

THE HIGH COURT OF DELHI AT NEW DELHI
(ORIGINAL JURISDICTION)
COMPANY APPLICATION NO (M) 155 of 2013
IN THE MATTER OF THE COMPANIES ACT, 1956 (1 OF 1956)
SECTIONS 391 & 394
AND
IN THE MATTER OF SCHEME OF AMALGAMATION OF
MACRO STEEL ENGINEERS PVT LTD
WITH
UNITED DRILLING TOOLS LTD
IN THE MATTER OF

UNITED DRILLING TOOLS LTD

APPLICANT/ TRANSFEREE COMPANY

(A Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at B-94, Shashi Garden, Patpar Ganj, Delhi-110 091)

NOTICE CONVENING MEETING

To
The Equity Shareholders of
United Drilling Tools Ltd

Take Notice that by an order dated 19th November, 2013, the Hon'ble High Court of Delhi has, inter alia, directed for convening of a meeting of Equity Shareholders of United Drilling Tools Ltd for the purpose of considering and, if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation of Macro Steel Engineers Pvt Ltd with United Drilling Tools Ltd.

Take Further Notice that in pursuance of the said order, a meeting of the **Equity Shareholders of United Drilling Tools Ltd** will be held on **Saturday, 4th January, 2014 at 11.30 a.m.** at **Maharani Bagh Community Centre, 1, Central Avenue, Maharani Bagh, New Delhi-110 065**, when you are requested to attend.

Take Further Notice that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you, is deposited at the registered office of the Company as mentioned above not later than 48 hours before the meeting.

The Hon'ble Court has appointed Ms Mansi Gupta, Advocate, as the Chairperson and failing her Mr Jagdish Lal, Court Officer, as the Alternate Chairperson of the aforesaid meeting.

A copy each of the Explanatory Statement under Section 393 of the Companies Act, 1956, the proposed Scheme of Amalgamation and a Form of Proxy are enclosed.

Dated this 28th day of November, 2013

Sd/-
Mansi Gupta, Advocate
(Chairperson appointed for the Meeting)

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(A Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at B-94, Shashi Garden, Patpar Ganj, Delhi-110 091)

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956

1. **Pursuant** to the order dated 19th November, 2013, passed by the Hon'ble High Court of Delhi in the above referred joint Application, separate meetings of Equity Shareholders and Un-secured Creditors of United Drilling Tools Ltd are being convened for the purpose of considering and, if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of Macro Steel Engineers Pvt Ltd with United Drilling Tools Ltd (hereinafter referred to as "this Scheme/the Scheme").
- 2.1 **The Transferor Company– Macro Steel Engineers Pvt Ltd** was initially incorporated under the provisions of the Companies Act, 1956, as a private limited company vide Certificate of Incorporation No. (CIN) U 27104 UR 2004 PTC 028453 dated 29th March, 2004 issued by the Registrar of Companies, Uttar Pradesh and Uttaranchal, Kanpur. The Company was converted into a public limited company and its name was changed to 'Macro Steel Engineers Ltd' vide fresh Certificate of Incorporation dated 26th March, 2010 issued by the ROC, Kanpur. The Company was again converted into a private limited company and its name was changed to its present name 'Macro Steel Engineers Pvt Ltd' vide fresh Certificate of Incorporation dated 30th July, 2010 issued by the aforesaid ROC. Registered Office of the Company was shifted from the state of Uttarakhand to the NCT of Delhi as approved by the Hon'ble Company Law Board, Northern Region Bench, New Delhi vide its order dated 5th May, 2010. The Registrar of Companies, NCT of Delhi and Haryana, New Delhi allotted a new company registration number (CIN) U 27104 DL 2004 PTC 228982 dated 20th December, 2011 to the Company.
- 2.2 Presently the Registered Office of the Transferor Company is situated at F-36, Kalkaji, New Delhi 110 019.
- 2.3 The objects of the Transferor Company are set out in its Memorandum of Association. Presently, the Transferor Company is engaged in research & development and manufacturing of Slick line and Electric line units, components, tools and equipments for oil exploration and production industry and other related activities.
- 2.4 The present Authorized Share Capital of the Transferor Company is Rs. 22,00,00,000 divided into 2,20,00,000 Equity Shares of Rs. 10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is Rs. Rs. 21,70,00,000 divided into 2,17,00,000 Equity Shares of Rs. 10 each.
- 3.1 **The Transferee Company– United Drilling Tools Ltd** was initially incorporated under the provisions of the Companies Act, 1956 as a private limited company with the name and style as 'United Drilling Tools Pvt Ltd' vide Certificate of Incorporation No. 55-15796 dated 24th May, 1983 issued by the Registrar of Companies, Delhi & Haryana at New Delhi. The Company was converted into a public limited company and its name was changed to 'United Drilling Tools Ltd' vide Fresh Certificate of Incorporation No. L 29199 DL 1985 PLC 015796 dated 22nd August, 1985 issued by the Registrar of Companies, Delhi & Haryana at New Delhi.
- 3.2 Presently the Registered Office of the Transferee Company is situated at B-94, Shashi Garden, Patpar Ganj, Delhi-110 091.

