transfer and vesting in NIBL;

- 4.1.2 In respect of any assets pertaining to the Industrial Bearings Undertaking including actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with the Government, semi-Government, local and other authorities and bodies and customers, NRB shall, on being so requested by NIBL, issue notices in such form as NIBL may specify stating that pursuant to this Scheme, the relevant debt, loan, advance, deposit or other asset, be paid or made good to, or be held on account of, NIBL as the person entitled thereto, to the end and intent that the right of NRB to receive, recover or realize the same, stands transferred to NIBL and that appropriate entries should be passed in their respective books to record the aforesaid changes;
- 4.1.3 In respect of such of the assets belonging to the Industrial Bearings Undertaking other than those referred to in clause 4.1.1 and 4.1.2 above, the same shall be transferred to and vested in and/or be deemed to be transferred to and vested in NIBL on the Appointed Date pursuant to the provisions of Section 391 to 394 of the Act.
- 4.2 Any and all immovable properties (including land together with the buildings and structures standing thereon) of NRB relating to the Industrial Bearings Undertaking, whether freehold or leasehold and any documents of title, rights and easements in relation thereto, shall stand transferred to and be vested in NIBL, without any act or deed done by NRB or NIBL. With effect from the Appointed Date, NIBL shall be entitled to exercise all rights and privileges and be liable to pay ground rent, municipal taxes and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation of title to the immovable properties in the name of NIBL shall be made and duly recorded by the appropriate authorities pursuant to the sanction of this Scheme by the Hon'ble High Court and this Scheme becoming effective in accordance with the terms hereof without any further act or deed on part of NIBL.
- 4.3 With effect from the Appointed Date and upon the Scheme becoming effective, all debts, liabilities, duties and obligations of every kind, nature and description of NRB, pertaining to the Industrial Bearings Undertaking shall, pursuant to the Scheme, without any further act or deed, be transferred to or be deemed to be transferred to NIBL so as to become as from the Appointed Date the debts, liabilities, duties and obligations of NIBL and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.

For the purpose of this Scheme, it is clarified that liabilities pertaining to the Industrial Bearings Undertaking of NRB includes:

- 4.3.1 The liabilities, which arise out of the activities or operations of the Industrial Bearings Undertaking of NRB.
 - 4.3.2 Specific loans and borrowings raised, incurred and utilized solely for the activities or operation of the Industrial Bearings Undertaking of NIBL.
 - 4.3.3 Liabilities other than those referred to in sub-clauses 4.2.1 and 4.2.2 above and not directly relatable to the remaining business of NRB, being the amounts of general or multipurpose borrowings of NRB shall be allocated to the Industrial Bearings Undertaking of NRB in the same proportion in which the value of the assets transferred under this Clause bears to the total value of the assets of NRB immediately before giving effect to this Scheme. The parties shall mutually agree upon the identification of the liabilities to be transferred to NIBL as liabilities pertaining to the Industrial Bearings Undertaking.
- 4.4 The transfer and vesting of the Industrial Bearings Undertaking shall be subject to the existing securities, charges and mortgages, if any, in relation to the liabilities of the Industrial Bearings Undertaking transferred to NIBL under clause above. NRB may continue to provide corporate guarantee in respect of such borrowings if the terms of lending so provide for a period of not more than 3 years from the Effective Date herein. In so far as any encumbrances over the assets comprised in the Industrial Bearings Undertaking are security for liabilities of the Remaining Undertaking retained with NRB, the same shall, on the Effective Date, without any further act, instrument or deed be modified to the extent that all such assets shall stand released and discharged from the obligations and security relating to the same and the encumbrances shall only extend to and continue to operate against the assets retained with NRB and shall cease to operate against any of the assets transferred to NIBL in terms of this Scheme. The absence of any formal amendment which may be required by a lender or third party shall not affect the operations of this sub-clause.
- 4.5 With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions or approvals or consents held by NRB required to carry on operations of Industrial Bearings Undertaking shall stand vested in or transferred to NIBL without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of NIBL and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and

consents shall vest in and become available to NIBL as if they were originally obtained by NIBL. In so far as the various incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by NRB relating to the Industrial Bearings Undertaking, are concerned, the same shall vest with and be available to NIBL on the same terms and conditions as applicable to NRB, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to NIBL.

- 4.6 With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess payable/receivable by NRB relating to the Industrial Bearings Undertaking including all or any refunds/credit/claims relating thereto shall be treated as the asset/liability or refunds/credit/claims, as the case may be, of NIBL, provided however that any direct and indirect taxes that cannot specifically be earmarked as the asset/liability or refunds/credit/claims relating to the Industrial Bearings Undertaking shall continue to be borne by NRB unless otherwise mutually agreed by the Board of Directors of NRB and NIBL.
- 4.7 NRB and NIBL are expressly permitted to revise their respective tax returns including tax deducted at source (TDS) certificates and to claim refunds, advance tax credits, excise and service tax credits, set off, etc., on the basis of the accounts of the Industrial Bearings Undertaking of NRB as vested with NIBL upon coming into effect of this Scheme, and its right to make such revisions in the related tax returns and related certificates, as applicable, and the right to claim refunds, adjustments, credits, set-offs, advance tax credits pursuant to the sanction of this Scheme and the Scheme becoming effective is expressly reserved
- 4.8 This Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) 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 Section 2(19AA) of the Income-tax Act, 1961. Such modification will however not affect the other parts of the Scheme.
- 4.9 Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Industrial Bearings Undertaking of NRB or whether it arises out of the activities

or operations of Industrial Bearings Undertaking of NRB shall be decided by mutual agreement between the Board of Directors of NRB and NIBL.

5. REMAINING BUSINESS OF THE DEMERGED COMPANY

It is clarified that, the Remaining Business of the Demerged Company shall continue with NRB as follows:

5.1 The Remaining Business of NRB and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by NRB.

5.2 All legal and other proceedings by or against NRB under any statute, whether pending on the Appointed Date or which may be instituted in future, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business of NRB (including those relating to any property, right, power, liability, obligation or duty, of NRB in respect of the Remaining Business of NRB) shall be continued and enforced by or against NRB.

6. TRANSACTIONS BETWEEN APPOINTED DATE AND EFFECTIVE DATE

With effect from the Appointed Date and upto and including the Effective Date:

6.1 NRB in respect of the Industrial Bearings Undertaking shall carry on and be deemed to have been carrying on the business and activities and shall stand possessed of and hold all of its properties and assets for and on account of and in trust for NIBL. NRB hereby undertakes to hold the said assets with utmost prudence until the Effective Date;

6.2 All the profits or income accruing or arising to NRB in respect of the Industrial Bearings Undertaking or expenditure or losses arising to or incurred by NRB in respect of the Industrial Bearings Undertaking, shall for all purposes and intents be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses (as the case may be) of NIBL;

6.3 NRB in respect of the Industrial Bearings Undertaking shall carry on the business and activities with reasonable diligence, business prudence and shall not without the prior written consent of NIBL, alienate, charge, mortgage, encumber or otherwise deal with or dispose of its Industrial Bearings Undertaking or any part thereof except in respect of activities in the ordinary course of business nor shall it undertake any new businesses within the Industrial Bearings Undertaking or a substantial expansion of its existing Industrial Bearings Undertaking;

- 6.4 Where any of the liabilities and obligations attributed to the Industrial Bearings Undertaking on or after the Appointed Date has been discharged by NRB on behalf of the Industrial Bearings Undertaking after the Appointed Date but prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of NIBL.
- 6.5 All loans raised after the Appointed Date but before the Effective Date and liabilities incurred by NRB after the Appointed Date but before the Effective Date for operations of the Industrial Bearings Undertaking shall be discharged by NIBL on or after the Effective Date. Where any of the liabilities and obligations attributed to the Industrial Bearings Undertaking on the Appointed Date have been discharged by the NRB after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of NIBL.
- 6.6 NRB shall not, in relation to the Industrial Bearings Undertaking vary the terms and conditions of service of the employees or conclude settlements with unions or employees, except in the ordinary course of business or consistent with past practice or pursuant to any pre-existing obligation without the prior written consent of the Board of Directors of NIBL.
- 6.7 NIBL shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government(s) and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which NIBL, may require to carry on the Industrial Bearings Undertaking.

7. **CONSIDERATION**

- 7.1 Upon the Scheme becoming effective, in consideration of the transfer and vesting of the Industrial Bearings Undertaking of NRB in NIBL in accordance with the provisions of this Scheme and as an integral part of this Scheme, NIBL shall, without any further application or deed, issue and allot to all shareholders of NRB whose name appears in the Register of Members of NRB as on the Record Date or to his/her heirs, executors, administrators or the successors-in-title, as the case may be, fully paid-up equity shares in the following ratio:

“In respect of every 4(Four) Equity Share of Rs. 2 each, held by the shareholders in NRB, 1 (one) Equity Share of NIBL of Rs. 2 each fully paid up.”

- 7.2 The Equity Shares to be issued by NIBL pursuant to Clause 7.1 above shall be issued in dematerialized form by NIBL, unless otherwise notified in writing by the shareholders

of NRB to NIBL on or before such date as may be determined by the Board of Directors of NIBL or a committee thereof. In the event that such notice has not been received by NIBL in respect of any of the members of NRB, the Equity Shares shall be issued to such members in dematerialized form provided that the members of NRB shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event that NIBL has received notice from any member that Equity Shares are to be issued in physical form or if any member has not provided the requisite details relating to his/her/its account with a depository participant or other confirmations as may be required or if the details furnished by any member do not permit electronic credit of the shares of NIBL, then NIBL shall issue equity shares in physical form to such member or members.

7.3 In respect of fractional entitlements, if any, on issuance of equity shares by NIBL, to the equity shareholders of NRB at as per Clause 7.1 above, the same shall be rounded off to the nearest integer. The Board of Directors of NIBL shall consolidate all fractional entitlements, and allot NIBL Equity Shares in lieu thereof to a Director or such other authorized representative(s) as the Board of Directors of NIBL shall appoint in this behalf, who shall hold the NIBL Equity Shares issued by NIBL, in trust on behalf of the equity shareholders entitled to fractional entitlements with the express understanding that such director(s) or other authorized representative(s) shall sell the same in the market at such time or times and at such price or prices and to such person or persons, as it/he/they may deem fit, and pay to NIBL, the net sale proceeds thereof, whereupon NIBL shall distribute such net sale proceeds (after deduction of applicable taxes), to the equity shareholders in proportion to their respective fractional entitlements. The Board of Directors of NIBL, if it deems necessary, in the interests of allottees, approve such other method in this behalf as it may, in its absolute discretion, deem fit.

7.4 In the event of there being any pending share transfers with respect to any application lodged for transfer by any shareholder of NRB, the Board of Directors or any committee thereof of NRB or failing which the Board of Directors or any committee thereof of NIBL shall be empowered in appropriate cases, even subsequent to the Record Date to effectuate such a transfer in NRB as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the

transferor or the transferee of the share(s) in NIBL and in relation to the new shares after the Scheme becomes effective.

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- 7.5 The Equity Shares in NIBL to be issued to the members of NRB pursuant to Clause 7.1 above shall be subject to the Memorandum and Articles of Association of NIBL and shall rank *pari passu* in all respects, including dividend, with the existing Equity Shares of NIBL.
- 7.6 Equity Shares of NIBL issued in terms of Clause 7.1 of this Scheme will be listed and/or admitted to trading on the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited where the shares of NRB are listed and/or admitted to trading in terms of the Securities and Exchange Board of India (Issue Of Capital And Disclosure Requirements) Regulations, 2009. NIBL shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said Stock Exchange. On such formalities being fulfilled the said Stock Exchanges shall list and/or admit such Equity Shares also for the purpose of trading. The shares allotted pursuant to clause 7.1. shall remain frozen in the depositories system till listing / trading permission is given by National Stock Exchange of India Limited and Bombay Stock Exchange Limited. Further, there shall be no change in the shareholding pattern (other than any issue or cancellation of shares pursuant to this Scheme) or control in NIBL between the record date and the listing of shares pursuant to this clause which may affect the status of approval granted by the National Stock Exchange of India Limited and Bombay Stock Exchange Limited to this Scheme.
- 7.7 The Board of Directors of NIBL shall, if and to the extent required, apply for and obtain any approvals from concerned Government / Regulatory authorities for the issue and allotment of equity shares to the members of NRB pursuant to clause 7.1 of the Scheme.
- 7.8 The Equity Shares to be issued by NIBL pursuant to this Scheme in respect of any equity shares of NRB which are held in abeyance under the provisions of Section 206A of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by NIBL.
- 7.9 The issue and allotment of Equity Shares by NIBL to the shareholders of NRB as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out as if the procedure laid down under Section 81(1A) and any other applicable provisions of the Act were duly complied with.
- 7.10 The approval of this Scheme by the shareholders of NRB and NIBL under Sections 391 and 394 read with sections 100 to 103 of the Act shall be deemed to be the approval

under Sections 16, 31 and other applicable provisions of the Act and any other consents and approvals required in this regard.

