

**MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF
CIE AUTOMOTIVE INDIA LIMITED**



सत्यमेव जयते

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

Office of the Registrar of Companies

100 Everest Building, Mumbai, Everest 100, Marine Drive, Maharashtra, 400002, India

Certificate of Incorporation pursuant to change of name

[Pursuant to rule 29 of the Companies (Incorporation) Rules, 2014]

Corporate Identification Number (CIN): **L27100MH1999PLC121285**

I hereby certify that the name of the company has been changed from MAHINDRA CIE AUTOMOTIVE LIMITED to CIE AUTOMOTIVE INDIA LIMITED with effect from the date of this certificate and that the company is Company limited by shares.

Company was originally incorporated with the name MAHINDRA FORGINGS LIMITED

Given under my hand at Mumbai this FIFTEENTH day of MAY TWO THOUSAND TWENTY THREE

Document certified by *.mca.gov.in.

Digitally signed by

*.mca.gov.in

Date: 2023.05.31 17:14:13 IST

Chetan Shelke

Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies

ROC Mumbai

Note: The corresponding form has been approved by Chetan Shelke, Registrar of Companies, ROC Mumbai and this order has been digitally signed by the Registrar of Companies through a system generated digital signature under rule 9(2) of the Companies (Registration Offices and Fees) Rules, 2014.

Mailing Address as per record available in Registrar of Companies office:

CIE AUTOMOTIVE INDIA LIMITED

Suite F9D, Grand Hyatt Plaza (Lobby Level) Off Western Express Highway, Santacruz (E), NA, Mumbai, Mumbai City-400055, Maharashtra, India

Note: This certificate of incorporation is in pursuance to change of name by the Company and does not affects the rights and liabilities of stakeholders pursuant to such change of name. It is obligatory on the part of the Company to display the old name for a period of two years along with its new name at all places wherever a Company is required to display its name in terms of Section 12 of the Act. All stakeholders are advised to verify the latest status of the Company and its Directors etc and view public documents of the Company on the website of the Ministry www.mca.gov.in/MCA21



भारत सरकार-कॉर्पोरेट कार्य मंत्रालय
कम्पनी रजिस्ट्रार कार्यालय, महाराष्ट्र, मुंबई

नाम परिवर्तन के पश्चात नया निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : L27100MH1999PLC121285

मैसर्स Mahindra Forgings Limited

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स
Mahindra Forgings Limited

जो मूल रूप में दिनांक तेरह अगस्त उन्नीस सौ नित्यानवे को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स
Mahindra Automotive Steels Limited

के रूप में निगमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 की शर्तों के अनुसार विधिवत आवश्यक विनिश्चय पारित करके तथा
लिखित रूप में यह सूचित करके की उसे भारत का अनुमोदन, कम्पनी अधिनियम, 1956 की धारा 21 के साथ पठित, भारत सरकार, कम्पनी कार्य
विभाग, नई दिल्ली की अधिसूचना सं. सा. का. नि 507 (अ) दिनांक 24.6.1985 एस्. आर्. एन्. B89738736 दिनांक 27/11/2013 के द्वारा
प्राप्त हो गया है, उक्त कम्पनी का नाम आज परिवर्तित रूप में मैसर्स
Mahindra CIE Automotive Limited

हो गया है और यह प्रमाण-पत्र, कथित अधिनियम की धारा 23(1) के अनुसरण में जारी किया जाता है।

यह प्रमाण-पत्र मुंबई में आज दिनांक सत्ताईस नवम्बर दो हजार तेरह को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS
Registrar of Companies, Maharashtra, Mumbai

Fresh Certificate of Incorporation Consequent upon Change of Name

Corporate Identity Number : L27100MH1999PLC121285

In the matter of M/s Mahindra Forgings Limited

I hereby certify that Mahindra Forgings Limited which was originally incorporated on Thirteenth day of August
Nineteen Hundred Ninety Nine under the Companies Act, 1956 (No. 1 of 1956) as Mahindra Automotive Steels
Limited having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the
approval of the Central Government signified in writing having been accorded thereto under Section 21 of the
Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No.
G.S.R 507 (E) dated 24/06/1985 vide SRN B89738736 dated 27/11/2013 the name of the said company is this day
changed to Mahindra CIE Automotive Limited and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given at Mumbai this Twenty Seventh day of November Two Thousand Thirteen.

Registrar of Companies, Maharashtra, Mumbai

कम्पनी रजिस्ट्रार, महाराष्ट्र, मुंबई

*Note: The corresponding form has been approved by RAJENDER SINGH MEENA, Deputy Registrar of Companies and this certificate
has been digitally signed by the Registrar through a system generated digital signature under rule 5(2) of the Companies (Electronic
Filing and Authentication of Documents) Rules, 2006.

The digitally signed certificate can be verified at the Ministry website (www.mca.gov.in).