- 3.3** The objects of the Transferee Company are set out in its Memorandum of Association. Presently, the Transferee Company is engaged in manufacturing of drilling tools and equipments for oil drilling & exploration industry and other related activities.
- 3.4** The present Authorised Share Capital of the Transferee Company is Rs. 25,00,00,000 divided into 1,49,88,330 Equity Shares of Rs. 10 each aggregating to Rs. 14,98,83,300; and 10,01,167 Preference Shares of Rs. 100 each aggregating to Rs. 10,01,16,700. The present Issued and Subscribed Capital of the Company is Rs. 15,41,78,610 divided into 54,06,191 Equity Shares of Rs. 10 each aggregating to Rs. 5,40,61,910; and 10,01,167 12% Cumulative Compulsory Redeemable Preference Shares of Rs. 100 each aggregating to Rs. 10,01,16,700 and the present Paid up Share Capital of the Company is Rs. 15,36,80,835 divided into 54,06,191 Equity Shares of Rs. 10 each less calls in arrears of Rs. 4,97,775 aggregating to Rs. 5,35,64,135; and 10,01,167 12% Cumulative Compulsory Redeemable Preference Shares of Rs. 100 each aggregating to Rs. 10,01,16,700.
- 4.** The proposed amalgamation of Macro Steel Engineers Pvt Ltd with United Drilling Tools Ltd will be effected by the arrangement embodied in the Scheme of Amalgamation framed under sections 391 and 394 of the Companies Act, 1956 (hereinafter referred to as "the Act"), and other applicable provisions, if any.
- 5.** The circumstances which justify and/or necessitate the proposed amalgamation of the Transferor Company with the Transferee Company are, inter alia, as follows:
- a.** Both the Transferor and the Transferee Companies are group companies engaged in similar activities. The proposed Scheme of Amalgamation would result in business synergy and consolidation of these companies with a stronger asset base.
 - b.** The Transferor Company- Macro Steel Engineers Pvt Ltd is engaged in research & development and manufacturing of Slick line and Electric line units, components, tools and equipments for oil exploration and production industry and other related activities. The Transferor Company has developed new patented technology which has tremendous potential in the oil exploration industry.
 - c.** Since the Transferee Company has vast experience in the field of manufacturing of drilling tools and equipments for oil drilling & exploration industry and other related activities, the same experience & expertise may be utilized for commercial exploitation of the new technology.
 - d.** The public shareholders of the listed Transferee Company would enjoy a much larger asset base and other resultant benefits of the combined entity.
 - e.** The proposed amalgamation would enable pooling of physical, financial and human resource of these Companies for the most beneficial utilization of these factors in the combined entity.
 - f.** The proposed Scheme of Amalgamation will result in usual economies of a centralized and a large company including elimination of duplicate work, reduction in overheads, better and more productive utilization of human and other resource and enhancement of overall business efficiency. It will enable these Companies to combine their managerial and operating strength, to build a wider capital and financial base and to promote and secure overall growth of their businesses.
 - g.** The said Scheme of Amalgamation will contribute in fulfilling and furthering the objects of these Companies. It will strengthen, consolidate and stabilize the business of these Companies and will facilitate further expansion and growth of their business. The resulting amalgamated company will be able to participate more vigorously and profitably in the competitive market scenario.
 - h.** The proposed amalgamation would enhance the shareholders' value of the Transferor and the Transferee Companies.
 - i.** The said Scheme of Amalgamation will have beneficial impact on the Transferor and the Transferee Companies, their shareholders, employees and other stakeholders and all concerned.
- 6.** The Scheme of Amalgamation is proposed for the aforesaid reasons. The Board of Directors and Management of these Companies are of the opinion that the proposed Amalgamation is in the best interest of these Companies and their stakeholders.
- 7.** The Scheme of Amalgamation, inter alia, provides as under:
- a.** All assets and liabilities including Income Tax and all other statutory liabilities, if any, of the Transferor Company will be transferred to and vest in the Transferee Company.

- b. All the employees of the Transferor Company in service on the Effective Date, if any, shall become the employees of the Transferee Company on and from such date without any break or interruption in service and upon terms and conditions not less favorable than those subsisting in the Transferor Company on the said date.
- c. Appointed Date for amalgamation will be 1st October, 2012 or such other date, as the Hon'ble High Court(s) may approve.
- d. The Transferee Company will issue 2 (two) Equity Shares of Rs. 10 each, credited as fully paid up, for every 9 (nine) Equity Shares of Rs. 10 each held in the Transferor Company.
- e. BSE will act as the Designated Stock Exchange for the purposes of the Scheme.

8. Amalgamation of Macro Steel Engineers Pvt Ltd with United Drilling Tools Ltd

- a. With effect from the commencement of business on 1st October, 2012, i.e., the Appointed Date, subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, the undertaking and entire business and all immovable properties (including agricultural land, industrial land, residential land and all other land and plots) where so ever situated and incapable of passing by physical delivery as also all other assets, capital work-in-progress, projects under execution, current assets, investments, deposits, bookings and advances against residential and commercial plots and buildings, powers, authorities, awards, allotments, approvals and consents, licenses, registrations, contracts, agreements, engagements, arrangement, rights, intellectual property rights, titles, interests, benefits and advantages of whatsoever nature belonging to or in the ownership, power, possession, control of or vested in or granted in favour of or enjoyed by the Transferor Company, including but without being limited to, licenses granted by various government authorities for development of real estate projects, lease deeds, lease agreements, conveyance deed, registry, sale agreements, purchase agreements, memorandum of understanding (MOU), joint development agreement, joint venture agreements, award on successful bidding and/or auction, approved tenders, earnest money, deposits, security deposits, approval/NOC given by various government and other competent authorities like environmental clearances, approval for land use change (CLU), completion certificate, execution certificate, approval/NOC from fire department, approval/NOC for water, electricity and sewerage, clearance by airport authority, approval/NOC from irrigation department, approval/NOC from forest department, approval/NOC from underground water authority, approval/NOC from national highway authority, approval/NOC from high tension department, all permits and licenses like liquor license, license to run restaurant, lift/escalator license, liberties, easements, advantages, benefits, privileges, leases, tenancy rights, ownership, intellectual property rights including trademarks, brands, copy rights; quota rights, subsidies, capital subsidies, concessions, exemptions, sales tax exemptions, concessions/ obligations under EPCG/Advance/DEPB licenses, approvals, clearances, authorizations, certification, quality certification, past experience and credentials, business track record, utilities connections, electricity connections, electronics and computer link ups, services of all types, reserves, provisions, funds, benefit of all agreements and all other interests arising to the Transferor Company (hereinafter collectively referred to as "the said assets") shall, without any further act or deed or without payment of any duty or other charges, be transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act, for all the estate, right, title and interest of the Transferor Company therein so as to become the property of the Transferee Company but, subject to mortgages, charges and encumbrances, if any, then affecting the undertaking of the Transferor Company without such charges in any way extending to the undertaking of the Transferee Company.
- b. Notwithstanding what is provided herein above, it is expressly provided that in respect to such of the said assets as are movable in nature or are otherwise capable of being transferred by physical delivery or by endorsement and delivery, the same shall be so transferred, with effect from the appointed date, by the Transferor Company to the Transferee Company after the Scheme is duly sanctioned and given effect to without requiring any order of the Court or any deed or instrument of conveyance for the same or without the payment of any duty or other charges and shall become the property of the Transferee Company accordingly.
- c. On and from the Appointed Date, all liabilities, provisions, duties and obligations including Income Tax and other statutory liabilities, if any, of every kind, nature and description of the Transferor Company whether provided for or not in the books of accounts of the Transferor Company shall devolve and shall stand transferred or be deemed to be transferred without any further act or deed, to the Transferee Company with effect from the Appointed Date and shall be the liabilities, provisions, duties and obligations of the Transferee Company.