7.11 For the purposes of Income-tax Act, 1961:

- (a) the cost of acquisition of the shares of NIBL in the hands of the shareholders of NRB shall be the amount which bears to the cost of acquisition of shares held by the shareholder in NRB the same proportion as the net book value of the assets transferred in the demerger to NIBL bears to the net worth of NRB immediately before the demerger hereunder;
- (b) the period for which the shares(s) in NRB were held by the shareholders shall be included in determining the period for which the shares in NIBL have been held by the respective shareholder.

7.12 The authorized share capital of the Resulting Company shall be increased and /or reclassified to the extent necessary for issuing equity shares under this Scheme.

7.13 Cancellation of existing Share Capital of NIBL held by NRB

7.13.1 The entire existing issued, subscribed and paid-up share capital of NIBL is held by NRB and its nominees. Upon allotment of shares pursuant to Clause 7.1, the entire existing issued, subscribed and paid-up share capital of NIBL held by NRB whether in its own name or in the name of any nominee shall stand cancelled. Upon cancellation of shares pursuant to this clause, the share certificates, if any, and/or the shares in electronic form representing the shares held by NRB in NIBL shall be deemed to be cancelled without any further act or deed for cancellation thereof by NRB.

7.13.2 The cancellation of the old Equity Shares of NIBL as mentioned above, shall be effected as an integral part of this Scheme without having to follow the process under Section 100 to 103 of the Act separately and the Order of the High Court sanctioning the Scheme shall be deemed to be also the Order under Section 102 of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital to the shareholders and the provisions of Section 101 of the Act will not be applicable.

PART D**ACCOUNTING TREATMENT AND GENERAL CLAUSES****8 ACCOUNTING TREATMENT****8.1 IN THE BOOKS OF NRB, THE DEMERGED COMPANY**

On the Scheme becoming effective and with effect from the Appointed Date, NRB shall account for the demerger of the Industrial Bearings Undertaking, in its books as under:

8.1.1 The value of all assets and liabilities pertaining to the Industrial Bearings Undertaking which cease to be the assets and liabilities of NRB, shall be reduced by NRB at their respective book values.

8.1.2 Investment of NRB being shares in NIBL will stand cancelled.

8.1.3 The difference that is the excess of the book value of assets pertaining to the Industrial Bearings Undertaking over the book value of the liabilities pertaining to the Industrial Bearings Undertaking, demerged from NRB pursuant to this Scheme after adjusting the investments of NRB in NIBL which is cancelled in terms of Clause 8.1.2 above, shall, be adjusted against the General Reserve Account of NRB and in case of there being a deficit the same shall be credited to Capital Reserve Account of NRB.

8.2 IN THE BOOKS OF NIBL, THE RESULTING COMPANY

Upon the Scheme becoming effective and with effect from the Appointed Date, NIBL shall account for the Scheme in its books as under:

8.2.1 NIBL shall record the assets and liabilities pertaining to Industrial Bearings Undertaking, at the respective book values as appearing in the books of NRB as on the Appointed Date;

8.2.2 NIBL shall credit to its share capital account, the aggregate face value of the Equity Shares issued by it pursuant to this Scheme;

8.2.3 The difference being excess of assets over liabilities recorded by NIBL, over the amount credited as share capital after adjusting the cancellation of the existing share capital of NIBL held by NRB will be credited to the Capital Reserve Account. In case

of there being a shortfall, the same shall be debited to and carried forward as Goodwill.

8.2.4 On allotment of shares by NIBL in terms of Clause 7.1, the existing shareholding of NRB, the Demerged Company, in the equity share capital of NIBL shall stand cancelled as an integral part of this Scheme in accordance with the provisions of Section 100 to 103 of the Act. However, as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital, the provisions of Section 101 of the Act are not applicable. Therefore, no order under section 102 of the Act confirming the reduction shall be required.

8.2.5 In case of any difference in accounting policy between NRB in respect of the Industrial Bearings Undertaking and NIBL, the impact of the same till the Appointed Date, will be quantified and adjusted in the Capital Reserve/ Goodwill Account of NIBL to ensure that the financial statements of NIBL reflect the financial position on the basis of consistent accounting policy.

9 DECLARATION OF DIVIDEND, BONUS

9.1 For the avoidance of doubt it is hereby clarified that nothing in this Scheme shall prevent NIBL from declaring and paying dividends, whether interim or final, to its equity shareholders as on the respective record date(s) for the purpose of any such dividend.

9.2 NRB shall not utilize the profits or income, if any, relating to the Industrial Bearings Undertaking for the purpose of declaring or paying any dividend to its shareholders or for any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of the Board of Directors of NIBL.

9.3 In the event that NRB and/or NIBL restructures its equity share capital by way of share split / consolidation / issue of bonus shares / issue of Rights Shares or other changes in its capital during the pendency of the Scheme, the Share Exchange Ratio (as provided in the Clause 7.1) shall be adjusted / changed accordingly to take into account the effect of such corporate action(s).

9.4 Until the coming into effect of this Scheme, the holders of equity shares of NRB and NIBL shall, save as expressly provided otherwise in this Scheme continue to enjoy their existing respective rights under their respective Articles of Associations.

- 9.5 It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of NRB and/or NIBL to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of NRB and NIBL and subject, wherever necessary, to the approval of the shareholders of NRB and NIBL, respectively.

10 LEGAL PROCEEDINGS

- 10.1 All legal proceedings of whatsoever nature by or against NRB pending and/or arising before the Effective Date and relating to the Industrial Bearings Undertaking, 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 NIBL, as the case may be in the same manner and to the same extent as would or might have been continued and enforced by or against NRB.
- 10.2 After the Appointed Date, if any proceedings are taken against NRB in respect to the matter referred in the preceding clause, they shall prosecute and defend the same, as the case may be, at the cost of NIBL and NIBL shall reimburse and indemnify NRB against all liabilities and obligations incurred by the company in respect thereof.
- 10.3 On and from the Effective Date, NIBL shall be entitled to initiate legal proceedings in its name in relation to the de-merged business in the same manner and to the same extent as would or might have been initiated by NRB.
- 10.4 NIBL undertakes to have all legal or other proceedings initiated by or against NRB referred in Clause 10.1 above transferred into its name and to have the same continued, prosecuted, defended and enforced as the case may be by or against NIBL to the exclusion of NRB.

11 CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 11.1 Notwithstanding anything to the contrary contained in the contract, deed, bond, agreement or any other instrument, but subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and subsisting or having effect on the Effective Date and relating to the Industrial Bearings

Undertaking of NRB, shall continue in full force and effect against or in favour of NIBL as the case may be, and may be enforced effectively by or against NIBL as the case may be as fully and effectually as if, instead of NRB, NIBL, as the case may be had been a party thereto from inception.

- 11.2 NIBL may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which NRB is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. NIBL shall, be deemed to be authorised to execute any such writings on behalf of NRB and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of NRB.

12 STAFF, WORKMEN & EMPLOYEES

- 12.1 On the Scheme becoming operative, all identified staff, workmen and employees of NRB, in relation to the Industrial Bearings Undertaking in service on the Effective Date shall be deemed to have become staff, workmen and employees of NIBL without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with NIBL shall not be less favourable than those applicable to them with reference to NRB, in relation to the Industrial Bearings Undertaking respectively on the Effective Date. Any question that may arise as to whether any employee belongs to or does not belong to the Industrial Bearings Undertaking shall be decided by Board of Directors or Committees of Directors of NRB.
- 12.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff, workmen and employees of NRB, in relation to the Industrial Bearings Undertaking shall become the trusts/ funds of NIBL for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of NRB, in relation to the Industrial Bearings Undertaking in relation to such Fund or Funds shall become those of NIBL. It is clarified that the services of the staff, workmen and employees of NRB, in relation to the Industrial Bearings

Undertaking will be treated as having been continuous for the purpose of the said Fund or Funds.

13 **PERMISSIONS**

Any statutory licenses, permissions, approvals or consents to carry on the operations of NRB, in relation to the Industrial Bearings Undertaking, shall stand vested in or transferred to NIBL without any further act or deed and shall be appropriately mutated by the Statutory Authorities concerned in favour of NIBL and NRB respectively upon the vesting and transfer of the Undertakings pursuant to this Scheme. In so far as they relate to the Industrial Bearings Undertaking, the benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents, sales tax registrations or other licenses and consents shall vest in and become available to NIBL pursuant to this Scheme. In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by NRB, in relation to the Industrial Bearings Undertaking, are concerned, the same shall vest with and be available to NIBL, on the same terms and conditions. In particular and without prejudice to the generality of the foregoing, benefit of all balances relating to CENVAT or Service Tax or VAT being balances pertaining to the Industrial Bearings Undertaking, shall stand transferred to and vested in NIBL as if the transaction giving rise to the said balance or credit was a transaction carried out by NIBL. The assets and properties pertaining to the Industrial Bearings Undertaking of NRB, shall not be required to be and shall not be physically transferred from any premises or location relating to the Industrial Bearings Undertaking and consequently or otherwise, there shall be no withdrawal of or obligation to pay or refund any CENVAT, VAT, Service Tax or other tax or duty pursuant to vesting of Industrial Bearings Undertaking in NIBL in accordance with the Scheme.

14 **SECURITY**

It is clarified that unless otherwise determined by the Board of Directors of NIBL, in so far as the assets comprising the undertaking of NRB, in relation to the Industrial Bearings Undertaking are concerned:

- 14.1 the security or charge relating to loans, debentures or borrowings of NRB, in relation to the Industrial Bearings Undertaking, shall without any further act or deed continue to relate to the said assets after the Appointed Date and shall not relate to or be available as security in relation to any other borrowings of NRB; and

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- 14.2 the other assets of NRB shall not relate to or be available as security in relation to the said borrowings of NRB, in relation to the Industrial Bearings Undertaking.

15 SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities above and the continuance of proceedings by or against NIBL above shall not affect any transaction or proceedings already concluded in NRB, in relation to the Industrial Bearings Undertaking on or after the Appointed Date till the Effective Date, to the end and intent that NIBL accept and adopt all acts, deeds and things done and executed by NRB, in relation to the Industrial Bearings Undertaking in respect thereto as done and executed on behalf of itself.

16 OTHER TERMS & CONDITIONS

Upon the Scheme becoming effective and as a part of the demerger of Industrial Bearings Undertaking, NRB and NIBL agree as under:

- 16.1 NRB and NIBL shall cooperate with each other for the growth and development of overall businesses.
- 16.2 NRB and NIBL shall enter into appropriate non-compete arrangements on mutually agreed terms and conditions.
- 16.3 If necessary, NRB and NIBL shall enter into appropriate agreements to give effect to Clause 1.5.2 and 1.5.3. In an event that NRB vacates either of the premises mentioned therein or alienates the same for any reason whatsoever and consequently requires NIBL to vacate area occupied by it, NRB shall compensate NIBL with such monetary amount as it would realize on sale or transfer of the said respective property in proportion to the area for which right to use is granted to NIBL in terms of this Scheme. NRB and NIBL shall enter into such agreements as may be necessary to give effect to this Clause.
- 16.4 NRB and NIBL shall from time to time enter into inter-company arrangements for sale of goods or services, use of common facilities, if any and for utilization of excess plant capacities on such terms and conditions including pricing thereof as are mutually agreed by both parties. In particular, both the parties shall enter into advance pricing agreements to cover the following matters:
- 16.4.1 The finished goods, components and services provided by either of the parties to the other shall be at a pricing of cost plus 15% margin.

16.4.2 In an event, where with prior consent, either of the parties supply to the other's customer's, a commission of 5% ex-works value, would become payable.

16.4.3 The needle bush, needle cage and needle thrust bearings will need to be procured by NIBL from NRB at a pricing of cost plus 15% margin on other terms to be mutually decided.

The above arrangement can be revised at any time on mutually agreed terms and conditions.

PART E

OTHER TERMS & CONDITIONS

17 MODIFICATION OR AMENDMENTS TO THE SCHEME

17.1 On behalf of NRB and NIBL, the Board of Directors ('the Board', which term shall include Committee thereof) of respective companies, may consent, on behalf of all persons concerned, to any modifications or amendments of the Scheme and without prejudice to the generality of the foregoing, any modification to the Scheme involving withdrawal of any of the parties to the Scheme at any time and for any reason whatsoever, or to any conditions or limitations that the High Court 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) and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect.

17.2 For the purpose of giving effect to this Scheme or to any modification thereof the Board of Directors of NRB and NIBL may give and are authorised to give such directions including directions for settling any question of doubt or difficulty that may arise.

18 CONDITIONALITY OF THE SCHEME

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

18.1 The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.

- 18.2 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of NRB and NIBL as may be directed by the Hon'ble High Court of Judicature at Bombay or any other competent authority, as may be applicable.
- 18.3 The Scheme being sanctioned by the Bombay High Court or any other authority under Sections 391 to 394 read with sections 100 to 103 and other applicable provisions of the Act.
- 18.4 The certified copies of the Orders of High Court of Judicature at Bombay under Sections 391 and 394 read with sections 100 to 103 of the Act sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra at Mumbai by NRB and NBRIBL.
- 18.5 All statutory and other approvals necessary for the Scheme to be given effect to being received.