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

Mahindra CIE Automotive Limited
MAHINDRA TOWERS, P.K.KURNE CHOWK, WORLI,, MUMBAI - 400018,
Maharashtra, INDIA



GOVERNMENT OF INDIA

MINISTRY OF COMPANY AFFAIRS

Maharashtra, Mumbai

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

Corporate Identity Number : U27100MH1999PLC121285

Fresh Certificate of Incorporation Consequent upon Change of Name

IN THE MATTER OF M/s MAHINDRA AUTOMOTIVE STEELS LIMITED

I hereby certify that MAHINDRA AUTOMOTIVE STEELS LIMITED which was originally incorporated on THIRTEENTH day of AUGUST NINETEEN NINETY NINE under the Companies Act, 1956 (No. 1 of 1956) as MAHINDRA AUTOMOTIVE STEELS LIMITED having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E) dated 24/06/1985 vide SRN A03892346 dated 26/09/2006 the name of the said company is this day changed to Mahindra Forgings Limited and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Mumbai this TWENTY SIXTH day of SEPTEMBER TWO THOUSAND SIX.

(MILIND VITTHALRAO CHAKRANARAYAN)



[Signature]

DY. Registrar of Companies
Maharashtra, Mumbai

No. 11 : 121285

CERTIFICATE OF CHANGE OF NAME UNDER THE COMPANIES ACT, 1956.

In the matter of

MAHINDRA AUTOMOTIVE STEELS PRIVATE LIMITED

I do hereby certify that pursuant to the provisions of section 23 of Companies Act, 1956 and the Special Resolution passed under Sec. 31/44 of the Companies Act by the Company at its ~~Annual~~/Extra-Ordinary General Meeting held on 24/03/2006

the name of " MAHINDRA AUTOMOTIVE STEELS PRIVATE LIMITED

has this day been changed to " MAHINDRA AUTOMOTIVE
STEELS LIMITED

and that the said company has been duly incorporated as a company under the provisions of the said Act.

Dated this FOURTH

day of APRIL 2006.

~~one thousand nine hundred and ninety~~



(A. S. SINGH)
Asstt. Registrar of Companies
Maharashtra Mumbai.

No. 11-121285

(Section 18(1) of the Companies Act, 1956)

**CERTIFICATE OF REGISTRATION OF
SPECIAL RESOLUTION PASSED FOR
ALTERATION OF OBJECTS**

M/s. MAHINDRA AUTOMOTIVE STEELS PRIVATE LIMITED

having by Special Resolution passed on 19th April 2005

altered the provisions of its Memorandum of Association
with respect to its objects, and a copy of the said resolution
having been filed with this office on 13th May 2005

I hereby certify that the Special Resolution passed on 19/04/05
together with the printed copy of the Memorandum of
Association, as altered, has this days been registered.

Given under my hand at MUMBAI

this 20th day of MAY

Two thousand 2005



(S.P. CHUGHA)

ASSTT/ADDL/REGISTRAR OF COMPANIES,
MAHARASHTRA, MUMBAI.

No. 11 : 121285

**FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME**

IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,
BOMBAY

(Under the Companies Act, 1956 (Act I of 1956))

In the matter of *

I hereby certify that MAHINDRA AUTOMOTIVE STEELS LIMITED

which was originally incorporated on 13th day of AUGUST

19⁹⁹ under the Companies Act, 1956, and under the name
MAHINDRA AUTOMOTIVE STEELS LIMITED

and upon on application made for reconversion into a private Company under
Section 31 (1) of the Companies Act, 1956 and approval of the Central Govt.

signified in writing having been accorded thereto vide this office letter No. ROC/Online/JTA/121285 dt. 13/01/2003

the name of the said company is this day changed to

MAHINDRA AUTOMOTIVE STEELS PRIVATE LIMITED

Given under my hand at BOMBAY this 15th

day of JANUARY 2003

~~XXXXXXXXXXXXXXXXXXXX~~

~~XXXXXXXXXX~~



B. Chandra
(B. CHANDRA)
DY. REGISTRAR OF COMPANIES,
MAHARASHTRA, BOMBAY.

NOTE : * Here give the name of the company as existing prior to the change.



CO.NO.11-121285

कारबार प्रारम्भ करने के लिए प्रमाण-पत्र
Certificate for Commencement of Business
कम्पनी अधिनियम, 1956 की धारा 149 (3) के अनुसार
Pursuant of Section 149 (3) of the Companies Act, 1956

मैं एतद्वारा प्रमाणित करता हूँ कि

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

I hereby certify that the **MAHINDRA AUTOMOTIVE STEELS LIMITED**

which was incorporated under the Companies Act, 1956, on the **THIRTEENTH** day of **AUGUST** 19 **99**, and which has this day filed a duly verified declaration in the prescribed form that the conditions of Section 149 (1) (a) to (d)/149(2) (a) to (c) of the said Act, have been complied with is entitled to commence business.

मेरे हस्ताक्षर से यह तारीख को में दिया गया।

Given under my hand at **MUMBAI**
this **FIFTH** day of **OCTOBER** One thousand nine hundred
and **NINETY NINE**



V. L. Davey
(V.C. DAVEY)
कम्पनियों का रजिस्ट्रार
Registrar of Companies
Maharashtra, Mumbai.

G-31/ESTT.-98-99-5000



प्राप्त. आई. आई.

Form I.R.