- d. Similarly, on and from the Appointed Date, all the taxes and duties including advance tax, tax deducted at source, tax collected at source, credit of MAT, self assessment tax paid by or on behalf of the Transferor Company immediately before the amalgamation shall become or be deemed to be the property of the Transferee Company by virtue of the amalgamation. Upon the Scheme becoming effective, all the taxes paid (including TDS) by the Transferor Company from the appointed date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.
 - e. Without prejudice to the generality of the provisions contained in aforesaid clauses, upon the Scheme becoming effective, requisite form(s) will be filed with the Registrar of Companies for creation, modification and/or satisfaction of charge(s), to the extent required, to give effect to the provisions of this Scheme.
 - f. On the Scheme becoming effective, the Transferee Company shall be entitled to file/revise income tax returns, TDS returns and other statutory filings and returns, filed by it or by the Transferor Company, if required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any.
 - g. All other assets & liabilities of the Transferor Company, which may not be specifically covered in the aforesaid clauses, shall also stand transferred to the Transferee Company with effect from the Appointed Date.
9. This Scheme shall be effective from the last of the dates on which certified copies of the High Court(s) order under Sections 391 and 394 of the Act are filed in the office(s) of the concerned Registrar of Companies. Such date is called as the Effective Date. Though this Scheme shall become effective from the Effective Date, the provisions of this Scheme, so far as they relate to the amalgamation, shall be applicable and come into operation from the Appointed Date.
 10. The proposed Scheme of Amalgamation is for the benefit of the Transferor Company, the Transferee Company and their respective shareholders. It is fair and reasonable and is not detrimental to the interest of the public.
 11. In order to give effect to the Scheme under the provisions of law, inter alia, Equity Shareholders and Un-secured Creditors of the Transferee Company are required to give approval to the proposed Scheme. Accordingly, separate meetings of Equity Shareholders and Un-secured Creditors of the Transferee Company are being convened under the supervisions of the Hon'ble High Court of Delhi to seek their approval. Further, in terms of the SEBI Circular dated 4th February, 2013 read with 21st May, 2013, the Scheme is required to be approved by the Shareholders of the Listed Transferee Company through postal ballot and e-voting. The Scheme will be acted upon only if the votes cast by the public shareholders in favour of the proposed amalgamation are more than the number of votes cast by the public shareholders against it.
 12. Accordingly, it is proposed to consider and, if thought fit, to pass, with or without modification(s), the following resolution with specific majority as provided under section 391(2) of the Companies Act, 1956:

“Resolved that pursuant to the provisions of sections 391 and 394 of the Companies Act, 1956, and other applicable provisions, if any, and subject to the approval of the Hon'ble High Court of Delhi and other competent authorities, if any, the proposed Amalgamation of Macro Steel Engineers Pvt Ltd (the Transferor Company) with United Drilling Tools Ltd (the Transferee Company) be and is hereby approved.

Resolved further that the terms and conditions of amalgamation as set out in the draft Scheme of Amalgamation placed before the meeting, which, inter-alia, include the following:

- a. All assets and liabilities including Income Tax and all other statutory liabilities, if any, of the Transferor Company will be transferred to and vest in the Transferee Company.
- b. All the employees of the Transferor Company in service on the Effective Date, if any, shall become the employees of the Transferee Company on and from such date without any break or interruption in service and upon terms and conditions not less favorable than those subsisting in the Transferor Company on the said date.
- c. Appointed Date for amalgamation will be 1st October, 2012 or such other date, as the Hon'ble High Court(s) may approve.
- d. The Transferee Company will issue 2 (two) Equity Shares of Rs. 10 each, credited as fully paid up, for every 9 (nine) Equity Shares of Rs. 10 each held in the Transferor Company.
- e. BSE will act as the Designated Stock Exchange for the purposes of the Scheme.

be and are hereby approved in specific.

Resolved further that subject to the approval of the Hon'ble High Court of Delhi and other competent authorities, if any, the draft Scheme of Amalgamation as placed in the meeting be and is hereby approved.

Resolved further that the Board of Directors of the Company be and is hereby authorized to agree to such conditions or modifications (including the appointed date and share exchange ratio) that may be imposed, required or suggested by the Hon'ble High Court of Delhi or any other authorities or that may otherwise be deemed fit or proper by the Board and to do all other acts, deeds or things which may be ancillary or incidental to the above mentioned matter or which may otherwise be required for the aforesaid Scheme of Amalgamation."