19 EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the sanctions and approvals referred to in Clause 18 above not being obtained and/ or the Scheme not being sanctioned by the High Court or such other competent authority and / or the Orders sanctioning the Scheme not being passed by the High Court before 31 August 2012 or within such further period or periods as may be agreed upon between NRB and NIBL by their Boards of Directors (and which the Boards of Directors of the companies are hereby empowered and authorized to agree to and extend the Scheme from time to time without any limitation), 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. In such a case, each party shall bear and pay its respective costs, charges and expenses for and /or in connection with the Scheme.

20 COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of, or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne as mutually agreed by the Board of Directors of NRB and NIBL. The stamp duty levy pursuant to the transfer of the Industrial Bearings Undertaking to NIBL pursuant to this Scheme and other consequential matters shall only be borne by NIBL.

SECTION IV- COMPANY HISTORY AND MANAGEMENT**COMPANY HISTORY**

The Company was incorporated on 24th February, 2011 under the Companies Act, 1956 in the name and style NRB Industrial Bearings Private Limited. Subsequently, the Company was converted into a Public Limited Company and a fresh Certificate of Incorporation (U29253MH2011PLC213963) dated 17th November, 2011 was obtained from the Registrar of Companies, Maharashtra, Mumbai. Accordingly, the name of the Company was changed to NRB Industrial Bearings Limited.

Pursuant to the Scheme of Arrangement between NRB Bearings Limited and the Company, as approved by the Hon'ble High Court of Judicature at Bombay vide its order dated 24th August, 2012, the industrial bearings business of NRB Bearings Limited including the agency business was vested with the Company. The resulting company was incorporated with the primary objective of taking over of 'industrial bearings business' of the demerged company under the scheme on 'going concern basis'.

The main object for incorporating NRB Industrial Bearings Limited is set out in its Memorandum of Association **Clause III A 1** which reads as follows –

- 1) To produce, prepare, assemble, buy, sell, re-sell, exchange, alter, hire, let on hire, export, import, distribute or otherwise deal in and generally carry on the business in needle and/or roller and/or ball and/or linear bearings and/or plain bearings and components in respect thereof for use in connection with or in relation to industries of all descriptions and in particular for use in textile, machine tool, mechanical handling, electrical motors, electrical fans, electrical equipments, furniture, printing, construction, mining, wind energy and other industries.
- 2) To produce, prepare, assemble, buy, sell, re-sell, exchange, alter, hire, let on hire, export, import, distribute or otherwise deal in and generally carry on the business of needle and/or roller and/or ball and/or plain bearings and components in respect thereof for use in connection with or in relation to vehicles of all kinds and descriptions and in particular for use in connection with or in relation to motor cars, trucks, lorries, busses, omni buses, railways, trolley, motor cycles, mopeds,

scooters, cycles, tractors, tillers, aeroplanes, helicopters and all accessories thereof or components parts, spare parts, equipments, and apparatus in relating thereto or for use in connection therewith.

3) To carry on the business as manufacturers and/or assemblers of and dealers in all such products in which needle, rollers, balls or needle bearings or roller bearings or plain bearings are used in any form or method.

I. Changes in Memorandum of Association since the Company’s inception

Sr. No:	Date	Clause	Change
1)	27/08/2012	V(a)	Equity Shares having face value of Rs.10/- each were sub-divided into 5 Equity Shares of Rs.2/- each and the Authorized Share Capital of the Company was increased from Rs.5 lacs to Rs. 500 lacs divided into 2,50,00,000 Equity Shares of Rs.2/- each

II. Change in Articles of Association since the Company’s inception

The Company has not changed its articles of association since its incorporation till the date of this Information Memorandum except (i) for conversion of Company from Private Limited to Public Limited and (ii) for sub-division/increase increase of Authorised Share Capital effected on 27th August, 2012.

Subsidiaries

NRB-IBC Bearings Pvt. Ltd. became the subsidiary of the Company w.e.f. 1st October, 2012. The said subsidiary is implementing the project for manufacture of precision bearings.

MANAGEMENT

I. Information of Directors in Brief

As per the Articles of Association of the Company, until otherwise determined by a General Meeting, the number of Directors shall not be less than three and more than ten.

As on the date the details of the Board of Directors are as hereunder –

Name of Director	Designation	Address	Other Directorship
Mr. Trilochan Singh Sahney, Occupation: Business	Chairman	13, Shangrila, 27-A, Carmichael Road, Mumbai 400 026	1) NRB Bearings Ltd. 2) Needle Roller Bearing Co. P. Ltd 3) Schneeberger India Pvt. Ltd. (Alternate Director) 4) NRB-IBC Bearings Pvt. Ltd.
Mr. Devesh Singh Sahney	Managing Director	13, Shangrila, 27-A, Carmichael Road, Mumbai 400 026	1) NRB Bearings Ltd. 2) Sant Sahney Pvt. Ltd. 3) Schneeberger India Pvt. Ltd. 4) NRB-IBC Bearings Pvt. Ltd.
Mrs. Harshbeena Sahney Zaveri	Director	162, Mont Blanc, Dadisheth Hill, August Kranti Marg,	1) NRB Bearings Ltd. 2) SNL Bearings Ltd. 3) Needle Roller Bearing Pvt. Ltd.

Name of Director	Designation	Address	Other Directorship
		Mumbai 400 036	4) Sant Sahney Pvt. Ltd.
Mr. Daljit Mirchandani	Director	101, Sind Housing Soc. Aundh, Pune 411 007	1) Mahindra Forgings Ltd. 2) Mahindra UGINE Ltd. 3) Mahindra Sanyo Special Steels Pvt. Ltd. 4) Srei Infrastructure Finance Ltd.
Mr. Shailesh Sheth	Director	D-2143, Oberoi Gardens, Off. Chandivali Farm Rd; Andheri (East), Mumbai 400 072	1) Birla Precision Technologies Ltd. 2) Josts Engineering Co. Ltd. 3) Bharat Firtz Wemer Ltd. 4) Birla Machining & Toolings Ltd. 5) ATE Enterprises Ltd. 6) ATE Pvt. Ltd.
Mr. Pankaj Baliga	Director	91, Kuber Tower, Off. Nariman Road, Prabhadevi, Mumbai	1) D-link (India) Ltd.

II. Directors Profile In Brief

Sr.No.	Name of Director	Profile
1)	Mr. Trilochan Singh Sahney	Mr. Trilochan Singh Sahney, 85 years, is a Post Graduate in History and Sociology from University of Mumbai. He is closely associated with the automobile, machine tools and textile machinery industries. He has been active participant and contributor in seminars and conferences in India and abroad. He is the promoter of NRB Bearings Ltd and currently the Executive Chairman of the Company. Prior to promoting NRB, he was engaged in the import and distribution of antifriction bearings and automotive parts, gaining experience and developing business relationships with overseas manufacturers. He was the Managing Director of NRB from its inception till 30 th September'2010 (45 years) and has personally nurtured NRB in its various phases of growth, with a

		<p>team of qualified, professional managers. He is widely known and respected in the industrial and trade circles in India and abroad. He has been President of the Ball & Roller Bearings Manufacturers Association for many terms between 1972 and 2000, and continues to be closely associated with the Bombay Chamber of Commerce, Indo- French and Indo-German Chambers of Commerce.</p>
<p>2)</p>	<p>Mr. Devesh Singh Sahney</p>	<p>Mr. Devesh Singh Sahney, 44 years, is B.A. in Business Administration & Economics from London, MBA (General Management) from Phillipines. He is the Promoter Director of the company. He was Wholetime Director of NRB Bearings Ltd since May'2001 till 30th September'2012, handling various commercial areas like Strategic Sourcing.</p>
<p>3)</p>	<p>Mrs. Harshbeena Sahney Zaveri</p>	<p>Mrs. Harshbeena Singh Sahney, 52 years, has 25 years experience in the bearings industry. She graduated Magna-Cum-Lauda with Honors from Wellesley College, US and continues to be deeply involved as Wellesley Business Leadership Council member. She has been President of NRB Bearings Ltd since January'2001 and since October'2012 as Managing Director. In 2007, NRB was selected by Forbes magazine as one of Asia's Best 200 companies under USD1 billion. She has been awarded the best CEO by quality circle forum of India for her contribution to TQM and quality movement. She is actively involved with various business associations-</p>

		President of BRBMA, Executive Committee member of ACMA,CII(Western Region),Indo American Chamber of Commerce(Western India Council) She is the Promoter Director of the Company.
4)	Mr. Daljit Mirchandani	Mr. Daljit Mirchandani, 65 years, is B.E. (Electrical Engineering) from BITS, Ranchi. He has over 25 years of experience with Kirloskar group being associated with their foundry, inhouse advertising agency and the oil engines business. Between 1998 and 2008 he was CMD of Ingersoll Rand India and 2008 received the Global Chairman's award for Leadership. Since 2008 serving on advisory and statutory boards of Indian and foreign companies and associated with Gyan Prakash Foundation for improving education levels in rural India.
5)	Mr. Shailesh Sheth	Mr.Shailesh Sheth is B.Com. from Mumbai University, and MBA (IIMA) and has a 20 years tenure with Perfect Machine Tools (PMT) Group being Joint MD from 1982 to 1993. From 1993 onwards has been working as Corporate Strategy Advisor and has been associated with industry associations like Indian Machine Tools Manufacturers Associations, CII Western Region, National Centre for Quality Management.
6)	Mr. Pankaj Baliga	Mr. Pankaj Baliga, 66 years, is a BE, MBA from IIMA and SPURS Fellow from MIT USA. Has been with the Tata Group for over 25 years with the last 10 years at TCS is currently consulting advisor Business

		Development at TCS. Has worked on creating structure for globally implementing corporate sustainability projects for large scale societal problems like mKrishi, NREGS.
--	--	---

III. Compensation to Managing Directors / Whole time Directors

Sr.No:	Name	Directorship	Compensation (For the period ended 31/03/2012)
1)	Mr. Devesh Singh Sahney	Managing Director	Nil

Mr. D.S. Sahney was appointed as M.D. w.e.f. 01/10/2012.

IV. Corporate Governance

The provisions of the listing agreement to be entered into with the Stock Exchange(s) with respect to corporate governance will be applicable to the company immediately upon the listing of its Equity Shares on the Stock Exchanges.

The Board consists of 6 (six) Directors, from which 3 (three) are Independent Directors. Mr. Trilochan Singh Sahney is the Promoter Non-Executive Chairman. To comply with the requirements of Clause 49 of the listing agreement to be entered into with the Stock Exchanges, the Company has appointed the requisite independent directors to its Board and has also constituted the Audit Committee. The Company has also constituted Shareholders' / Investors' Grievance Committee and Share Transfer Committee in compliance with the non-mandatory requirements prescribed by the Clause 49 of the Listing Agreement.

A. Audit Committee

Sr. No.	Name the Member	Designation
1)	Mr. Daljit Mirchandani	Chairman
2)	Mr. Pankaj Baliga	Member
3)	Mr. Shailesh Sheth	Member

B. Shareholders' / Investors' Grievance Committee

Sr. No.	Name the Member	Designation
1)	Mr. Pankaj Baliga	Chairman
2)	Mr. Devesh Singh Sahney	Member
3)	Mr. Shailesh Sheth	Member

Note: The role, powers, scope of functions and duties of the Audit Committee, Shareholders'/ Investors' Grievance Committee and Remuneration Committee are as per the applicable provisions of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

The status of the Company's compliance with clause 49 of the listing agreement is given below:

Particulars	Clause of Listing Agreement	Compliance Status (Yes/No/N.A.)	Remarks
1	Yes	3	4
I. Board of Directors	49I		
(A) Composition of Board	49 (IA)	Yes	
(B) Non-executive Directors Compensation & disclosures	49 (IB)	Yes	No compensation is paid except sitting fees
(C) Other provisions as to Board and Committee	49 (IC)	Yes	
(D) Code of Conduct	49 (ID)	Yes	
II. Audit Committee	49 (II)	Yes	
(A) Qualified & Independent Audit Committee	49(IIA)	Yes	
(B) Meeting of Audit Committee	49 (IIB)	Yes	
(C) Powers of Audit Committee	49 (IIC)	Yes	
(D) Role of Audit Committee	49 (IID)	Yes	
(E) Review of Information by Audit Committee	49 (IIE)	Yes	
III. Subsidiary Companies	49(III)	Yes	
IV. Disclosures	49 (IV)		
(A) Basis of related party transactions	49 (IVA)	Yes	
(B) Disclosure of Accounting Treatment	49 (IVB)	Yes	
(C) Board Disclosures	49 (IVC)	Yes	
(D) Proceeds from Initial Public Offerings	49 (IVD)	N.A.	
(E) Remuneration of Directors	49 (IVE)	Yes	
(F) Management	49 (IVF)	Yes	Yearly
(G) Shareholders	49 (IVG)	Yes	Yearly
V. CEO/CFO Certification	49 (V)	Yes	Yearly
VI. Report on Corporate Governance	49 (VI)	Yes	
VII. Compliance	49 (VII)	Yes	

V. Changes in Board of Directors since the Company's inception –

Sr.No:	Name of Director	Date of Appointment	Date of Resignation	Reasons
1)	Mr. Trilochan Singh Sahney	24.02.2011	--	--
2)	Mrs. Harshbeena Sahney Zaveri	12.10.2011	--	--
3)	Mr. Devesh Singh Sahney	24.02.2011	--	--
4)	Mr. Daljit Mirchandani	31.10.2012	--	--
5)	Mr. Shailesh Sheth	31.10.2012	--	--
6)	Mr. Pankaj Baliga	31.10.2012	--	--

VI. Date of expiration of current term of Office of directors

Sr.No:	Name of Director	Date of Appointment	Date of Term Expiry	Reasons
1)	Mr. Trilochan Singh Sahney	24.02.2011	--	--
2)	Mrs. Harshbeena Sahney Zaveri	12.10.2011	--	--
3)	Mr. Devesh Singh Sahney	24.02.2011	30/09/2017	Appointed as Managing Director for a period of 5 years w.e.f. 01/10/2012
4)	Mr. Daljit Mirchandani	31.10.2012	--	--
5)	Mr. Shailesh Sheth	31.10.2012	--	--
6)	Mr. Pankaj Baliga	31.10.2012	--	--

Notes: As per the Articles of Association at every Annual General Meeting of the Company one third of such of the Directors for the time being as are liable to retire by rotation shall retire.