निगमन एवं प्रमाण-पत्र

CERTIFICATE OF INCORPORATION

ता. _____ की सं. _____
No. 11-121285 of Date 1999

मैं एतद्द्वारा प्रमाणित करता हूँ कि आज _____

कम्पनी अधिनियम (1956 का सं. 1) के अधीन विनियमित की गई है और कम्पनी परिलिखित है।

I hereby certify that MAHINDRA AUTOMOTIVE STEELS LIMITED

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

मेरे हस्ताक्षर से आज ता. _____ को दिया गया।

Given under my hand at MUMBAI this THIRTEENTH

day of AUGUST One thousand nine hundred and NINTYNINE.



V. C. Davey
(V.C. DAVEY)

कम्पनियों का रजिस्ट्रार

DEPUTY Registrar of Companies
Maharashtra, Mumbai

म. प्र. आई. १

J.S.C. 1

11/12/99 एच. एच. / निगमन / एच. 11-12, 2005-1-4-93-प्राप्त

11/MF2/CMUC/92-29, 200-2-4-93-GIPO.

THE COMPANIES ACT, 1956
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
CIE AUTOMOTIVE INDIA LIMITED

- I. The name of the Company is **CIE Automotive India Limited** #.
- II. The registered office of the Company will be situated in the State of Maharashtra.
- III. The objects for which the Company is established are:
- A. THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:
- (1) To carry on business as manufacturers of dealers in and marketing, selling of special steel rolled and forged long products, heavy castings, forgings and assembled components, all grades, types qualities, shapes, categories, and descriptions of Mild and tool, alloy and special steels including, *inter-alia*, alloy constructional steel, case hardening steel, nitriding steel, high speed steel, ball bearing steel, fast-cutting steel, hot die steel, die steel, alloy spring steel, stainless and heat resisting steel, carbon tool steel, polished drill rods, silver steel, mining drill steel, high silicon and electrical steel, creep-resisting steel, valve steel, magnet steel, silicon manganese steel and tree cutting quality steel, faggot steel, armour steel, shell steel and high tensile steel.
- (2) To carry on business as manufacturers of, dealers in and sellers of cold drawn and ground bars and sections, polished steel, silver steel, bright bars and shaftings, ball and roller races, wheels, tyres and axles of all kinds, types and descriptions whatsoever, welded, seamless and extruded ferrous and non-ferrous tubes, including, *inter alia*, mechanical tubing, stainless steel tubing, boiler tubing, fin tubing, ball bearing steel tubes, extruded ferrous and non-ferrous sections and profiles of all types and shapes including hollow and solid sections, steel castings of all types and varieties, forgings, including *inter alia*, die blocks, rings, discs hubs, sleeves, shafts, crown wheels, cups, shanks, bolts, nuts, screws, stampings, rivets, wire ropes, stranded wire, signal wire, piano wire, blanks, manganese alloys, pig iron, wrought iron, ferro-manganese, ferro-chromium, ferro silicon, silico-manganese, ferro-tungsten, ferro-vanadium, ferro-titanium, ferro-molybdenum, spiegel iron, graphite electrodes, carbon electrodes, carbon blocks, calcium carbide, carborundum tungsten carbide tips, refractory bricks of any kind, type and description whatsoever, permanent magnets and to carry on the manufacture, preparation, selling and distribution of any electrometallurgical, electro chemical products which may be usefully or conveniently combined with the business of the Company or otherwise calculated, directly or indirectly, to enhance the value of any of the Company's properties and rights for the time being.

Amended by Special Resolution passed by the members through postal ballot on 2nd March 2023 under Section 13(1) of the Act and approval of the central government under Section 13(2) of the Act and the fresh Certificate of Incorporation dated 15th May 2023 issued by Registrar of Companies, Mumbai under Section 13(3) of the Act.

- (3) To carry on the business of mechanical, electrical, railway, marine, aeronautical, agricultural, sanitary, civil and structural engineers, aluminium foundry, iron foundry, brass foundry, casters, spinners, rollers and workers of metals and their alloys, foundry of metals whether ferrous or non-ferrous, welded by any process whatsoever of ferrous and non-ferrous metals and metal compounds, manufacturers of welding appliances, tool makers, metal workers, boiler makers, millwrights, machinists, manufacturers of aluminium, magnesium, calcium, sodium, copper, brass, bronze, cobalt, titanium, zirconium, nickel and other metals and their alloys of all kinds and descriptions, tools and implements, sheets, that could be manufactured out of aluminium, iron, steel, brass, zinc, copper or any other kind of metals, converters of iron and steel and other metals, smiths, tin manufacturers and tinkers, wheelwrights, wood workers, builders, painters, metallurgists, water-supply engineers, gas makers, framers, nailers, brushers, electro-platers, silver-platers, nickel-platers, aluminium-platers, importers, exporters and distributors of all kinds of plant and machinery, apparatus, tools, component parts, accessories, and to buy, sell, manufacture, repair, convert, alter, let on hire and deal in all kind of metals, machinery, implements, tools accessories, hardware of all kinds and things necessary or convenient for carrying on the business.

B. OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS:

- (4) To manufacture and deal in heavy and light engineering products of ferrous and non-ferrous metals and to carry on the business of mechanical engineers and manufacturers, dealers, importers, exporters, assemblers, factors, builders, repairers and contractors of vehicles of all kinds, locomotives and rolling stocks of all descriptions, boilers, steam engines, internal combustion machines, tractors, trailers, motor cars, engines, locomotives, boats, aeroplanes, gears, gear units, gear cutting machines, tools, castings, hydraulic machines, armaments, ball bearings, roller and tapers types and components and parts thereof, machine tools and machinery of all other descriptions and builders of carriages, cars, carts and wagons and other vehicles and machinery of all types and to carry on generally the business of builders, contractors, surveyors, estimators and designers in all their respective branches.
- (5) To establish, subsidise, assist and/or promote any other company for carrying into effect any of the objects of this Company and to take or otherwise acquire and hold shares in any such company and generally in companies, the business of which is capable of being conducted so as directly or indirectly to benefit this Company.
- (6) Generally, to acquire, purchase, take on lease or in exchange, hire or otherwise acquire in India or else where any movable or immovable property, and rights or privileges which the Company may think necessary or convenient for the purpose of its business or otherwise and in particular any land, building, hereditaments of any tenure or description and estate in interest therein and any rights connected with the same and easements, machinery, plant and stock-in-trade.
- (7) To purchase, takeover, acquire, undertake the whole or any part/division, assets and/or liabilities or any of the business, partnership firm, Company carrying on any business/operation which is similar to the existing business/operation of the Company and /or necessary or

convenient for the purpose of carrying existing business/operation economically and efficiently and to pay for the same by way of cash or otherwise by issue of any or all types of Shares/Debentures and/or any other instrument.

- (8) To enter into partnership or into any arrangements for sharing profits, amalgamation, union of interest, company-operation, joint venture, reciprocal concession or otherwise with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction on which this Company is authorised to carry on or engage in or any business, undertaking or transaction which may seem capable of being conducted so as directly or indirectly to benefit this Company, or to amalgamate with any other company having altogether or in part, objects similar to those of this Company, and to lend money, to guarantee the contracts of or otherwise acquire or to be interested in, hold, sell, deal in and dispose of shares, stock, debentures, other securities of any such company.
- (9) To enter into any arrangements with any governments or state or authority, supreme, municipal, local or otherwise that may seem conducive to the Company's objects or any of them and to obtain from any such governments or state or authority, any rights and privileges and concessions which the Company may think it desirable to obtain and to carry out and to comply with any such arrangements and to exercise, dispose of, or otherwise turn to account any such rights, privileges and concessions.
- (10) To apply for, purchase or by any other means acquire and protect, prolong and renew, whether in India or elsewhere, any trade marks, patents, patent-rights, brevets d'invention, licenses, protections, concessions, and the like conferring any exclusive or non-exclusive or limited right to use any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company or which may appear likely to be advantageous or useful to the Company and to use, exercise, develop, turn to account and manufacture and to obtain any licenses in respect of the same and to grant licenses or privileges in respect of the same and to spend money in experimenting upon and testing and improving or seeking to improve any patents, inventions, secrets or rights, which the Company may acquire or propose to acquire or being interested in as licensees or otherwise and to manufacture and produce and trade and deal in all machinery, plant, articles, appliances, and things capable of being manufactured, produced or traded in, by virtue of or in connection with any such inventions, processes, tatters, patents, brevets d'inventions, licenses, concessions, rights and privileges as aforesaid.
- (11) To grant pensions or gratuity and to establish and support, or aid in the establishment of associations, institutions, funds, trusts and conveniences, calculated to benefit any employee, including Managing Directors, Technical Director, Managers and any other Directors, ex-Directors, employees, or ex-employees of the Company or of any subsidiary, associated or allied companies, or the relations dependents or connections of such employees or ex-employees, and also to provide for such persons by building, or contributing to the building of houses, dwellings or chawls or by granting money, pensions, allowances, bonus or other payment, or by creating and from time to time subscribing, contributing towards places of institutions and recreations, hospitals,

dispensaries, medical and other attendants and other assistance as the Company shall think fit and to subscribe or otherwise to assist or to grant money charitable, benevolent, religious, scientific, national, political or other institution or object which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation or public general utility or otherwise, and to support and subscribe for, or contribute to any funds of any party, political, trade, commerce and industry, provided such contribution is likely to be advantageous to or advantages and furtherance of the business carried on by this Company.