13. All the directors of the Transferor Company and the Transferee Company are deemed to be interested to the extent of their share holding in, loan given to and remuneration drawn from, as the case may be, the respective Companies. The proposed Scheme of Amalgamation does not have any effect on their interest different from that of the interest of other shareholders, creditors and employees of these Companies.
14. No investigation proceedings under Sections 235 to 251 of the Act are pending against the Transferor Company and Transferee Company.
15. The Pre and Post Scheme Capital structure of the Transferee Company- United Drilling Tools Ltd is given below:

Particulars	Amount (Rs.)
Present issued Equity Share Capital of the Transferee Company (A)	5,40,61,910
New Equity Shares to be issued to the Shareholders of the Transferor Company on Amalgamation in the ratio of 2:9 (B)	4,82,22,220
Post Merger issued Equity Share Capital of the Transferee Company [A+B]	10,22,84,130

16. The Pre and Post Scheme Equity Shareholding Pattern of the Transferee Company is given below:

Category code	Category of Shareholder	Pre-Merger			Post Merger		
		Number of Shareholders	No. of Shares	%age	Number of Shareholders	No. of Shares	%age
(A)	Shareholding of Promoter and Promoter Group²						
1	Indian						
(a)	Individuals/ Hindu Undivided Family	17	4016072	74.29%	17	7529405	73.61%
(b)	Central Government/ State Government(s)	NIL	NIL	NIL	NIL	NIL	NIL
(c)	Bodies Corporate	NIL	NIL	NIL	NIL	NIL	NIL
(d)	Financial Institutions/ Banks	NIL	NIL	NIL	NIL	NIL	NIL
(e)	Any Others(Specify)	NIL	NIL	NIL	NIL	NIL	NIL
(e-i)							
(e-ii)							
	Sub Total(A)(1)	17	4016072	74.29%	17	7529405	73.61%
2	Foreign						
A	Individuals (Non-Residents Individuals/ Foreign Individuals)	NIL	NIL	NIL	NIL	NIL	NIL
B	Bodies Corporate	NIL	NIL	NIL	NIL	NIL	NIL
C	Institutions	NIL	NIL	NIL	NIL	NIL	NIL
D	Any Others(Specify)	NIL	NIL	NIL	NIL	NIL	NIL
d-i							
d-ii							
	Sub Total(A)(2)	NIL	NIL	NIL	NIL	NIL	NIL
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	17	4016072	74.29%	17	7529405	73.61%
(B)	Public shareholding						
1	Institutions						
(a)	Mutual Funds/ UTI	NIL	NIL	NIL	NIL	NIL	NIL
(b)	Financial Institutions / Banks	NIL	NIL	NIL	NIL	NIL	NIL

Category code	Category of Shareholder	Pre-Merger			Post Merger		
		Number of Shareholders	No. of Shares	%age	Number of Shareholders	No. of Shares	%age
(c)	Central Government/ State Government(s)	NIL	NIL	NIL	NIL	NIL	NIL
(d)	Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL
(e)	Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL
(f)	Foreign Institutional Investors	NIL	NIL	NIL	NIL	NIL	NIL
(g)	Foreign Venture Capital Investors	NIL	NIL	NIL	NIL	NIL	NIL
(h)	Any Other (specify)	NIL	NIL	NIL	NIL	NIL	NIL
(h-i)							
(h-ii)							
	Sub-Total (B)(1)	NIL	NIL	NIL	NIL	NIL	NIL
B 2	Non-institutions						
(a)	Bodies Corporate	70	41500	0.77%	71	1350389	13.22%
(b)	Individuals						
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	5517	1275419	23.59%	5517	1275419	12.47%
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	2	46500	0.86%	2	46500	0.44%
(c)	Qualified Foreign Investor	NIL	NIL	NIL	NIL	NIL	NIL
(d)	Any Other (Specify)	NIL	NIL	NIL	NIL	NIL	NIL
(d-i)	Non Resident Indians (Not Repatriable)	36	26300	0.49	36	26300	0.26%
(d-ii)	Trusts	1	400	0.01	1	400	0.00%
	Sub-Total (B)(2)	5626	1390119	25.71%	5627	2699008	26.39%
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	5626	1390119	25.71%	5627	2699008	26.39%
	TOTAL (A)+(B)	5643	5406191	100%	5644	10228413	100
(C)	Shares held by Custodians and against which Depository Receipts have been issued	NIL	NIL	NIL		NIL	NIL
	GRAND TOTAL (A)+(B)+(C)	5643	5406191	100%	5644	10228413	100

17. However it may be noted that the above mentioned pre and post Scheme Capital Structure and Shareholding Pattern, etc., may change due to rounding off of fractional shares and change in cross holding, etc.
18. In terms of the provisions of the Listing Agreement, Bombay Stock Exchange (Designated Stock Exchange), Delhi Stock Exchange and Uttar Pradesh Stock Exchange have already given their no-objection/observation letters to the proposed Scheme of Amalgamation. Observation letters issued by the aforesaid Stock Exchanges, inter alia, provides that **“the Company shall comply with various provisions of the SEBI Circular”**. Copies of these observation letters are available for inspection on the website of the Company-www.udtltd.com.
19. M/s Agrawal Dhruv & Co., Chartered Accountants have prepared the Report on Valuation of Shares and Share Exchange Ratio for the purpose of the proposed Amalgamation.
20. In terms of the provisions of the Listing Agreement, both the Companies in the Scheme have also obtained Fairness Opinion on Report on Valuation of Shares and Share Exchange Ratio from SEBI registered Merchant Banker- Sobhagya Capital Options Ltd, New Delhi. A copy of the Fairness Opinion will be placed in the meeting. The extract of the Fairness Opinion is reproduced below:

“We in the capacity of SEBI registered Merchant Bankers do hereby certify that the valuation done by the Valuer for determining the share exchange ratio, i.e., 2 (two) Equity Shares of Rs. 10 each, credited as fully paid up, of the Transferee Company- United Drilling Tools Ltd for every 9 (nine) Equity Shares of Rs. 10 each, held in the Transferor Company- Macro Steel Engineers Pvt Ltd, on the basis of the aforesaid methodologies is fair and reasonable.”