VII. Borrowing powers of Directors

The Board shall have power to borrow the funds upto Rs 150 crores as per provisions of Section 293

(1)(d) of the Companies Act, 1956.

VIII. Shareholding of Directors:

Sr. No.	Name of Directors	No. of Equity Shares held
1)	Mr. Trilochan Singh Sahney	1,23,68,011
2)	Mrs. Harshbeena Sahney Zaveri	11,16,183
3)	Mr. Devesh Singh Sahney	9,08,650
4)	Mr. Daljit Mirchandani	--
5)	Mr. Shailesh Sheth	--
6)	Mr. Pankaj Baliga	--

IX. Key Managerial Personnel:

Sr. No.	Name of the Managerial Personnel	Qualification	Experience	Responsibility Area	Designation
1)	Mr. Devesh Singh Sahney	B.A. (Business Administration & Economics) from London, MBA (Gen. Management) from Phillipines	20 years	Overall Management	Managing Director

X. Employees:

Consequent to vesting of the industrial bearings undertaking along with agency business of the demerged company with the Company, around 160 employees of NRB Bearings Limited have been transferred to NRB Industrial Bearings Ltd and their services will be treated as uninterrupted for the purposes of calculating all benefits under various labour laws .

SECTION V- FINANCIAL INFORMATION OF THE COMPANY**AUDITOR'S REPORT TO THE MEMBERS OF
NRB INDUSTRIAL BEARINGS LIMITED.**

1. We have audited the attached Balance Sheet of **NRB INDUSTRIAL BEARINGS LIMITED.**, as at 31st March 2012, and the Statement of Profit and Loss and cash flow statement for the period 24th February 2011 to 31st March 2012 annexed thereto.
 - 1.1. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
 - 1.2. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
 - 1.3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 & 5 of the said Order, on the basis of the books and records of the company as we considered appropriate and the information and explanations given to us during the course of our audit.
 - 1.4. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - 1.5. In our opinion, proper books of accounts have been kept by the Company so far as appears from our examination of those books.

- 1.6. The Balance Sheet, statement of Profit and Loss and cash flow statement dealt with by this report are in agreement with the books of accounts;
- 1.7. In our opinion, the Balance Sheet, statement of Profit and Loss and cash flow statement dealt with by this report complies with the Mandatory Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- 1.8. On the basis of the written representations received from the Directors, as on 31st March 2012, and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- 1.9. In our opinion and to the best of our information and according to the explanation given to us the accounts read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2012,
 - b) In the case of the Statement of Profit and Loss of the loss of the Company for the period ended 31st March 2012.
 - c) In the case of the Cash Flow Statement, of the cash flows for the period ended 31st March 2012.

For Contractor, Nayak & Kishnadwala
Chartered Accountants
Firm registration No. 101961W

SD/-

S.M. Contractor
Partner
Regd. No. 33644
Place: Mumbai
Date: 25 May, 2012

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in Paragraph 1.3 of our Report of even date on the accounts of NRB Industrial Bearings Ltd.,
for the period 24th February 2011 to 31st March 2012)

As required by the Companies (Auditor's Report) Order, 2003 and according to the information and explanations given to us during the course of the audit and on the basis of such checks as were considered appropriate, we report that:

- ia) The company is a newly formed company and as on the reporting date it does not have any fixed assets and accordingly, provisions of clause (i) (a), (b) and (c) of CARO, 2003 relating to fixed assets are not applicable.
- iiia) As explained to us, the company is yet to start commercial production and has not maintained any inventory and accordingly, provisions of clause (ii) (a), (b) and (c) of CARO, 2003 relating to inventory are not applicable.
- iiia) The company has not granted or taken any Loans, Secured or Unsecured loan to Companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, provisions of clause (iii) (a), (b), (c), (d), (e), (f) and (g) of CARO, 2003 are not applicable.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- va) There are no transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies act 1956 and accordingly, provisions of clause V (a) and V(b) of CARO, 2003 are not applicable.

- vi) As per the explanation and information provided to us, in our opinion the Company has not accepted any public deposits during the year within the meaning of Section 58A and 58AA of the Companies Act, 1956 and rules made there under. Hence, the provisions of clause (vi) of the Order are not applicable.

- vii) The company does not have an Internal Audit System.

- viii) According to the information and explanation given to us, the company has not started commercial operations and therefore have not maintained any cost records as prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956.

- ixa) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including wealth tax, sales-tax, custom duty, excise-duty, cess and other statutory dues excepting tax deducted at source and provident fund. There are no undisputed statutory dues outstanding as at 31st March 2012, for a period of more than six months from the date they became payable.

- ixb) According to the information and explanation given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute.

- x) The Company is registered for a period less than five years and hence the clause (x) of paragraph 4 of the order about accumulated losses and cash losses is not applicable to the company.

- xi) Based on our examination of the records and the information and explanations given to us, the Company does not have any dues payable to financial institutions, debenture-holders or banks.

- xii) Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.

- xiii) According to the information and explanation given to us, the provisions of any special statute applicable to chit fund are not applicable to Company.
- xiv) According to the information and explanation given to us, the company is not dealing or trading in shares, securities, debentures and other investments.
- xv) According to the information and explanations given to us, the company has not given any guarantees for loans taken by others from bank or financial institutions.
- xvi) According to the information and explanation given to us, the company has not taken any term loans during the year under review, as a result the provision of this clause is not applicable to the company.
- xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment by the company.
- xviii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956 during the year under review other than to the subscribers to the memorandum.
- xix) According to the information and explanations given to us, during the year under review the company has not issued any debentures and hence the question of creating securities or charge in respect thereof does not arise.
- xx) The company has not raised any money by public issues during the year covered by our report.
- xxi) As per the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For Contractor, Nayak & Kishnadwala
Chartered Accountants
Firm registration No. 101961W

Sd/-
S.M. Contractor
Partner
Regd. No. 33644
Place: Mumbai
Date: 25 May, 2012

NRB INDUSTRIAL BEARINGS LTD.

Balance Sheet as at 31st March, 2012

Particulars	Note No	As on 31st March, 2012
I. EQUITY AND LIABILITIES		
(1) Shareholders' Funds		
(a) Share Capital	3	500,000
(b) Reserves and Surplus	4	(143,133)
(2) Share application money pending allotment		
		-
(3) Non-Current Liabilities		
		-
(4) Current Liabilities		
(a) Other current liabilities	5	39,326
Total		396,193
II. ASSETS		
(1) Non-current assets		
		-
(2) Current assets		
(a) Cash and cash equivalents	6	396,193
Total		396,193

Significant accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date.

For Contractor, Nayak & Kishnadwala
Chartered Accountants
Firm registration No. 101961W
SD/-
S.M. Contractor
Partner
Regd. No. 33644

SD/-
H. S. Zaveri

For and on behalf of the board of
NRB Industrial Bearings Ltd.

SD/-
T.S Sahney
SD/-
D. S. Sahney

Place : Mumbai
Date : 25 May, 2012

Directors
Place : Mumbai
Date : 21 May, 2012

Statement of Profit and Loss
For the period 24th February 2011 to 31st March 2012

Particulars	Note No	For the period ended 31st March, 2012
Revenue from operations		-
		-
<u>Expenses:</u>		
Administrative Expenses	7	143,133
Total Expenses		143,133
Profit before tax (VII - VIII)		(143,133)
Tax expense:		
Current tax		-
Deferred tax		-
Profit/(Loss) for the period (XI + XIV)		(143,133)
Earning per equity share:		
(1) Basic		(2.86)
(2) Diluted		(2.86)
Significant accounting policies	2	

The accompanying notes are an integral part of the financial statements.

For Contractor, Nayak & Kishnadwala
Chartered Accountants
 Firm registration No. 101961W
 SD/-
S.M. Contractor
 Partner
 Regd. No. 33644

SD/-
H. S. Zaveri

For and on behalf of the board of
NRB Industrial Bearings Ltd.

SD/-
T.S Sahney
 SD/-
 D. S. Sahney

Directors

Place : Mumbai
 Date : 25 May, 2012

Place : Mumbai
 Date : 21 May, 2012

NRB INDUSTRIAL BEARINGS LTD.

Cash Flow Statement for the period 24th February 2011 to 31st March 2012

(Amount in Rs.)

Particulars	31.03.2012
A Cash Flow from Operating Activities	
Net Profit before Tax	-143,133
Operating Profit before Working Capital changes	-143,133
<u>Movements in Working Capital</u>	
Decrease / (Increase) in Current Assets, Loans and Advances	-
(Decrease) / Increase in Current Liabilities and Provisions	39,326
Cash Flow generated from Operations	-103,807
Direct Taxes Paid	-
Net Cash Flow from Operating Activities	-103,807
B Cash Flow from Investing Activities	
Net Cash Flow from Investing Activities	-
C Cash Flow from Financing Activities	
Capital Introduced during the year	500,000
Net Cash Flow from Financing Activities	500,000
Net increase/(decrease) in Cash & Cash equivalents	396,193
Cash & Cash equivalents at the beginning of the year	-
Cash & Cash equivalents at the end of the year (See Note below)	396,193
Cash & Bank Balances as per Balance Sheet	396,193
Net increase/(decrease) in Cash & Cash equivalents	396,193

Notes:

- 1 Cash flow statement has been prepared under the indirect method as set out in Accounting Standard (AS) 3: "Cash flow statements" issued by the Institute of Chartered Accountants of India.
- 2 The Cash & Cash Equivalents consist of Cash on hand and Balances in Current Account with scheduled banks.

For Contractor, Nayak & Kishnadwala

**Chartered Accountants
Firm registration No. 101961W**

SD/-

S.M. Contractor

Partner

Regd. No. 33644

SD/-

H. S. Zaveri

**For and on behalf of
the board of
NRB Industrial
Bearings Ltd.**

SD/-

T.S Sahney

SD/-

D. S. Sahney

Directors

Place : Mumbai

Date : 25 May, 2012

Place : Mumbai

Date : 21 May, 2012

NRB INDUSTRIAL BEARINGS LTD.

Notes to financial statements for the period ended 31 March 2012

NOTE 1: CORPORATE INFORMATION

NRB Industrial Bearings Limited ('the Company') was incorporated on 24th day of February, 2011 as a private limited company under the provisions of Companies Act, 1956. Subsequently, the name of the company was changed from "NRB Industrial Bearings Private Limited" to "NRB Industrial Bearings Limited" with effect from 4th November, 2011 as the company become a Public limited Company.

The company is engaged in the business of manufacturing and dealing in all types of bearings.

The financial statements of the Company are prepared for the period starting from 24th February 2011 upto 31st March, 2012 as per the provisions of section 210 of the Companies Act, 1956.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES**a) Basis of Preparation of Accounts:**

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards notified by the Companies (Accounting Standard) Rules, 2006 and the other relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on the accrual basis of accounting. The Accounting Policies not referred to specifically are consistent with Generally Accepted Accounting Principles and Accounting Standards.

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

c) Fixed Assets:

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses, if any. Cost comprises purchase price and any other attributable cost of bringing the asset to its working condition for its intended use. Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date and the cost of fixed assets not ready for their intended use before such date are disclosed as capital work in progress.

d) Depreciation and amortization:

Depreciation for the year has been provided on the straight line method, in the manner and at the rates prescribed in Schedule XIV to the Companies Act, 1956. Assets costing less than `5,000/- are depreciated in full in the year of purchase.

e) Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

f) Foreign currency transactions

Transactions in foreign currency are recorded at the original rates of exchange in force at the time the transactions are effected. At the year end, monetary items denominated in foreign currency are reported using the closing rates of exchange. Exchange differences arising thereon and on realization/payment of foreign exchange are accounted in the relevant year as income or expense.

g) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the company, there is reasonable certainty of collection and it can be reliably estimated.

Revenue is recognized on an accrual basis when no significant uncertainty as to its determination or realization exists.

h) Investments

Current investments are carried at lower of cost or fair value. Long term investments are carried at cost. However, when there is a decline, other than temporary, the carrying amount is reduced to recognize the decline.

i) Taxation:

Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets and are reviewed at each Balance Sheet date for their realisability.

j) Cash & Cash Equivalents

Cash & Cash Equivalents in the Cash Flow Statement comprise of cash at bank and cash on hand.

k) Earnings per share:

Basic and diluted earnings per share are computed in accordance with Accounting Standard-20 – Earnings per share. Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share reflect the potential dilution that could occur if contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

l) Contingent Liabilities

Provision is recognized in the balance sheet when the Company has a present obligation as a result of a past event, and it is possible that an outflow of economic benefits will be required to settle the obligation and reliable estimation can be made of the amount required to settle the obligation.