- (12) To aid, pecuniarily or otherwise any association body or movement having for its objects the solution, settlement or surmounting of industrial or labour problems or troubles or the promotion of industry or trade.
- (13) To establish, support, join or become a member of, either directly or through nominees, any Company, association, institution or fund for the promotion of exports or for the promotion of any other object of national, general, industrial, commercial, or particular interest or utility and for this purpose to enter into such commitments, undertakings, indemnities, guarantees, assurances, insurance's or arrangements for the sharing or distribution of liabilities, assets or interests as may seem appropriate.
- (14) To enter into any contract, agreement, arrangement or other dealings in the nature of technical collaborations or otherwise for the efficient conduct of the Company or any part thereof, and also arrange by purchase or otherwise the supply of machinery from any part of the world on credit or for cash or on deferred payment terms.
- (15) To sub-let all or any contracts from time to time and upon such terms and conditions as may be thought expedient.
- (16) To make advances for the purchase of raw materials, goods, machinery, stores and other articles required for the purchases of the Company or deemed expedient with or without security of whatsoever nature and kind.
- (17) To receive fixed or other deposit not withdrawable by cheque, draft or order and to lend money or property on mortgage of immovable property or on hypothecation or pledge or movable property or without security to such person or companies and on such terms as may seem expedient and in particular to customers, and others having dealings with the Company and to guarantee the performance of contracts by any such persons or companies provided the Company shall not carry out the banking business as defined under the Banking Regulation Act, 1949.
- (18) To establish, provide, maintain and conduct or otherwise subsidise, research laboratories and experimental workshops for scientific and technical research and experiments, and to undertake and carry on all scientific and technical experiments and tests of all kinds and promote studies and research both scientific and technical investigation and invention, by providing, subsidising, endowing and assisting laboratories, workshops, libraries, lectures, meetings and conferences and by providing for the award of exhibition, scholarship, prizes, grants and bursaries to students or independent students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, test, inventions of any kind that may be considered likely to assist any of the business which the Company is authorised to carry on.

- (19) To open account or accounts with any individual, firm or companies or with any bank or banks, or bankers, or shroffs and to pay interest and to withdraw money from such account or accounts and to make, draw, accept, endorse, execute, discount or negotiate and issue cheques, promissory notes, bundles, bills of exchange, bills of lading, railway receipts, warrants, debentures and other negotiable or transferable instruments.
- (20) To invest and deal with the money of the Company not immediately required as may be determined by the Directors from time to time.
- (21) To apply the assets of the Company in any way in or towards establishment, maintenance or extension of any association, institution or fund in any way connected with any particular trade or business or with trade or commerce generally including any association, institution or fund for the protection of the interest of masters, owners, and employers against loss by bad debts, strikes, combinations, fire, accident, or otherwise or for the benefit of any clerks, workmen or others at any time employed by the Company or any of its predecessors in business or their families or dependents whether or not in common with other persons or classes of persons and in particular of friendly, cooperative and other societies, reading rooms, libraries, educational and charitable institutions, refectories, dining and recreation rooms, churches, temples, places of worship, schools and hospitals and to grant gratuities, pensions and allowances and to contribute to any funds raised by public or local subscriptions for any purpose whatsoever.
- (22) To make donations to any national memorial fund or any other fund constituted for a charitable purpose.
- (23) To create any depreciation fund, reserve fund, sinking fund, insurance fund, or any special or other fund whether for depreciation or for repairing, improving, extending or maintaining any of the properties of the Company or for redemption of debentures or redeemable preference shares or for any other purposes whatsoever.
- (24) To distribute any of the property of the Company among the members in specie or kind but so that no distribution amounting to a reduction of capital may be made except with the sanction, if any, for the time being required by law.
- (25) To dedicate, present or otherwise dispose of .either voluntarily or of value, any property of the Company deemed to be of national, public or local interest, to any national trust, public body, museum, corporation, or authority or any trustees for or on behalf of any of the same or of the public.
- (26) To undertake and execute any trust the undertaking whereof may seem desirable and either gratuitously or otherwise.
- (27) To take part in management, supervision, or control, of the business or operation of any company and for that purpose, to appoint and remunerate any directors, accountants, officers, technicians, experts or others.

- (28) To sell, improve, manage, develop, turn to account, exchange, let on rent, royalty, share of profits, salaries or otherwise mortgage, grant licenses, easements, options and other rights in respect of and in any other manner, deal with or dispose of the undertaking of the Company or any part thereof or all or any part thereof or all or any of the assets and property for the time being of the Company and for such consideration as the Company may think fit whether in cash or in shares (fully or partly paid), debentures, debenture stocks or other interests in, or securities of any company having objects altogether or in part similar to those of the Company.
- (29) To pay all the costs, charges and expenses, preliminary and incidental to the promotion, formation, registration and establishment of the Company, and the issue of its capital, including any underwriting or other commission, brokers' fees, commission, fees for services rendered and charged in connection therewith, and also to remunerate (by cash or other assets or by the allotment of fully or partly paid shares or by a call or option on shares, debentures, debentures stocks or security of the Company or any other company or in any manner, whether out of the Company's capital or profits or otherwise), any person or firm or company for services rendered or to be rendered in introducing any property or business to the Company or in placing or assisting to place or underwriting or guaranteeing the subscription of shares, debentures, debenture stocks or other securities of the Company or in or about the formation of the Company or the conduct of its business, or for any other reason which the Company may think proper.
- (30) To place, reserve or to distribute as dividend or bonus among the members, or to otherwise apply, as the Company may from time to time think fit, any moneys received by way of premium on shares or debentures issued at a premium by the Company and any monies received in respect of dividends accrued on forfeited shares, and also any moneys arising from the sale by the Company of forfeited shares, or from unclaimed dividends.
- (31) To establish schools for or otherwise instruct people for any of the businesses the Company carries on or is entitled to deal in.
- (32) To obtain any provisional order or act of legislature for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution or for any other purpose which may seem expedient and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interest.
- (33) To procure the Company to be recognised in any country or place outside India.
- (34) To appropriate, use or layout, land belonging to the Company for streets, parks, pleasure grounds, allotments, and other conveniences and to present any such land so laid out to the public or to any person or company or authority, conditionally or unconditionally, as the Company thinks fit.
- (35) To appoint and remunerate experts, scientists, engineers, technicians, mechanics, managers, contractors, brokers, canvassers, agents, artisans, officers, staff, workmen, artificers and other persons.