- 21.** A copy of the Scheme of Amalgamation, Explanatory Statement and observation letters of the Stock Exchanges may be obtained from the registered office of the Transferee Company or from the office of its Legal Counsel- Mr Rajeev K Goel, Advocate, 785, Pocket-E, Mayur Vihar-II, Delhi-110 091.
- 22.** The following documents will be opened for inspection at the registered office of the Transferee Company on any working day from the date of this notice till the date of meeting between 11.00 A.M. to 4.00 P.M.:
- a. The Memorandum and Articles of Association of the Transferor Company and Transferee Company.
 - b. The Audited Annual Accounts of the Transferor Company for the year ended 30th September, 2012 and the Audited Annual Accounts of the Transferee Company for the year ended 31st March, 2012 and the Provisional Accounts for the period ended 30th September, 2012.
 - c. Statement of interest of Directors giving details of their share holdings in the Transferor Company and Transferee Company.
 - d. Copy of Report on Valuation of Shares and Share Exchange Ratio of M/s Agrawal Dhruv & Co., Chartered Accountants.
 - e. Copy of the Fairness Opinion of Sobhagya Capital Options Ltd, a SEBI registered merchant banker.
 - f. Copies of the no-objection/approval letters of Bombay Stock Exchange, Delhi Stock Exchange and Uttar Pradesh Stock Exchange for the proposed Scheme of Amalgamation.
 - g. Copy of Order dated 19th November, 2013, passed by the Hon'ble High Court of Delhi in the joint Application filed by the Transferor Company and the Transferee Company.

Dated ----- day of November, 2013

**For United Drilling Tools Ltd
Chairman & Managing Director**

SCHEME OF AMALGAMATION
OF
MACRO STEEL ENGINEERS PVT LTD
WITH
UNITED DRILLING TOOLS LTD
AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
UNDER SECTIONS 391 & 394 OF THE COMPANIES ACT, 1956

1.1 DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as under:

- a. **“Act”** means the Companies Act, 1956 (1 of 1956) and the Rules made there under;
- b. **“Appointed Date”** means commencement of business on 1st October, 2012 or such other date as the Hon'ble High Court(s) may direct.
- c. **“Board of Directors”** in relation to respective Transferor and Transferee Companies, as the case may be, shall, unless it is repugnant to the context or otherwise, include a Committee of Directors or any person authorised by the Board of Directors or such Committee of Directors.
- d. **“Effective Date”** means the date on which the transfer and vesting of the entire undertakings of the Transferor Company shall take effect, i.e., the date as specified in Clause 5 of this Scheme.
- e. **“Record Date”** means the date to be fixed by the Board of Directors of the Transferee Company with reference to which eligibility of the shareholders of the Transferor Company for allotment of shares in the Transferee Company in terms of this Scheme, shall be determined.
- f. **“Scheme”** means the present Scheme of Amalgamation framed under the provisions of sections 391 and 394 of the Companies Act, 1956, and other applicable provisions, if any, where under the Transferor Company is proposed to be amalgamated with the Transferee Company in the present form or with any modification(s) approved or imposed or directed by Members/Creditors of the respective Companies and/or by any competent authority and/or by the Hon'ble High Court(s) or as may otherwise be deemed fit by the Board of Directors of these Companies.
- g. **“Transferor Company”** means **Macro Steel Engineers Pvt Ltd** being a company incorporated under the provisions of the Companies Act, 1956, and having its registered office at F-36, Kalkaji, New Delhi 110 019.

The Transferor Company was initially incorporated under the provisions of the Companies Act, 1956, as a private limited company vide Certificate of Incorporation No. (CIN) U 27104 UR 2004 PTC 028453 dated 29th March, 2004 issued by the Registrar of Companies, Uttar Pradesh and Uttaranchal, Kanpur. The Company was converted into a public limited company and its name was changed to 'Macro Steel Engineers Ltd' vide fresh Certificate of Incorporation dated 26th March, 2010 issued by the ROC, Kanpur. The Company was again converted into a private limited company and its name was changed to its present name 'Macro Steel Engineers Pvt Ltd' vide fresh Certificate of Incorporation dated 30th July, 2010 issued by the aforesaid ROC. Registered Office of the Company was shifted from the state of Uttrakhand to the NCT of Delhi as approved by the Hon'ble Company Law Board, Northern Region Bench, New Delhi vide its order dated 5th May, 2010. The Registrar of Companies, NCT of Delhi and Haryana, New Delhi allotted a new company registration number (CIN) U 27104 DL 2004 PTC 228982 dated 20th December, 2011 to the Company.

- h. **“Transferee Company”** means **United Drilling Tools Ltd** being a company incorporated under the provisions of the Companies Act, 1956, and having its registered office at B-94, Shashi Garden, Patpar Ganj, Delhi-110 091.

The Transferee Company was initially incorporated under the provisions of the Companies Act, 1956 as a private limited company with the name and style as 'United Drilling Tools Pvt Ltd' vide Certificate of Incorporation No. 55-15796 dated 24th May, 1983 issued by the Registrar of Companies, Delhi & Haryana at New Delhi. The Company was converted into a public limited company and its name was changed to 'United Drilling Tools Ltd' vide Fresh Certificate of Incorporation No. L 29199 DL 1985 PLC 015796 dated 22nd August, 1985 issued by the Registrar of Companies, Delhi & Haryana at New Delhi.

1.2 SHARE CAPITAL

- i. The present Authorised Share Capital of the Transferor Company is Rs. 22,00,00,000 divided into 2,20,00,000 Equity Shares of Rs. 10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is Rs. 21,70,00,000 divided into 2,17,00,000 Equity Shares of Rs. 10 each.
- ii. The present Authorised Share Capital of the Transferee Company is Rs. 25,00,00,000 divided into 1,49,88,330 Equity Shares of Rs. 10 each aggregating to Rs. 14,98,83,300; and 10,01,167 Preference Shares of Rs. 100 each aggregating to Rs. 10,01,16,700. The present Issued and Subscribed Share Capital of the is Rs. 15,41,78,610 divided into 54,06,191 Equity Shares of Rs. 10 each aggregating to Rs. 5,40,61,910; and 10,01,167 12% Cumulative Compulsory Redeemable

Preference Shares of Rs. 100 each aggregating to Rs. 10,01,16,700 and the Paid-up Share Capital of the Company is Rs. 15,36,80,835 divided into 54,06,191 Equity Shares of Rs. 10 each less calls in arrears of Rs. 4,97,775 aggregating to Rs. 5,35,64,135; and 10,01,167 12% Cumulative Compulsory Redeemable Preference Shares of Rs. 100 each aggregating to Rs. 10,01,16,700.