Contingent liabilities, if any are disclosed separately by way of notes to accounts.

NRB INDUSTRIAL BEARINGS LTD.

Notes to financial statements for the period ended 31 March 2012

NOTE 3: SHARE CAPITAL

Particulars	As on 31st March, 2012
Authorised : 50,000 Equity shares of ₹.10/-each	500,000
Issued & Subscribed : 50,000 Equity shares of ₹.10/-each, fully paid up	500,000
	500,000

NOTE 3 (a): Rights of the Shareholders

The Company has only one class of equity shares of ₹. 10/- each. Holder of equity shares are entitled to same Voting rights, rights as to dividend and repayment of capital.

NOTE 3 (b): Reconciliation of the number of shares outstanding at

Particulars	2011-12	
	No. of Equity Shares of Rs.10 each	Amount in ₹.
Shares outstanding at the beginning of the period	-	-
Allotted on Incorporation	50,000	500,000
Shares outstanding at the end of the period	50,000	500,000

NOTE 3 (c): Shares held by Holding/Ultimate holding company or fellow subsidiaries and other associates.

50,000 Equity Shares of ₹.10 each are held by the holding company, NRB Bearings Ltd and its nominees.

NOTE 3 (d): Names of Shareholders holding more than 5% of Shares

Particulars	As on 31st March, 2012	
	No. of Shares held	% of Shares held
NRB Bearings Ltd. (including held by nominees)	50,000	100%

NOTE 3 (e): No shares were issued by way of bonus or for consideration other than cash and no shares were bought back during the period of five years immediately preceding March 31, 2012.

NOTE 4: RESERVES AND SURPLUS

Particulars	As on 31st March, 2012
Balance in Profit & Loss Account	
Opening Balance	-
Less: Loss for the period	(143,133)
	(143,133)
Closing Balance	(143,133)

NOTE 5: OTHER CURRENT LIABILITIES

Particulars	As on 31st March, 2012
Statutory Liabilities Payable	3,933
Other liabilities	35,393
	39,326

NOTE 6: CASH & CASH EQUIVALENTS

Particulars	As on 31st March, 2012
Cash on Hand	2,827
Balances with Bank in current Account	393,366
	396,193

NOTE 7: ADMINISTRATION EXPENSES

Particulars	For the period ended 31st March, 2012
Printing and Stationery	4,153
ROC Filing Fees	24,900
Advertisement Charges	58,634
Professional Charges	10,000
Conveyance Expenses	3,704
Misc/Office Expenses	2,416
<u>Audit fees</u>	
Statutory Audit fees	39,326
	143,133

NRB INDUSTRIAL BEARINGS LTD.

Notes to financial statements for the year ended 31 March 2012

NOTE 8: CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

There are no Contingent Liabilities and Capital Commitments as on 31st March, 2012.

NOTE 9: EARNINGS PER SHARE (EPS)

Particulars	31 March 2012
Net Profit/(Loss) after Tax	(143,133)
Net Profit/(Loss) for calculation of Basic and Diluted EPS	(143,133)
Weighted average number of equity shares outstanding during the period	50,000
Earnings Per Share of Rs.10 each (Basic and Diluted)	(2.86)

NOTE 10: RELATED PARTY DISCLOSURES

Related Party Disclosure as required by Accounting Standard 18 of the Institute of Chartered Accountants of India as follows:

1. Holding Company
 - a) NRB Bearings Ltd.
2. Fellow Subsidiaries
 - a) SNL Bearings Limited
 - b) NRB Bearings (Thailand) Limited
3. Key Management Personnel:
 - a) T.S. Sahney- Director
 - b) D.S. Sahney- Director
4. Directors and their Relatives:
 - a) H.S. Zaveri- Director
5. Associate entities:
 - a) NRB- IBC Bearings Private Limited
 - b) Schneeberger India Private Limited

Note: The information disclosed is based on the names of the parties as identified by the management.

Transactions with Related Parties	For the period ended 31st March 2012
1. Allotment of equity shares on incorporation <ol style="list-style-type: none"> a) T.S. Sahney- Director b) D.S. Sahney- Director 	400,000 100,000
2. Reimbursement of incorporation expenses <ol style="list-style-type: none"> a) T.S. Sahney- Director 	5,842

NOTE 11: INCORPORATION EXPENSES

All the expenses incurred prior to the incorporation of the company are written off during the year.

NOTE 12: PRIOR PERIOD COMPARATIVES

Since this is the first year of operations for the Company, there are no prior period comparatives.

As per our attached report of even date
For Contractor, Nayak & Kishnadwala
Chartered Accountants
Firm Reg. No : 101961W
SD/-
S.M. Contractor
Partner
Regd. No. 33644

For and on behalf of the board of
NRB Industrial Bearings Ltd.

SD/-
T.S Sahney

SD/-
H.S Zaveri

SD/-
D.S Sahney

Directors

Place : Mumbai

Place : Mumbai
Date : 21 May, 2012

Date : 25 May, 2012

**DETAILS OF PROMOTERS AND OTHER PROMOTER GROUP COMPANIES
INCLUDING THEIR CAPITAL STRUCTURE AND FINANCIAL STATEMENTS****Information of Promoters & Promoter Group Companies –**

The Company is promoted by Mr. T.S. Sahney and his family.

1) Mr. T.S. Sahney, 85 years, is the Chairman. He is a Post Graduate in History and Sociology from University of Mumbai. He is closely associated with the automobile, machine tools and textile machinery industries. He has been active participant and contributor in seminars and conferences in India and abroad.

He is the promoter of NRB Bearings Ltd. and currently the Executive Chairman of the Company. Prior to promoting NRB, he was engaged in the import and distribution of antifriction bearings and automotive parts, gaining experience and developing business relationships with overseas manufacturers. He was the Managing Director of NRB from its inception till 30th September, 2010 (45 years) and has personally nurtured NRB in its various phases of growth, with a team of qualified, professional managers. He is widely known and respected in the industrial and trade circles in India and abroad. He has been President of the Ball & Roller Bearings Manufacturers Association for many terms between 1972 and 2000 and continues to be closely associated with the Bombay Chamber of Commerce.

2) Mr. Devesh Singh Sahney, 44 years, is the Managing Director of the Company. He is B.A. in Business Administration & Economics from London, MBA (General Management) from Phillipines. He is the Promoter Director of the Company. He was Whole-time Director of NRB Bearings Ltd. since May, 2001 till 30th September, 2012, handling various commercial areas like strategic sourcing.

3) Mrs. Harshbeena Sahney Zaveri, 52 years, has 25 years experience in the bearings industry. She graduated Magna-Cum-Lauda with Honors from Wellesley College, US and continues to be

deeply involved as Wellesley Business Leadership Council member. She has been President of NRB Bearings Ltd. since January, 2001 and since October, 2012 as Managing Director. In 2007, NRB was selected by Forbes magazine as one of Asia's Best 200 companies under USD1 billion. She has been awarded the best CEO by quality circle forum of India for her contribution to TQM and quality movement. She is actively involved with various business associations. President of BRBMA, Executive Committee member of ACMA, CII (Western Region), Indo American Chamber of Commerce (Western India Council). She is the Promoter Director of the Company.

1) NRB BEARINGS LIMITED -

SHAREHOLDING PATTERN as on 30/09/2012

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of Total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals / Hindu Undivided Family	13	32379000	32379000	33.41	33.41	4215000	13.02
Any Others (Specify)	1	37755640	37755640	38.95	38.95	0	0.00
Trusts	1	37755640	37755640	38.95	38.95	0	0.00
Sub Total	14	70134640	70134640	72.36	72.36	4215000	6.01
(2) Foreign							
Total shareholding of Promoter and Promoter Group (A)	14	70134640	70134640	72.36	72.36	4215000	6.01
(B) Public Shareholding							
(1) Institutions							
Mutual Funds / UTI	9	5024958	5017958	5.18	5.18	0	0.00
Financial Institutions / Banks	2	5800	5800	0.01	0.01	0	0.00
Foreign Institutional Investors	7	7650750	7650750	7.89	7.89	0	0.00
Sub Total	18	12681508	12674508	13.08	13.08	0	0.00
(2) Non-Institutions							
Bodies Corporate	282	6154557	6150557	6.35	6.35	0	0.00
Individuals							
Individual shareholders holding nominal share capital up to Rs. 1 lakh	10089	6754914	6158094	6.97	6.97	0	0.00
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	6	774623	774623	0.80	0.80	0	0.00
Any Others (Specify)	281	422358	422358	0.44	0.44	0	0.00
Clearing Members	141	246682	246682	0.25	0.25	0	0.00
NRIs/OCBs	139	175276	175276	0.18	0.18	0	0.00

NRB INDUSTRIAL BEARINGS LIMITED
INFORMATION MEMORANDUM

Foreign Nationals	1	400	400	0.00	0.00	0	0.00
Sub Total	10658	14106452	13505632	14.55	14.55	0	0.00
Total Public shareholding (B)	10676	26787960	26180140	27.64	27.64	0	0.00
Total (A)+(B)	10690	96922600	96314780	100.00	100.00	4215000	4.35
(C) Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0.00	0	0.00
(1) Promoter and Promoter Group	0	0	0	0.00	0.00	0	0.00
(2) Public	0	0	0	0.00	0.00	0	0.00
Sub Total	0	0	0	0.00	0.00	0	0.00
Total (A)+(B)+(C)	10690	96922600	96314780	0.00	100.00	4215000	4.35

Board of directors

Name of the Directors	Present residential address	Designations
Mr. Trilochan Singh Sahney	13 Shangri-La, 27A Carmichael Road, Mumbai, 400026, Maharashtra, INDIA	Chairman
Ms Kala Shrinivas Pant	28 Shivtirth No.2, Bhulabhai Desai Road, Mumbai, 400026, Maharashtra, INDIA	Director
Mr. Keki Manchersha Elavia	2A Anand Bhavan, 36th Road, Bandra (West), Mumbai, 400050, Maharashtra, INDIA	Director
Mrs. Harshbeena Sahney Zaveri	162 Mont Blanc, August Kranti Marg, Mumbai, 400036, Maharashtra, INDIA	Managing Director
Mr. Devesh Singh Sahney	13 Shangri-La, 27 A Carmichael Road, Mumbai, 400026, Maharashtra, INDIA	Director
Mr. Anand Narotam Desai	6A, Suvas, 68, Jagmohandas Marg, Malabar Hill,, Mumbai, 400006, Maharashtra, INDIA	Director

Financial Performance:

	Rs.lacs	As at 31.03.2012 Rs.lacs	Rs.lacs	As at 31.03.2011 Rs.lacs
I. EQUITY AND LIABILITIES				
1) Shareholders' Funds				
(a) Share Capital	1938.45		1938.45	
(b) Reserves and Surplus	22545.96		19961.17	
		24484.41		21899.62
2) Non-Current Liabilities				
(a) Long term borrowings	16001.97		4333.71	
(b) Deferred tax liabilities (Net)	1171.50		1160.02	
(c) Long term provisions	338.71		271.73	
		17512.18		5765.46
3) Current Liabilities				
(a) Short term borrowings	6563.72		4774.67	
(b) Trade payables	6395.84		6092.06	
(c) Other current liabilities	3791.51		3976.99	
(d) Short-term provisions	2529.66		2351.99	
		19280.73		17195.71
Total		61277.32		44860.79
II ASSETS				
1) Non-current assets				
(a) Fixed assets				
(i) Tangible assets	20643.60		16753.65	
(ii) Intangible assets	59.54		111.55	
(iii) Capital work-in-progress	1998.92		160.66	
	22702.06		17025.86	
(b) Non-current investments	1262.65		1457.65	
(c) Long term loans and advances	2935.57		1699.92	
		26900.28		20183.43
2) Current assets				
(a) Current investments	200.00		200.00	
(b) Inventories	12665.82		10543.23	
(c) Trade receivables	13201.66		10634.90	
(d) Cash and Cash Equivalentents	5464.35		591.80	
(e) Short-term loans and advances	2796.55		2707.43	
(f) Other current assets	48.66		-	
		34377.04		24677.36
Total		61277.32		44860.79

Share Price of NRB Bearings Limited (High & Low)**PARTICULARS OF HIGH, LOWS AND AVERAGE PRICES OF THE SHARES OF THE LISTED TRANSFEROR ENTITY DURING THE PRECEEDING THREE YEARS****BOMBAY STOCK EXCHANGE LIMITED**

Year	High Price (Rs.)	Low Price (Rs.)	Average Price (Rs.)
2009-10	116.65	45.30	80.98
2010-11	61.80	33.50	47.65
2011-12	49.50	34.00	41.75

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Year	High Price (Rs.)	Low Price (Rs.)	Average Price (Rs.)
2009-10	80.00	30.00	55.00
2010-11	122.90	39.40	81.15
2011-12	63.150	33.55	48.35