- (36) To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art of interest, or publication of books and periodicals and by granting prizes, rewards and donations.
- (37) To guarantee the payment of money, unsecured or secured by, or payable under, or in respect of, promissory notes, bonds, debentures, debenture stocks, contracts, mortgages, charges, obligation, instruments and securities of any company or any authority, supreme, municipal, local or otherwise, or of any person whomsoever, whether, incorporated or not incorporated and generally to guarantee or become sureties for the performances of any contracts or obligations.
- (38) To refer or agree to refer any claims, demands, disputes or any other question, by or against the Company, or in which the Company is interested or concerned and whether between the Company and the member or members or his or their representatives, or between the Company and the third party, to arbitration in or at any place outside India, and to observe and perform and to do all acts, deeds and things, to carry out or enforce the award.

C. OTHER OBJECTS

- (39) To carry on the business of manufacturers of and dealers in chemical products of any nature and kind whatsoever, including acids, alkalis, chlorine and chlorine derivatives, caustic soda, fluorine and fluorine derivatives, hydrogen peroxide and oxygenated products, cyanide and derivatives, manures, fertilizers, dyes, sulphur, manganese and drugs, tannins, essences, pharmaceuticals, photographic, medicinal, sizing, chemical, petrochemical, industrial and other preparations and articles of any nature and kind whatsoever, mineral and other waters, soaps, oils, paints, varnishes, compounds, drugs, dye stuffs, organic or mineral intermediates, makers of and dealers in proprietary articles of all kinds and of electrical, chemical, metallurgical, photographic, surgical goods and articles and to manufacture, refine, manipulate, import and deal in salts and marine minerals and their derivatives, by-products and compounds of any nature and kind whatsoever.
- (40) To carry on any business relating to the mining and working of minerals and production and working of metals, and products, manufacture and preparation of any other materials, which may be usefully or conveniently combined with the manufacturing business of the Company or any contract undertaken by the Company and either for the purpose only of such contracts or as an independent business and to crush, win, get, quarry, smelt, calcine, refine, dress, amalgamate, manipulate and prepare for market ore, metals and mineral substances of all kinds and to carry on any other metallurgical operations which may seem conducive to any other Company's objects.
- (41) To produce, manufacture, purchase, process, alter, modify, import, export, sell and deal in plant, equipment and machinery required by the iron & steel industry, ferro-alloy industries, electro-metallurgical and electro-chemical industries and in connection therewith to acquire, erect, construct, establish, operate and maintain factories, workshops etc.

- (42) To erect, set up, construct, work, manage, superintend, maintain, equip, improve or alter, or assist in the erection, construction, working, maintenance, improvement or alteration in India or elsewhere of any mills, factories, plant, machinery, warehouses, shops, works, underground tunnels, sidings, jetties, wharves, bridges, mines, public works or conveyances of all kinds including railway lines and sidings, tramways, roads, sewage, drainage, sanitary, gas, electric power supply works, hydraulic works, public buildings, canals, vessels, boats, barges, launches, lorries, cars, wagons, carts and other works and conveniences and to contribute to the expense of setting up, constructing, improving, maintaining, and working any of the same and to pull down, rebuild, and repair any of the same.
- (43) To sink wells and shafts and to construct and maintain, reservoirs, waterworks, cisterns, culverts, embankments, filterbeds, mains and other pipes and appliances and to execute and do other works and things necessary or convenient for obtaining storing, selling, delivering, measuring, distributing and dealing in water.
- (44) To work or promote or acquire electrical undertakings for generating electricity or other energy and to carry on business as electrical contractors, engineers and to take contracts for the erection and distributions of transmission lines and sub-stations.
- (45) To work or promote or acquire gas producing undertakings, for producing oxygen, nitrogen, halogens, argon, hydrocarbon gases, including ethylene and acetylene, propylene, propane, butanes, gaseous and allied types reagents, and to dispose of any of the above mentioned products for any purposes on any terms and conditions and in any manner as the Company thinks expedient, and to carry on business as gas makers and engineers etc., and to take contracts for the erection of gas producing plant and distribution of gases referred to above.
- (46) To carry on the business of pumping, driving, transporting, purifying and otherwise dealing in all types and kinds of petroleum and petroleum products and other mineral oil and establishing, operating, maintaining and running on lease, depots and pumps for the distribution and sale of all types and kind of petroleum and petroleum products including diesel oil, kerosene, fuel oil, etc.
- (47) To manufacture, repair, recondition, service, imports, exports, hire, lend on lease, maintain or otherwise deal in all kinds of machinery, apparatus, equipment, spare parts, accessories, and all kinds of instruments and appliances, mill machinery, printing press, motor cars and trucks, tractors, steam boilers, iron foundries, furnaces, drilling machinery, mining machinery, electrical machinery and all other kind of products, required in the running of factories and workshops and other industrial activities of any kind whatsoever and required for domestic use.
- (48) To carry on business as manufacturers of and dealers in all or any of the above mentioned products, articles and goods and to undertake the manufacturing of other processes involved in the production or extraction or manipulation thereof for other parties, persons or concerns whether incorporate or corporate, and on contract basis or on commission basis or for any other consideration and to do packing and advertising concerning the products so manufactured or otherwise.