- iii. The Transferor Company is an un-listed company. Whereas the Equity Shares of the Transferee Company are listed on Bombay Stock Exchange (BSE), Delhi Stock Exchange (DSE) and Uttar Pradesh Stock Exchange (UPSE).

2. TRANSFER OF UNDERTAKING

- a. With effect from the commencement of business on 1st October, 2012, i.e., the Appointed Date, subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, the undertaking and entire business and all immovable properties (including agricultural land, industrial land, residential land and all other land and plots) where so ever situated and incapable of passing by physical delivery as also all other assets, capital work-in-progress, projects under execution, current assets, investments, deposits, bookings and advances against residential and commercial plots and buildings, powers, authorities, awards, allotments, approvals and consents, licenses, registrations, contracts, agreements, engagements, arrangement, rights, intellectual property rights, titles, interests, benefits and advantages of whatsoever nature belonging to or in the ownership, power, possession, control of or vested in or granted in favour of or enjoyed by the Transferor Company, including but without being limited to, licenses granted by various government authorities for development of real estate projects, lease deeds, lease agreements, conveyance deed, registry, sale agreements, purchase agreements, memorandum of understanding (MOU), joint development agreement, joint venture agreements, award on successful bidding and/or auction, approved tenders, earnest money, deposits, security deposits, approval/ NOC given by various government and other competent authorities like environmental clearances, approval for land use change (CLU), completion certificate, execution certificate, approval/NOC from fire department, approval/NOC for water, electricity and sewerage, clearance by airport authority, approval/NOC from irrigation department, approval/NOC from forest department, approval/NOC from underground water authority, approval/NOC from national highway authority, approval/ NOC from high tension department, all permits and licenses like liquor license, license to run restaurant, lift/escalator license, liberties, easements, advantages, benefits, privileges, leases, tenancy rights, ownership, intellectual property rights including trademarks, brands, copy rights; quota rights, subsidies, capital subsidies, concessions, exemptions, sales tax exemptions, concessions/ obligations under EPCG/Advance/DEPB licenses, approvals, clearances, authorizations, certification, quality certification, past experience and credentials, business track record, utilities connections, electricity connections, electronics and computer link ups, services of all types, reserves, provisions, funds, benefit of all agreements and all other interests arising to the Transferor Company (hereinafter collectively referred to as "the said assets") shall, without any further act or deed or without payment of any duty or other charges, be transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act, for all the estate, right, title and interest of the Transferor Company therein so as to become the property of the Transferee Company but, subject to mortgages, charges and encumbrances, if any, then affecting the undertaking of the Transferor Company without such charges in any way extending to the undertaking of the Transferee Company.
- b. Notwithstanding what is provided herein above, it is expressly provided that in respect to such of the said assets as are movable in nature or are otherwise capable of being transferred by physical delivery or by endorsement and delivery, the same shall be so transferred, with effect from the appointed date, by the Transferor Company to the Transferee Company after the Scheme is duly sanctioned and given effect to without requiring any order of the Court or any deed or instrument of conveyance for the same or without the payment of any duty or other charges and shall become the property of the Transferee Company accordingly.
- c. On and from the Appointed Date, all liabilities, provisions, duties and obligations including Income Tax and other statutory liabilities, if any, of every kind, nature and description of the Transferor Company whether provided for or not in the books of accounts of the Transferor Company shall devolve and shall stand transferred or be deemed to be transferred without any further act or deed, to the Transferee Company with effect from the Appointed Date and shall be the liabilities, provisions, duties and obligations of the Transferee Company.
- d. Similarly, on and from the Appointed Date, all the taxes and duties including advance tax, tax deducted at source, tax collected at source, credit of MAT, self assessment tax paid by or on behalf of the Transferor Company immediately before the amalgamation shall become or be deemed to be the property of the Transferee Company by virtue of the amalgamation. Upon the Scheme becoming effective, all the taxes paid (including TDS) by the Transferor Company from the appointed date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.
- e. Without prejudice to the generality of the provisions contained in aforesaid clauses, upon the Scheme becoming effective, requisite form(s) will be filed with the Registrar of Companies for creation, modification and/or satisfaction of charge(s), to the extent required, to give effect to the provisions of this Scheme.
- f. On the Scheme becoming effective, the Transferee Company shall be entitled to file/revise income tax returns, TDS returns and other statutory filings and returns, filed by it or by the Transferor Company, if required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any.
- g. All other assets & liabilities of the Transferor Company, which may not be specifically covered in the aforesaid clauses, shall also stand transferred to the Transferee Company with effect from the Appointed Date.

3. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- a. Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature, to which the Transferor Company is a party, subsisting or having effect immediately before or after the Effective date, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually, as if instead of the Transferor Company, the Transferee Company had been a party thereto.
- b. The transfer of the said assets and liabilities of the Transferor Company to the Transferee Company and the continuance of all the contracts or legal proceedings by or against the Transferee Company shall not affect any contract or proceedings relating to the said assets or the liabilities already concluded by the Transferor Company on or after the Appointed Date.
- c. The Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and, to implement and carry out all such formalities or compliance referred to above on the part/benefit of the Transferor Company to be carried out or performed.

4. LEGAL PROCEEDINGS

All legal proceedings of whatever nature by or against the Transferor Company pending on the Effective Date, shall not be abated, be discontinued or be, in any way, prejudicially affected by reason of the transfer of the undertaking of the Transferor Company or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made.

5. OPERATIVE DATE OF THE SCHEME

- a. This Scheme shall be effective from the last of the dates on which certified copies of the High Court(s) order under Sections 391 and 394 of the Act are filed in the office(s) of the concerned Registrar of Companies. Such date is called as the Effective Date.
- b. Though this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable and come into operation from the Appointed Date.