2) SNL BEARINGS LIMITED -

SHAREHOLDING PATTERN AS ON 30/09/2012

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of Total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals / Hindu Undivided Family	1	9643	9643	0.27	0.27	0	0.00
Bodies Corporate	1	2652762	2652762	73.45	73.45	0	0.00
Sub Total	2	2662405	2662405	73.72	73.72	0	0.00
(2) Foreign							
Total shareholding of Promoter and Promoter Group (A)	2	2662405	2662405	73.72	73.72	0	0.00
(B) Public Shareholding							
(1) Institutions							
Financial Institutions / Banks	1	50	0	0.00	0.00	0	0.00
Sub Total	1	50	0	0.00	0.00	0	0.00
(2) Non-Institutions							
Bodies Corporate	76	151150	148175	4.19	4.19	0	0.00
Individuals							
Individual shareholders holding nominal share capital up to Rs. 1 lakh	4208	721445	569375	19.98	19.98	0	0.00
Individual shareholders holding nominal	4	54371	54371	1.51	1.51	0	0.00

share capital in excess of Rs. 1 lakh								
Any Others (Specify)	40	22119	21519	0.61	0.61	0	0.00	
Clearing Members	24	14467	14467	0.40	0.40	0	0.00	
NRI/OCBs	16	7652	7052	0.21	0.21	0	0.00	
Sub Total	4328	949085	793440	26.28	26.28	0	0.00	
Total Public shareholding (B)	4329	949135	793440	26.28	26.28	0	0.00	
Total (A)+(B)	4331	3611540	3455845	100.00	100.00	0	0.00	
(C) Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0.00	0	0.00	
(1) Promoter and Promoter Group	0	0	0	0.00	0.00	0	0.00	
(2) Public	0	0	0	0.00	0.00	0	0.00	
Sub Total	0	0	0	0.00	0.00	0	0.00	
Total (A)+(B)+(C)	4331	3611540	3455845	0.00	100.00	0	0.00	

Board of directors

Full Name	Present residential address	Designation
Mrs. Harshbeena Sahney Zaveri	162 Mont Blanc, August Kranti Marg, Mumbai, 400036, Maharashtra, INDIA	Chairman
Mr. Satish Chellaram Rangani	Flat No.12, Bandra Noor Mahal CHS, 78 Turner Road, Bandra (West), Mumbai, 400050, Maharashtra, INDIA	Director
Mr. Sahasranama Iyer	2nd Floor, Block No.12, Plot No.54, 17th Road, Chembur, Mumbai, 400071, Maharashtra, India	Director
Mr. Jagjit Singh Maini	Plot No.38, Dashmesh Nagar, Osmampura, Aurangabad, 431005, Maharashtra, India	Director
Ms. Aslesha Ashok Gowariker	100 Kum Kum Villa, 16th Road, Bandra (W), Mumbai, 400050, Maharashtra, India	Director

Financial Performance:

Balance Sheet as at 31st March, 2012

(Rupees in Lakhs)

Particulars		Note No.	As at 31st March, 2012	As at 31st March, 2011
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	961.15	1161.15
	(b) Reserves and surplus	4	(42.22)	(423.96)
2	Non-current liabilities			
	(a) Deferred tax liabilities (net)	5	18.87	-
	(b) Other long term liabilities	6	5.61	3.61
	(c) Long-term provisions	7	17.42	15.63
3	Current liabilities			
	(a) Short-term borrowings	8	114.81	200.00
	(b) Trade payables	9	50.80	135.39
	(c) Other current liabilities	10	74.97	72.62
	(d) Short-term provisions	11	173.74	38.69
	TOTAL (I)		1375.15	1203.13
II	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	12	308.19	288.79
	(ii) Intangible assets	12	4.35	8.12
	(b) Long-term loans and advances	13	89.92	37.49
2	Current assets			
	(a) Inventories	14	634.68	508.60
	(b) Trade receivables	15	305.74	296.08
	(c) Cash and cash equivalents	16	6.62	23.42
	(d) Short-term loans and advances	17	25.65	40.63
	TOTAL(II)		1375.15	1203.13
	See accompanying notes forming part of the financial statements.			

Share Price of SNL Bearings Limited (High & Low)**PARTICULARS OF HIGH, LOWS AND AVERAGE PRICES OF THE SHARES OF THE LISTED TRANSFEROR ENTITY DURING THE PRECEEDING THREE YEARS****BOMBAY STOCK EXCHANGE LIMITED**

Year	High Price (Rs.)	Low Price (Rs.)	Average Price (Rs.)
2009	23.35	5.71	14.53
2010	107.05	24.00	65.53
2011	48.95	25.50	37.23

3) NRB-IBC Bearings Pvt. Ltd.

Date of Incorporation	15/03/2011
Principal Business	Manufacture of Super precision bearings

Shareholding Pattern:

	No. of Shares	% of Shareholding
Promoter Holding	50,000	100
Non Promoter Holding	-	-
Total	50,000	100

Board of Directors:

Name of Directors	Designation
Mr. Trilochan Singh Sahney	Director
Mr. Devesh Singh Sahney	Director

Financial Data:

As, the Company was incorporated on 15/03/2011, this being the first Financial Year, no comparison of financial data are made available.

4) Sant Sahney Pvt. Ltd.:

Date of Incorporation	12/02/1962
Principal Business	Business in all types of spare parts and accessories for automobile vehicles, buying and selling agents for all merchandise.

Shareholding Pattern:

	No. of Shares	% of Shareholding
Promoter Holding	2,000	100
Non Promoter Holding	-	-
Total	2,000	100

Board of Directors:

Name of Directors	Designation
Mr. Devesh Singh Sahney	Director
Mrs. Harshbeena Sahney Zaveri	Director

Financial Data:

Balance Sheet of Sant Sahney Pvt. Ltd.		(in Rs.)		
	31/03/2011	31/03/2010	31/03/2009	
Sources of Funds				
Shareholders Funds				
Equity Share Capital	2,00,000.00	2,00,000.00	2,00,000.00	
Loan Funds				
Unsecured Loans	1,16,000.00	81,000.00	71,000.00	
Total	3,16,000.00	2,81,000.00	2,71,000.00	
Application of Funds				
Fixed Assets	-	-	-	
Investments	-	-	-	
Current Assets, Loans & Advances				
Cash & Bank Balance	16,552.17	11,261.47	9,574.57	
Sundry Debtors	--	1,900.00	1,900.00	
Total	16,552.17	13,161.47	11,474.57	
Less: Current Liabilities				
a) Current Liabilities	8,615.00	8,444.00	8,444.00	
b) Provisions	7,130.00	7,130.00	7,130.00	
Total	15,745.00	15,574.00	15,574.00	
Net Current Assets	807.17	(2,412.53)	(4099.43)	
Profit & Loss Account	3,15,192.83	2,83,412.53	2,75,099.43	
Total	3,16,000.00	2,81,000.00	2,71,000.00	

5) Needle Roller Bearing Company Pvt. Ltd.:

Date of Incorporation	13/08/1962
Principal Business	To produce, buy, sell and distribute bearings of all descriptions.

Shareholding Pattern:

	No. of Shares	% of Shareholding
Promoter Holding	10,000	100
Non Promoter Holding	-	-
Total	10,000	100

Board of Directors:

Name of Directors	Designation
Mr. Trilochan Singh Sahney	Director
Mrs. Harshbeena Sahney Zaveri	Director
Mrs. Hanwantbir Kaur Sahney	Director

Financial Data:

Balance Sheet of Needle Roller Bearing Company Pvt. Ltd.				(in Rs.)
	31/03/2011	31/03/2010	31/03/2009	
Sources of Funds				
Shareholders Funds				
Equity Share Capital	1,00,000.00	1,00,000.00	1,00,000.00	
Loan Funds				
Unsecured Loans	4,685.00	--	--	
Total	1,04,685.00	1,00,000.00	1,00,000.00	
Application of Funds				
Fixed Assets	-	-	-	
Investments	-	-	-	
Current Assets, Loans & Advances				
Cash & Bank Balance	18,471.75	8162.85	6964.95	
Loans and Advances	--	15,315.00	25,315.00	
Total	18,471.75	23,477.85	32,279.95	
Less: Current Liabilities				
a) Current Liabilities	6,618.00	6,618.00	6,618.00	
b) Provisions	--	--	--	
Total	6,618.00	6,618.00	6,618.00	
Net Current Assets	11,853.75	16,859.85	25,661.95	
Profit & Loss Account	92,831.25	83,140.15	72,937.05	
Miscellaneous Expenditure (to the extent not written off or adjusted)	--	--	1,401.00	
Total	1,04,685.00	1,00,000.00	1,00,000.00	

MANAGEMENT DISCUSSION & ANALYSIS

• **Overview of the business of the Company:** The Company being the successor of the erstwhile industrial bearing business including agency business of NRB Bearings Limited shall continue to be the leading manufacturer of industrial bearings in India. Its promoter, viz. Mr. T.S. Sahney is well known figure in the bearing industry. The existing customers of the Company are major domestic players in their respective manufacturing fields. Profitability of the Company may be affected due to slow down in domestic and overseas market. The stimulus packages brought out from time to time by the Central Government and the Reserve Bank of India have shown positive impact on industries, yet, it is still too early to foresee the extent of the beneficial effects of these measures. It seems that the industry may take some time to reap the benefits substantially. Despite the infusion of liquidity into the economy from time to time, the banks have been slow to reduce interest rates. However, with the drop in inflation and crude oil prices, it is expected that the Indian economy should recover its momentum in due course and more favorable trends are expected from later this year.

Significant developments subsequent to last financial year: The Company was primarily incorporated to take over the industrial bearing business of NRB Bearings Limited from the appointed date 1st October, 2012. The Company's project to manufacture industrial bearing at _Shendra, Dist. Aurangabad, Maharashtra, is at an advanced stage of implementation and the same will be put into commercial production by end of December, 2012.

The Board of Directors: There is no other significant developments since last financial year. The Board of Directors has decided to adopt the accounting year of 18 months from 1st October, 2012 to 31st March, 2014. Accordingly, the previous accounting period was for six months i.e. from 1 April, 2012 to 30th September, 2012.

• **Factors that may effect the results of operations:** The cyclical nature of the Indian capital goods industry might affect demand. Given the fact that Indian economy has set its path on growth coming

after the global economic and financial crisis we perceive inflationary scenario in the future. Government policies to contain the same has resulted into rise in interest rates thus, increasing the cost of funds. Restriction in money supply is likely to cause lower demand, which has continued to affect domestic sales of all the industry.

The rise in crude oil prices not in tandem with purchasing power may further result in deferment of purchase decisions by end customers. Thus, reducing the demand and finally affect the operations of all manufacturing companies.

- **Internal Control System and their adequacy:** The Company has an adequate system of internal controls commensurate with its size and nature of business to ensure adequate protection of Company's resources, efficiency of operations, check on cost structure and compliance with the legal obligations and the Company's policies and procedures.

The Company remains committed to maintaining internal controls designed to safeguard the efficiency of operations and security of our assets. Accounting records are adequate for preparation of financial statements and other financial information. The adequacy and effectiveness of internal controls across the various functional levels, as well as compliance with laid down systems and policies are monitored both by Company's internal control systems on a regular basis.

- **Discussions on the results of operations:**

The Company acquired the industrial bearing business of NRB upon the Scheme becoming effective on and from the Appointed Date i.e. 1st October, 2012. As the Company has not completed a full year of its operation, it is rather not practical to provide financial data.

- **Manufacturing:** The Company's manufacturing facilities follow practices such as TQM, TPM and Lean Manufacturing and has best-in-class practices for safety, work environment, water and energy conservation. Kaizen activities are being implemented to improve manufacturing quality and productivity in all the manufacturing locations.

• **Quality:** The quality system at the factory aims at achieving total customer satisfaction through its focus on consistently providing products of high quality. This is achieved through state-of-art technology, best manufacturing practices, training, total employee involvement and continuous improvement culture. The Company will be achieving ISO 9001:2000 certification.

• **Cost Management:** The Company continues its rigorous focus on managing its costs through an effective cost deployment system. Value engineering is being pursued for cost reduction and also to insulate from cost escalation. Various manufacturing initiatives are deployed company-wide to achieve significant improvement in productivity and reduction in manufacturing cost.

• **Information Technology:** The company going forward intends integrating all functional departments as well as dealers and suppliers through an efficient and effective ERP system.

• **Human Resource:** The Company is giving utmost importance to human resource development. In this direction, the Company is providing intensive training in India and overseas to employees of all levels for improving competence, production, enhancing safety and social values. Achieving high morale and motivation is the ultimate goal of each training program. The management expects to continue the customized development program of employees during the current year also. The management of the Company enjoys cordial relations with its employees at all levels.

The Board of Directors wishes to place on record its highest appreciation of the contribution being made by all the employees.

• **Environment & Safety:** Safety management is integrated with the overall Environment, Health and Safety (EHS) management system. The Company is committed to energy conservation.

- **Capex Expenditure:** The gross block and net block of assets as on 30.09.2012 is Rs. Nil and Rs. Nil respectively. The additions during the year will be approx Rs. 131 Crores. Currently for its Industrial Bearing business, the company has an installed capacity of 4.20 Lakh units per month.