- (49) To carry on business and to work as merchants, traders, commission agents, manufacturer's representatives, export and import agents, insurance agents, underwriters, money-lenders, brokers, share brokers, dealers in shares, debentures and stocks, contractors, order importers, manufacturers, dealers, workers and financiers in all kinds of goods and merchandise, raw or manufactured of any description, kind and variety, whatsoever in India and elsewhere and to take part in the management or supervision and control of the business or operations in other companies, associations, firms, or persons and to become and hold the office and act as managing agents, secretaries and treasurers, managers, secretaries and/or agents of any Company promoted by this Company or any other Company or body corporate/ or any other business or concerns.
- (50) To carry on the business of general carriers by land, sea, air or railway and forwarding agents, warehousemen and carmen.
- (51) To carry on the business of road and pavement makers and repairers and manufacturers of and dealers in lime, cement, mortar, concrete, stone, bricks and building materials of all kinds and as builders and contractors for the execution of works and buildings of all kinds in the construction of which stone is required.
- (52) To establish and maintain any agencies in any part of the world for the sale of any materials or things for the time being at the disposal of the Company for sale.
- (53) To apply for, tender, purchase, or otherwise, acquire, contracts, subcontracts, licenses and concessions and to undertake, execute, carry out, dispose of or otherwise turn to account the same and to sublet all or any contracts from time to time and upon such terms and conditions as may be thought expedient.
- (54) To purchase for investment or resale, and to traffic in land, buildings, and house and other property of any tenure and any interest therein and generally to deal in, traffic by way of sale, lease, exchange, or otherwise in land, house property and any other property whether immovable or movable.
- (55) To develop and turn to account as may seem expedient any property acquired by the Company and in particular by preparing building sites, planning towns and by constructing, reconstructing, altering, improving, decorating, furnishing and maintaining offices, flats, apartments, houses, theatres, cinema house, places for entertainment, studios, factories, buildings, works and conveniences of all kinds, and by consolidating or connecting or subdividing properties, and by providing pavements, paths, road and drains, and leasing, letting on building lease or building lease or building agreement selling or otherwise disposing of the same.
- (56) To purchase, build, construct or otherwise acquire, establish, equip, furnish, maintain and run hotels, lodging and boarding houses and to carry on the business of hotels, inns, motels, restaurants, cafes, taverns, beer-houses, refreshment rooms, bars, boarding & lodging house keepers and caterers. Also in connection with the aforesaid to act as wine, beer and spirit merchants, ice merchants, tobacco, cigar and cigarette merchants; hairdressers; perfumers; dealers of food, beverages and eatables; manufacturers of and dealers in aerated, mineral and

artificial waters and other drinks and ice-creams; run departmental stores dealing in merchandise of all kinds; proprietors of clubs, baths, dressing rooms, grounds and places of amusements, entertainment and sports; proprietors of carriage, taxi, motor cars, motor tomes, garages and repairs shops; to act as travel agents for railways, air and shipping companies and carriers; and to do the business of money changers and dealers in foreign exchange.

- (57) To act as agents and licensees of any hotel or owners of hotels and to do and perform all and several duties, services and functions which such agents and licensees usually do and perform, to act as collaborators, advisers, technicians, financiers, licensors, and consultants of hotels, hotel industry and to carry out activities related thereto in India or in any part of the world.
- (58) To carry on all or any of the following businesses namely, property managers, brokers, and merchants and to manage lands, buildings, houses and any other property whether belonging to the Company or not, and to collect rents and income and supply to tenants and occupiers of all kinds of conveniences and advantages, and to carry on all or any of the following businesses, namely, house agents, forwarding agents, general carriers, decorators, furnishers and manufacturers of furniture and other furnishing equipment and material brick and tile, pipes, pottery, earthenware, china and ceramic wares of all kinds.
- (59) To take on lease, hire, purchase, or acquire by license or otherwise any lands, mills, factories, plants, buildings, works, vessels, boats, barges, launches, lorries, cars, airplanes, wagons, carts, machinery apparatus, stock-in-trade patents, inventions, trade marks, rights, privileges and movable or immovable property of any description which may be deemed necessary or convenient for any business which the Company is authorised to carry on.
- (60) To issue on commission, subscribe for, purchase or otherwise acquire and hold, sell, exchange, dispose of and deal in shares, stocks, bonds, debentures, debenture stocks, obligations or securities of any company or authority, supreme, state, municipal local or otherwise.
- (61) To borrow or raise or secure the payment of money, or to receive money on deposit at interest, for any of the purposes of the Company, and at such time or times as may be thought fit, by promissory notes, by taking credits in or opening current accounts with any person, firm, bank or company and whether with or without any security, or by such other means as the Directors may in their absolute discretion deem expedient, and in particular by the issue of debentures or debenture stock, convertible into shares of the Company at par/ or at a premium and as security for any such money so borrowed, raised, received and of any such debentures or debenture stock so issued, to mortgage, pledge or charge the whole or any part of the property and assets of the Company, both present and future, including its uncalled capital, by special assignment or otherwise, or to transfer or convey the same absolutely or in trust, and to give the lenders power of sale and other powers as may be deemed expedient, and to purchase, redeem, or pay off any such securities; provided that the Company shall not accept any deposits for the purpose of doing banking business.