6. DISSOLUTION OF TRANSFEROR COMPANY

On this Scheme, becoming effective as provided in Clause 5 above, the Transferor Company shall stand dissolved without winding up.

7. EMPLOYEES OF TRANSFEROR COMPANY

- a. All the employees of the Transferor Company in service on the date immediately preceding the date on which the Scheme finally takes effect, i.e., the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and upon terms and conditions not less favorable than those subsisting in the Transferor Company on the said date.
- b. Provident Fund, Gratuity Fund, Superannuation Fund and any other special fund or trusts created or existing for the benefit of the employees of the Transferor Company, if any, upon the Scheme becoming finally effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes and intents, whatsoever, relating to the administration or operation of such schemes or funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions of such funds. It is the intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such funds shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continued for the purpose of the aforesaid funds or provisions.

8. CONDUCT OF BUSINESS BY TRANSFEROR & TRANSFEE COMPANIES

From the Appointed Date until the Effective Date, the Transferor Company

- a. Shall stand possessed of all its assets and properties referred to in Clause 2 above, in trust for the Transferee Company.
- b. Shall be deemed to have carried on business and activities for and on behalf of and for the benefit and on account of the Transferee Company. Any income or profit accruing to the Transferor Company and all costs, charges and expenses or loss arising or incurring by the Transferor Company on and from the Appointed Date shall, for all purposes and intents, be treated as the income, profits, costs, charges, expenses or loss, as the case may be, of the Transferee Company.

9. ISSUE OF SHARES BY TRANSFEE COMPANY

- 9.1 Upon the Scheme finally coming into effect and in consideration of the transfer and vesting of assets and liabilities of the Transferor Company to the Transferee Company in terms of the Scheme, the Transferee Company shall, without

any further application or deed, issue and allot 2 (two) Equity Shares of Rs. 10 each, credited as fully paid up, for every 9 (nine) Equity Shares of Rs. 10 each held in the Transferor Company to the Shareholders of the Transferor Company, whose names appear in the Register of Members as on the Record Date.

- 9.2 Any fraction of share arising out of the aforesaid share exchange process, if any, will be rounded off to nearest whole number.
- 9.3 The Equity Shares to be issued in terms of Para 9.1 above shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company. The new Equity Shares shall rank pari passu in all respects, including dividend, with the existing Equity Shares of the Transferee Company except any stipulation with regard to lock-in period or other conditions that may be imposed or suggested by the Stock Exchange(s) or any other competent authority.
- 9.4 The issue and allotment of Equity Shares by the Transferee Company, as provided in this Scheme, is an integral part thereof. The members of the Transferee Company, on approval of the Scheme, shall be deemed to have given their approval u/s 81(1A) of the Act and other applicable provisions, if any, for issue of fresh Equity Shares in terms of this Scheme.
- 9.5 It is, however, clarified that provisions of this Scheme with regard to issue of shares by the Transferee Company will not apply to the share application money, if any, which may remain outstanding in the Transferor Company.

10. UPON THIS SCHEME BECOMING FINALLY EFFECTIVE:

- a. Entire Issued Share Capital and share certificates of the Transferor Company shall automatically stand cancelled. Equity Shareholders of the Transferor Company will not be required to surrender the Share Certificates held in the Transferor Company.
- b. Crossholding of shares between the Transferor Company and the Transferee Company, on the record date, if any, shall stand cancelled. Approval of this Scheme by the Shareholders and/or Creditors of the Transferor and the Transferee Companies, as the case may be, and sanction by the concerned High Court(s) under section 391 and 394 of the Companies Act, 1956, shall be sufficient compliance with the provisions of sections 100 to 104 of the Companies Act, 1956, rule 85 of the Companies (Court) Rules, 1959, and other applicable provisions, if any, relating to the reduction of share capital on cancellation of cross holding, if any. Such reduction would not involve either the diminution of any liability in respect of un-paid share capital or the payment to any shareholder of any paid-up share capital, and accordingly, the provisions of section 101(2) of the Act will not be applicable.
- c. The authorized Share Capital of the Transferor Company shall be added to and shall form part of the authorized Share Capital of the Transferee Company without any further act or deed. Accordingly, the authorised Share Capital of the Transferee Company shall stand increased to this extent without payment of any fees or charges to the Registrar of Companies and/or to any other government authority. Clause V of the Memorandum of Association and relevant article(s) of the Articles of Association of the Transferee Company shall stand modified to give effect to the aforesaid increase in the authorised Share Capital of the Transferee Company without any further approval.
- e. Save as provided in Para 10.c above, the Transferee Company shall increase/modify its Authorized Share Capital for implementing the terms of the Scheme, to the extent necessary.
- f. New Equity Shares to be issued by the Transferee Company pursuant to this Scheme shall be listed on all such Stock Exchanges where the existing equity shares of the Transferee Company are listed as on the date of issue of such new shares. The Transferee Company will make necessary application(s) to the Stock Exchange(s) and other competent authorities, if any, for this purpose and will comply with the Listing Agreement, SEBI Regulations and other applicable provisions, if any, in this regard. The concerned Stock Exchange(s) shall, on receipt of listing application, promptly list such newly allotted shares.
- f. In terms of the provisions of the Listing Agreement and SEBI Regulations, pre-merger Promoters' holding in the Transferee Company and/or new Shares to be issued in terms of this Scheme, may be placed under lock-in by the Stock Exchange or any other competent authority. However, shares may be transferred within the Promoters' Group during such lock-in period.
- g. BSE will act as the Designated Stock Exchange for the purposes of this Scheme. Shares allotted pursuant to this Scheme may remain frozen in the Depositories system till listing/trading permission is given by the Designated Stock Exchange-BSE.