- **Foreign Exchange Risk:** The Company imports raw materials & components on a need basis and imports capital equipments. The company has significant long term borrowings in foreign currency and business transaction in various other countries. This exposes the company to significant foreign exchange fluctuation risk.

Cautionary Statement

“Statements in Management Discussion and Analysis describing the Company’s objectives, projections, estimates and expectation may be “forward looking” within the meaning of applicable laws and regulations. Actual results might differ materially from those expressed or implied.”

SECTION VI – LEGAL & OTHER INFORMATION**OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

Against the Company: As per the Clause 9 of the scheme, all suits, actions and proceedings of whatever nature by or against the Company (ECL) pending on the Appointed Date or instituted at any time thereafter on or before the Effective Date and relating to the business of the Demerged Undertaking shall be continued and enforced by or against NIBL after the Effective Date.

Subsequent to the effective date there are no outstanding or pending material litigations or suits, criminal or civil prosecutions, proceedings initiated against NIBL.

Against the Promoters: There is no outstanding or pending material litigation or suits, criminal or civil prosecutions, proceedings initiated against the promoters.

Against the Group Companies:

There are no outstanding or pending material litigations or suits, criminal or civil prosecutions, proceedings initiated against the Group Companies.

GOVERNMENT APPROVALS

Consequent to vesting of industrial bearing business including agency business of NRB Bearings Limited with NRB Industrial Bearings Limited, pursuant to the Scheme, all permits, authorizations, licenses, consents, registrations, approvals, municipal permissions, industrial licenses, insurance policies, registrations, connections for water, electricity and drainage, sanctions, obligations/ benefits arising out of bank guarantees given with respect to any appeals with the relevant authorities, privileges, easements and advantages, facilities, rights, powers and interests (whether vested or contingent) shall stand transferred to and vested in or shall be deemed to be transferred to and vested in NRB Industrial Bearings Limited as if the same were originally given or issued to or executed in favour of the NRB Industrial Bearings Limited, and the rights and benefits under the same shall be available to the NRB Industrial Bearings Limited.

Accordingly, the Company has made applications for endorsements in the certificate of registrations / licenses, obtained / applied for new licences/registrations / modified the existing agreements / arrangement with government authorities etc. under applicable laws, such as Factories Act, 1948, Labour related laws/ Employees Provident Funds and Miscellaneous Provisions Act, 1952, Pollution Control Board / Air (Prevention and Control of Pollution Act, Indirect Tax laws and all other statutory laws applicable to the Company.

SECTION VII – OTHER REGULATORY AND STATUTORY DISCLOSURES**REGULATORY AND STATUTORY DISCLOSURES****Authority for the Scheme**

The Hon'ble High Court of Judicature at Bombay, vide its order dated 24th August, 2012 has approved the Scheme of Arrangement between NRB Bearings Limited and NRB Industrial Bearings Limited.

Prohibition by SEBI

The Company, its directors, its promoters, other companies promoted by the promoters and companies with which the Company's directors are associated as directors have not been prohibited from accessing the capital markets under any order or direction passed by SEBI.

General Disclaimer from the Company

The Company accepts no responsibility for statement made otherwise than in the Information Memorandum or in the advertisements to be published in terms of SEBI Circular No SEBI/CFD/SCRR/01/2009/03/09 dated 3rd September, 2009 or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by the Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner.

Disclaimer - BSE

As required, a copy of this Information Memorandum has been submitted to BSE and NSE. Both BSE vide its letter dated 07th December, 2011 and NSE vide its letter dated 1st December, 2011 have approved the Scheme of Arrangement under clause 24(f) of the Listing Agreement. By virtue of these approvals, the BSE's and NSE's names are included in this Information Memorandum as the Stock Exchanges on which the Company's securities are proposed to be listed.

The BSE and NSE do not in any manner:

> warrant, certify or endorse the correctness or completeness of any of the contents of this

Information Memorandum; or

> warrant that this Company's securities will be listed or will continue to be listed on the

BSE/NSE; or

> take any responsibility for the financial or other soundness of this Company; and

> it should not for any reason be deemed or construed to mean that this Information

Memorandum has been cleared or approved by the BSE/NSE.

Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the BSE and/or NSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Filing

This Information Memorandum has been filed with BSE and NSE.

Listing

Applications is being be made to BSE and NSE for permission to deal in and for an official quotation of the Equity Shares of the Company. The Company has nominated BSE as the Designated Stock Exchange for the aforesaid listing of the shares. The Company has taken steps for completion of necessary formalities for listing and commencement of trading at BSE and NSE.

Demat Credit

The Company has executed tripartite Agreements with the Depositories i.e. NSDL and CDSL for admitting its securities in dematerialised form and has been allotted ISIN INE047O1014

Expert Opinions

Save as stated elsewhere in this Information Memorandum, we have not obtained any expert opinions.

Previous rights and public issues, if any

The Company has not made any previous public or rights issue since incorporation.

Commission and brokerage on previous issues

Since the Company has not issued shares to the public in the past, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since its inception.

Companies under the Same Management

Companies under the same management within the meaning of erstwhile Section 370 (1B) of the Companies Act, other than included in this Information Memorandum are as follows:

1. NRB Bearings Limited
2. SNL Bearings Limited
3. Needle Roller Bearings Company Private Limited
4. NRB-IBC Bearings Private Limited

Promise vis-à-vis performance

Not Applicable, since this is the first time the shares of the Company are getting listed on the Stock Exchange.

Outstanding debentures or bonds and redeemable preference shares and other instruments issued by the issuer Company

The Company has not issued any debentures or bonds or preference shares or any such other instruments.

Stock Market Data for Equity shares of the Company

Equity shares of the Company are not listed on any stock exchanges. The Company is seeking approval for listing of its shares through this Information Memorandum.

Disposal of Investor Grievances

The Company has appointed Mr. Chander Dingria, Deputy Manager (Finance) as the Compliance Officer and he may be contacted in case of any problems at the following address:

Compliance Officer

Name : Mr. Chander Dingria
Designation : Deputy Manager Finance
Address : 15, Dhannur, Sir P. M. Road,
Fort, Mumbai
Maharashtra ,India

E-mail address: chander.dingria@nibl.in

Telephone No : (022) 22704206

MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Sr. No:	Article No.	Article
		CAPITAL AND INCREASE AND REDUCTION IN CAPITAL
1)	3	The authorised share capital of the Company shall be as is specified in clause V of the Memorandum of Association of the Company.
	4	Notwithstanding anything contained herein, the Company shall be entitled to dematerialise its shares, debentures and other securities pursuant to the Depositories Act, 1996 and to offer its shares, debentures and other securities for subscription in a dematerialised form.
	6	The Company in General Meeting may, from time to time, increase the capital by the creation of new shares, such increase to be of such aggregate amount created and to be divided into shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions, and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Directors shall determine; and in particular, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company, and with a right of voting at General Meetings of the Company in conformity with

		<p>Sections 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 97 of the Act.</p> <p>The Company may (subject to the provisions of Sections 78, 80 and 100 to 105 of the Act) from time to time by Special Resolution, reduce its capital and any Capital Redemption Reserve Account or Share Premium Account in any manner for the time being authorised by law; and, in particular, capital may be paid off on the basis that it may called up again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.</p>
<p>Reduction of</p>		<p>SHARES UNDER THE CONTROL OF BOARD OF DIRECTORS</p>
	<p>11</p>	<p>Subject to the provisions of these Articles and of the Act, the shares (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors, who may issue and allot or otherwise dispose of the same to such persons in such proportion, on such terms and conditions and at such times as the Directors think fit and subject to the sanction by the Company by a special resolution in General Meeting with full power, to give any person the option to call for or be allotted shares of any class of the</p>

		Company either (subject to the provisions of Section 78 and 79 of the Act) at a premium or at par or at a discount and such option being exercisable for such time and for such consideration as the Directors may think fit. The Board shall cause to be filed the returns as to allotment provided for in Section 75 of the Act.
		POWER ALSO TO COMPANY IN GENERAL MEETING TO ISSUE SHARES
	12	In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 12 and 13, the Company in General Meeting may, subject to the provisions of Section 81 of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares.
		LIEN ON SHARES
	19	The Company shall have a first and paramount lien upon all the shares (other than fully paid-up shares) registered in the

		<p>name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares, and no equitable interest in any shares shall be created except upon the footing and upon the condition that Article 21 hereof is to have full effect. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.</p>
		<p>TRANSFER & TRANSMISSION OF SHARES</p>
	<p>51</p> <p>51(A)</p> <p>52</p>	<p>The Company shall keep a "Register of Transfers", and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share held in material form.</p> <p>In the case of transfer of shares, debentures or other marketable securities where the Company has not issued any certificate and where such shares or debentures or securities are being held in an electronic and fungible form the provisions of the Depositories Act, 1996, shall apply.</p> <p>Subject to the restrictions of these Articles shares shall be transferable. The instrument of transfer shall be in writing and all the provisions of Section 108 of the Act and any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and registration thereof.</p>

	<p>53</p> <p>54</p> <p>54(A)</p> <p>55(A)</p>	<p>The instrument of transfer duly stamped and executed by the transferor and the transferee shall be delivered to the Company in accordance with the provisions of the Act.</p> <p>The instrument of transfer shall be accompanied by such evidence as the Board may require to prove the title of transferor and his right to transfer the shares, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board. The transferor shall be deemed to be the holder of such shares until the name of the transferee shall have been entered in the Register of Members in respect thereof except in case of transfer of Securities effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of the depository. Before the registration of a transfer the certificate or certificates of the shares must be delivered to the Company.</p> <p>The Board shall have power on giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situate to close the transfer books, the register of Members or Register of Debentureholders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty five in each year.</p> <p>Subject to the provisions of Section 111 of the Act, the</p>
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		<p>Board of Directors may refuse whether in pursuance of any power of the Company under the Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a member in, or debentures of the Company, the Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Registration of transfer of shares shall not be refused on the ground that the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever, except a lien on the shares.</p> <p>55(B) It is hereby expressly declared that the powers conferred under sub-clause (A) of this Article shall be subject to the provisions of Section 22A of the Securities Contracts (Regulation) Act, 1956 or any statutory modification or reenactment thereof.</p> <p>56 Where, in the case of partly paid shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 110 of the Act.</p> <p>57 In the case of the death of any one or more of the persons named in the Register of Members as the joint-</p>
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	<p>58</p>	<p>holders of any share, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.</p> <p>The executors or administrators or holders of a Succession Certificate or the legal representatives of a deceased Member (not being one of two or more jointholders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such Member, and the Company shall not be bound to recognise such executors or administrators or holders of a Succession Certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained Probate or Letters or Administration or Succession Certificate, as the case may be, from a duly constituted court in the Union of India; provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of Probate or Letters of Administration or Succession Certificate upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and under Article 61 register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased Member, as a Member.</p>
	<p>59</p>	<p>No share shall in any circumstances be subscribed for by, or</p>

		<p>transferred to, any minor, insolvent or person or unsound mind.</p> <p>60(a) Subject to the provisions of Articles 58 and 59 any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Member, or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or such title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board registered as such holder; provided, nevertheless, that if such person shall elect to have his nominee registered, he shall not be freed from any liability in respect of the shares.</p> <p>60(b) The Board shall have the same right to refuse to register a person entitled by transmission to any shares or his nominees as if he were the transferee named in the case of a transfer of shares presented for registration.</p> <p>61 A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive, and may give a discharge for any</p>
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		dividends or other moneys payable in respect of such share.
	62	There shall be paid to the Company, in respect of the transfer or transmission of any number of shares to the same party, such fee, if any, as the Directors may require.
	62(A)	No fee shall be charged for transmission of shares for registration of any Power of Attorney, probate, Letters of Administration or other similar documents. No fees shall be charged for Registration of transfer, or for issue of new certificates in replacement of those which are old, decrepit, worn, out or where the cages on the reverse for recording transfer have been utilised.
	63	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of

		the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.
		COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS
	64	Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 39 of the Act shall be sent by the Company to every Member at his request within seven days of the request on payment of the sum of Rupee one for each copy.
		BORROWING POWERS
	65	Subject to the provisions of Sections 58A, 292 and 293 of the Act, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board, accept deposits from Members, either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company.
		ANNUAL GENERAL MEETING
	73	The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual General Meeting shall be called Extraordinary General Meetings. An Annual General Meeting shall be held within six months after the expiry of each Financial Year. Provided that not more than fifteen months shall elapse between the date of