11. ACCOUNTING FOR AMALGAMATION

Upon the Scheme becoming effective, amalgamation of the Transferor Company with the Transferee Company will be accounted in the following manner:

- a. The amalgamation shall be an 'amalgamation in the nature of merger' as defined in the Accounting Standard (AS) 14 as prescribed under the Companies (Accounting Standards) Rules, 2006, and shall be accounted for under the 'pooling of interests' method in accordance with the said AS-14.
- b. Accordingly, all the assets and liabilities recorded in the books of the Transferor Company shall be transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at the respective book values as reflected in the books of the Transferor Company as on the Appointed Date.

- c. Inter-company balances, if any, will stand cancelled.
- d. All the reserves of the Transferor Company under different heads shall become the corresponding reserves of the Transferee Company. Similarly, balance in the Profit & Loss Accounts of the Transferor and Transferee Companies will also be clubbed together.
- e. In terms of the provisions of the Accounting Standard 14, any surplus/deficit arising out of Amalgamation shall be adjusted in the Reserves of the Transferee Company.
- f. Accounting policies of the Transferor Company will be harmonized with that of the Transferee Company following the amalgamation.

12. APPLICATION TO HIGH COURTS

- a. The Transferor Company shall make joint/separate applications/ petitions under the provisions of sections 391 & 394 of the Companies Act, 1956, the Companies (Court) Rules, 1959 and other applicable provisions, if any, to the concerned High Court for sanctioning of this Scheme, dissolution of the Transferor Company without the process of winding up and other connected matters.
- b. The Transferee Company shall also make joint/separate application(s)/petition(s) under the provisions of sections 391 & 394 of the Companies Act, 1956, the Companies (Court) Rules, 1959 and other applicable provisions, if any, to the concerned High Court for sanctioning of this Scheme and other connected matters. Further, in terms of the SEBI Circular dated 4th February, 2013 read with 21st May, 2013, the Scheme is required to be approved by the Shareholders of the Listed Transferee Company through postal ballot and e-voting. The Scheme will be acted upon only if the votes cast by the public shareholders in favour of the proposed amalgamation are more than the number of votes cast by the public shareholders against it.

13. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- a. The Transferor Company and the Transferee Company through their respective Board of Directors may make or assent, from time to time, on behalf of all persons concerned, to any modifications or amendments to this Scheme or to any conditions or limitations which the Court(s) and/or any authorities under the law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for carrying the Scheme into effect.
- b. In order to give effect to this Scheme or to any modifications or amendments thereof, the Board of Directors of the Transferee Company may give and are authorised to give all such directions as may be necessary including directions for settling any question, doubt or difficulty that may arise.
- c. The Transferor Company and/or the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition, alteration or modification, imposed or suggested by the Court(s) or any other competent authority, is not acceptable to them; or as may otherwise be deemed fit or proper by any of these Companies. The Transferor Company and/or the Transferee Company will not be required to assign any reason for withdrawing from this Scheme.
- d. This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under section 2(1B) of the Income Tax Act, 1961 and other applicable provisions, if any. If any terms or provisions of the Scheme is/are inconsistent with the provisions of the Income Tax Act, 1961, the provisions of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with section 2(1B) of the Income Tax Act, 1961 and other applicable provisions, if any.

14. INTERPRETATION

If any doubt or difference or issue arises between the Transferor Company and the Transferee Company or any of their Shareholders or Creditors and/or any other person as to the construction hereof or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to Mr Rajeev K Goel, LLB, FCS, Advocate, 589, Pocket-E, Mayur Vihar II, Delhi 110 091, Phone: 93124 09354, 011-2277 3618, e-mail: rajeev391@gmail.com whose decision shall be final and binding on all concerned.

15. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses of the Transferor Company and the Transferee Company incurred in relation to or in connection with this Scheme or incidental to the completion of the Amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme, shall be borne and paid by the Transferee Company. However, in the event of the Scheme becoming invalid for any reason whatsoever, all costs, charges and expenses relating to the amalgamation exercise or incidental thereto shall be borne and paid by the respective Companies incurring the same.

THE HIGH COURT OF DELHI AT NEW DELHI
(ORIGINAL JURISDICTION)
COMPANY APPLICATION NO (M) 155 of 2013
IN THE MATTER OF THE COMPANIES ACT, 1956 (1 OF 1956)
SECTIONS 391 & 394
AND
IN THE MATTER OF SCHEME OF AMALGAMATION OF
MACRO STEEL ENGINEERS PVT LTD
WITH
UNITED DRILLING TOOLS LTD
IN THE MATTER OF

UNITED DRILLING TOOLS LTD

APPLICANT/ TRANSFEREE COMPANY

(A Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at B-94, Shashi Garden, Patpar Ganj, Delhi-110 091)

FORM OF PROXY

I/We, the undersigned Equity Shareholder of **United Drilling Tools Ltd**, hereby appoint Mr/Ms _____
_____ of _____ and failing him/her,
Mr/Ms _____ of _____

as my/our proxy to act for me/us at the meeting of the **Equity Shareholders of United Drilling Tools Ltd** to be held on **Saturday, 4th January, 2014 at 11.30 a.m.** at **Maharani Bagh Community Centre, 1, Central Avenue, Maharani Bagh, New Delhi-110 065** for the purpose of considering and, if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of Macro Steel Engineers Pvt Ltd with United Drilling Tools Ltd and at such meeting and at any adjournment thereof, to vote, for me/us and in my/our name # _____ the said Scheme either with or without modification as my/our Proxy may approve.

Dated this _____ day of _____, 2013

Signature.....

Name:.....

Address:.....



If you want to vote in favour of the Scheme put **“FOR”** and in case you intend to vote against the Scheme put **“AGAINST”** and in the latter case, strike out all the words after the words “the said Scheme”

NOTES:

1. Please affix revenue stamp for the appropriate value and sign across the stamp.
2. The Proxy must be deposited at the registered office of the Company not later than 48 hours before the time fixed for convening the meeting.
3. All alterations made in the Proxy Form must be initialed.

BOOK POST

if undelivered, please return to
UNITED DRILLING TOOLS LTD
B-94, Shashi Garden,
Patpar Ganj, Delhi-110 091