		<p>one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 166(1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for a time during business hours, on a day that is not a public holiday, and shall be held at the Office of the Company or at some other place within the city in which the Office of the Company is situate as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. The Company may in any one Annual General Meeting fix the time for its subsequent Annual General Meetings. Every Member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and Audited Statement of Accounts, Auditors' Report (if not already incorporated in the Audited Statement of Accounts), the proxy register with proxies and the register of Directors' shareholdings which latter register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the annual list of Members, summary of the share capital, balance sheet and profit and loss account and forward the same to the Registrar in accordance with Sections 159, 161 and 220 of the Act.</p>
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		LENGTH OF NOTICE
	78(a)	<p>Twenty-one days' notice at the least of every General Meeting, annual or Extraordinary, and by whom-so-ever called, specifying the day, place and hour of meeting, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company. Provided that in the case of an Annual General Meeting with the consent in writing of all the Members entitled to vote thereat and in case of any other meeting, with the consent of members holding not less than 95 per cent of such part of the paid-up share capital of the Company as gives a right to vote at the meeting, a meeting may be convened by a shorter notice. In the case of an Annual General Meeting, if any business other than (i) the consideration of the Accounts, Balance Sheets and Reports of the Board of Directors and Auditors, (ii) the declaration of dividend, (iii) the appointment of Directors in place of those retiring, (iv) the appointment of, and fixing of the remuneration of the Auditors, is to be transacted, and in the case of any other meeting in any event, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein of every Director, and the Manager (if any). Where any such item of special business relates to, or affects any other company, the extent of share-holding interest in that other company of every director, and the Manager, if any,</p>

		of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than 20 per cent of the paid-up share capital of that other company. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.
		OMISSION TO GIVE NOTICE
	79	The accidental omission to give any such notice as aforesaid to any of the Members or other person to whom it should be given, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.
		QUORUM FOR GENERAL MEETING
	81	Five members present in person shall be quorum for a General Meeting provided that such members or proxies of members present at the meeting shall hold in the aggregate not less than 51% of the paid-up capital of the company.
		QUESTION AT THE GENERAL MEETING HOW TO BE DECIDED
	88(a)	At any general meeting, a resolution put to the vote of the meeting shall, unless a poll is demanded under Section 179, be decided on a show of hands.
	88(b)	A declaration by the Chairman in pursuance of Section 177 that on a show of hands, a resolution has or has not been carried, or has or has not been carried either unanimously or by a particular majority, and an

		entry to that effect in the books containing the minutes of the proceedings of the company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.
		DIRECTORS
	110	<p>Until otherwise determined by the General Meeting and subject to Section 252 of the Act, the number of Directors (excluding Alternate Directors and institutional Directors) shall not be more than Ten.</p> <p>So long as Trustees of Trilochan Singh Sahney Trust 2 together with Trilochan Singh Sahney, H.B.K Sahney, Harshbeena S Zaveri and Devesh S Sahney hold not less than 25% of the issued capital of the Company, they shall be entitled to appoint one person who shall be the ex-officio Director appointed by it and also to fill in any vacancy which may occur as a result of any such person ceasing to be a Director for any reason whatsoever. Such appointment and removal shall be effected by a writing addressed to the Board of Directors of the Company under the hands of the Chairman and the same shall take effect forthwith upon being delivered to the Company. Any Director or Directors so appointed shall not be required to hold any qualification shares and shall not be liable to retire by rotation.</p>
		RETIREMENT OF DIRECTORS BY ROTATION
	111(1)	At every Annual General Meeting of the Company one third of such of the Directors for the time being as are liable to retire by

		rotation or if their number is not three or a multiple of three, then the number nearest to one third shall retire from office. The Directors appointed under Article 110 shall not be subject to retirement under this Article and shall not be taken into account in determining rotation, retirement or the number of Directors to retire.
		NO SHARE QUALIFICATION FOR DIRECTORS
	115	A Director shall not be required to hold any share qualification
		REMUNERATION OF DIRECTORS
	116(1)	Subject to the provisions of the Act, a Managing Director or Director, who is in the Whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other or any other mode not prohibited by the Act.
	(2)	Such reasonable additional remuneration as fixed by the Board may be paid to any one or more of its number for services rendered by him or them in signing the share certificates in respect of the Company's capital or any debenture issued by the Company.
	(3)	Subject to the provisions of the Act, a Director who is neither in the Whole-time employment of the Company nor a Managing Director, may be paid remuneration either:

		<p>(a) by way of a monthly, quarterly or annual payment with the approval of the Central Government, if necessary, or</p> <p>(b) by way of commission if the Company by a Special Resolution authorises such payment.</p> <p>(4) Provided that the remuneration paid to such Director or where there is more than one such Director, to all of them, together, shall not exceed-</p> <p>(i) one percent of the net profits of the Company, if the Company has a Managing or Whole-time Director or a Manager.</p> <p>(ii) three percent of the net profits of the Company in any other case.</p> <p>(5) The fee payable to the Directors (excluding a Managing Director or Whole-time Director, if any) for attending a meeting of the Board or a Committee thereof shall be Rs.5000 or such other sum as the Company in Board Meeting may decide from time to time determine.</p> <p>(6) The Board may allow and pay to any Director, such sum as the Board may consider fair compensation for travelling, boarding, lodging and other expenses, in addition to his fee for attending a meeting of the Board or a Committee thereof; and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be</p>
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		<p>paid and reimbursed any travelling or other expenses incurred in connection with the business of the Company.</p> <p>For the purposes of this Article, the expression “net profits” shall mean the net profits of the Company as computed in accordance with the provisions of Section 309(5) of the Act.</p>
		<p>MANAGING DIRECTOR(S), WHOLE-TIME(DIRECTOR), MANAGER</p>
	<p>129</p>	<p>Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint from time to time any one of their number as Managing director of the Company and who shall be of the choice of Trustees of Trilochan Singh Sahney Trust 2 for a term not exceeding five years at a time and upon such terms and conditions as the Board think fit, and subject to the provisions of Article 131, the Board may by a resolution vest in such Managing Director or Managing Directors such of the powers hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods upon such conditions and subject to such restrictions as it may determine. The remuneration of a Managing Director may be by way of monthly payment, participation in profits or by any other mode not expressly prohibited by the Act.</p> <p>Subject to the applicable provisions of the Act and of these Articles the Board shall have power to appoint from time to time any of its number as Whole-time Director or Whole-time Directors of the</p>

		<p>Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and subject to the provisions of Article 131, the Board may by resolution vest in such Whole-time Director or Whole-time Directors such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such conditions and subject to such restrictions as it may determine. The remuneration of Whole-time Director or Whole-time Directors may by way of monthly payment, fee for each meeting or participation in profits, or by any or all of these modes, or any other mode not prohibited by the Act.</p>
		MEETINGS OF DIRECTORS
	133	<p>The Directors may meet together as a Board for the despatch of business from time to time and shall so meet at least once in every three months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.</p>
	134	<p>Unless otherwise agreed to by all the Directors at least seven (7) days notice of every meeting of the Board shall be given in writing to every Director whether in or outside India. In case of Directors residing outside India notice shall be sent by fax or at his usual address outside India and also at his usual address in India or by email, seven (7) days in advance of such meeting including an adjourned meeting.</p>

		<p>under Article 110 or his alternate. The Board may from time to time revoke and discharge any such Committee of the Board either wholly or in part and either as to persons or purposes, but every Committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. All resolutions passed by the Committee of Directors shall be passed by a majority vote provided that such majority shall include the Director appointed by Trustees of Trilochan Singh Sahney Trust 2 under Article 110 or his alternate.</p>
		<p>RESOLUTION BY CIRCUALTION</p>
	<p>142</p>	<p>No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee, then in India (not being less than three Directors) and which shall include the Director appointed by Trustees of Trilochan Singh Sahney Trust 2 under Article 110 or his alternate and to all other Directors or members of the Committee at their usual address in India, and has been approved by a majority vote, provided that such majority shall include the affirmative votes of the Directors nominated by Trustees of Trilochan Singh Sahney Trust 2 under Article 110 or their alternates.</p>

		POWERS OF THE BOARD
	145	The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company, required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act or to any regulations being not inconsistent therewith, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
		COMMON SEAL, ITS CUSTODY AND USE
	149(a)	The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.
	149(b)	The Company shall also be at liberty to have an official Seal in accordance with Section 50 of the Act, for use in any territory, district or place outside India.
	150	Every Deed or other instrument, to which the Seal of the Company is required to be affixed, shall, unless the same is executed by a duly constituted attorney, be signed by two Directors or one Director and Secretary or by some other person appointed by the

		Board for the purpose, provided that in respect of the share certificate the Seal shall be affixed in accordance with Article 18(a).
		DIVIDEND
	151	The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles, and subject to the provisions of the Act and of these Articles, shall be divisible among the members in proportion to the amount of capital paid-up or credited as paid-up on the share held by them respectively.
	152	The Company in General Meeting may declare dividends to be paid to Members according to their respective rights, but no dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.
		ACCOUNTS
	168(1)	The Company shall keep at the Office or at such other place in India as the Board thinks fit, proper books of account in accordance with Section 209 of the Act with respect to – (a) all sums of money received and expended by the Company and the matters in respect of which the receipts and expenditure take place; (b) all sales and purchases of goods by the Company; (c) the assets and liabilities of the Company.
	168(2)	where the Board decides to keep all or any of the books of account at any place other than the Office of the Company, the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place;

	168(3)	the Company shall preserve in good order the books of account relating to a period of not less than eighty years preceding the current year together with the vouchers relevant to any entry in such books of account;
	168(4)	where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper books of account relating to the transactions effected at the branch office are kept at the branch office and proper summarised returns, made upto date at intervals of not more than three months, are sent by the branch office to the Company at its Office or other place in India, at which the Company's books of account are kept as aforesaid;
	168(5)	the books of account shall give a true and fair view of the state of the affairs of the Company and shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right to inspection any accounts or books or documents of the Company except as conferred by law or authorised by the Board;
		AUDIT
	172	Auditors shall be appointed and their rights, duties and liabilities regulated in accordance with Sections 224 to 233 of the Act.
	173	Subject to provisions of Article 179, every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by the Company at an Annual General Meeting shall be conclusive

	174	<p>except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the Balance Sheet and Profit and Loss Account shall forthwith be corrected, and thenceforth shall be conclusive.</p> <p>The Directors shall, if they consider it to be necessary and in the interest of the Company, be entitled to amend the audited accounts of the Company of any financial year which have been laid before the Company in General Meeting. The amendments to the accounts effected by the Directors in pursuance of this Article shall be placed before the Members in General Meeting for their consideration and approval.</p>
		WINDING UP
	183	<p>The Liquidator on any winding-up (whether voluntary, under supervision or compulsory) may, with the sanction of a Special Resolution, but subject to the rights attached to any preference share capital, divide among the contributories in specie any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories, as the Liquidator, with like sanction shall think fit.</p>
		INDEMNITY & RESPONSIBILITY
	184	<p>Every officer or agent for the time being of the Company shall be indemnified out of the assets of the Company against all liability incurred by him in defending any proceedings, whether civil or</p>

		criminal, in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.
		INSPECTION OF REGISTERS, ETC.
	185	Where under any provisions of the Act any person, whether a Member of the Company or not, is entitled to inspect any register, return, certificate, deed, instrument or document required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same during business hours, for such periods not being less in the aggregate than two hours in each day as the Directors may determine.
		SECRECY CLAUSE
	186(a)	Every Director, Manager, Auditor, Treasurer, Trustee, member of a Committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with any customer, supplier, lender, borrower, financial institutions, adviser, consultant or government authority and the state of the company's accounts and the industrial processes, technical know-how and research owned by available to, and utilised by the company, and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the

	<p>186(b)</p>	<p>discharge of his duties except when required so to do by the Directors or by law or by the persons to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.</p> <p>No Member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.</p>
		<p>RECORDS IN ELECTRONIC FORM</p>
	<p>187</p>	<p>The Company shall be entitled to create, keep, maintain and produce any document, paper, record, book and register in electronic form through computer or otherwise in accordance with the provisions of the Act or the Information Technology Act, 2000 or any successor thereof, or any other law for the time being in force.</p>

SECTION VIII - OTHER INFORMATION**MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

There are no contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of this Information Memorandum) which are or may be deemed material have been entered or to be entered into by our Company.

Documents for Inspection:

1. Memorandum and Articles of Association, as amended till the date of Information Memorandum.
2. Certification of Incorporation dated 24th February, 2011.
3. Fresh Certificate of Incorporation dated 17th November, 2011 issued by the Registrar of Companies on conversion of the Company from Private Limited to Public Limited.
4. Copy of MOU dated 1st October, 2012 between the Company and Universal Capital Securities Pvt. Ltd., Share Transfer Agents.
4. Tripartite agreement dated 23rd October, 2012 entered into by the company with NSDL.
5. Tripartite agreement dated 25th October, 2012 entered into by the company with CDSL.
7. Scheme of Arrangement sanctioned by the Hon'ble High Court of Bombay vide its order dated 24th August, 2012.
8. Order dated 24th August, 2012 of the Hon'ble High Court of Judicature at Bombay approving the Scheme of Arrangement.
9. E-form No. 21 for filing of the Court Order and Scheme with ROC, Mumbai, Maharashtra on 25th September, 2012.

DECLARATION

No statement made in the Information Memorandum contravenes any of the applicable provisions of the Act and the rules made there under. All the applicable legal requirements connected with the issue of Equity Shares in terms of the Scheme as also the guidelines, instructions etc., if any, issued by SEBI, government and any other competent authority in this behalf have been duly complied with.

All the disclosures and information contained in this document is true and correct.

On Behalf of the Board of Directors of
NRB INDUSTRIAL BEARINGS LIMITED

DEVESH SINGH SAHNEY
MANAGING DIRECTOR
PLACE: MUMBAI
DATE: 07TH NOVEMBER, 2012