- (62) To obtain foreign technical and industrial collaboration, know-how, to provide the same to the industries in India and abroad, and grant such technical assistance and know-how on such terms and conditions as may be beneficial to the company, and to encourage collaboration for setting up industries in and out of India and to establish, maintain, conduct, provide, procure or make available all types of services and to take such steps as may be necessary for the purpose of examining, inspecting, and carrying out test and market research in respect of any project.
- (63) To carry on business of timber merchants, saw-mill proprietors, furnishers, designers, interior decorators, architects and to acquire by purchase, grant, concession, lease or otherwise, any lands, forest, plantation, timber, bamboo forest, rubber estates and woods of all kinds whether standing or otherwise, lumbering rights and privileges, over lands situated in India or elsewhere and to cut, sell, prepare for market, and deal in all kinds of products of any such forest, timber and woods, lands and plantation.
- (64) To carry on business of manufacturers and dealers in all type of rubber, leather, plastic, latex, celluloid, bakelite and similar goods and their accessories and fittings.
- (65) To carry on all or any of the business and professions of providing services of all type including technical, administrative marketing, secretarial and other office services, issue house, share transfer agents, registrars, and providing services of technicians, scientist, artists, administrator, salesman, economist, accountants, tax experts and of acting as recruitment agents, advertising agents, organisers of conference, seminars, lectures, symposiums, exhibitions, fairs, auctioneers, trustees, executors, administrators, attorneys, nominees, receivers and agents (and to exercise powers of custodians, trustees, and trust corporation) and of working as professional consultants on technical, management, industrial, public relation, scientific, productivity, quality control, taxation, legal, employment, investment, marketing, accountancy, banking statistical and economic problems and matters and to work as industrial, labour and psychological counsellors and advisers.
- (66) To carry on business of manufacturers and dealers in entire range of fire fighting equipments, fire extinguishers, fire hose pipes, hose fittings, fire hydrant, valves, couplings, nozzles, suction couplings, adopters, buckets, electrical sirens, helmets and other protection equipments together with parts and accessories thereof and to aid advise, and provide fire protection systems for buildings, offices, industries and other premises.
- (67) To carry on business of agriculture, horticulture, sericulture, and of producer and cultivator of related products, including food grains, cash crops, oil seeds, vegetable, flowers, tea, coffee, cinchona, spices, cotton, rubber and to store and process the produce and turn it in forms marketable and sell, purchase and deal in the produce in open market on forward basis contract, tender, auction or otherwise.
- (68) To carry on the business of poultry farming, pig keeping, horse breeding and keeping cows, sheep, goats, buffaloes, ducks and generally carry on business of live-stock breeding and dairy farming, including making of condensed and powered milk, cream, cheese butter and other milk products, and to carry on business of bakers, confectioners, butchers and curing, treating, developing of ray hides, skins, leather.

- (69) To carry on business of brewers, distillers, malters, licensed victuallers of Indian made Foreign liquor, beer, wine, country liquors, spirits, alcohol, aerated, mineral and artificial water and other drinks and to carry on business as merchants, dealers processors, manufacturers of tobacco beedies, cigarettes and other articles made of or with tobacco and are related to tobacco.
- (70) To carry on the business of software development for commercial, scientific, technical, industrial, household purposes & for other purposes.
- (71) To purchase, hold, acquire, mines, mining lease, mining licenses, mining rights, mining claims and metalliferous lands and to explore, search, work, exercise, develop, treat, mines and turn to account, ores, all sorts of major and minor minerals, working deposits of all kinds of minerals and sub-soil minerals and to crush, win, set, quarry, smelt, calcine, refine, dress, preserve, amalgamate, manufacture, manage, manipulate and prepare for market ore, metal and mineral substances of all kind and to carry on metallurgical operation and to obtain, produce, process, trade, and deal in gold, copper, zinc, gypsum, graphites, soap stone, dolomite, barytes bentonite, foundry minerals, light magnesium, precipitated silica, calcium carbonate, bait clay felspar, oxides, ceramics, chemicals and other like and allied materials and natural products from earth.
- (72) To carry on the trade or business of manufacturers of or tractors, cofrontaton agents, buying agents, importers, exporters and dealers-in computers and tabulators of every kind, description including Accounting Machines, Calculating Machines, counting Machines, Cash registers, Tabulators, Sorting machines, Copying and Reproducing machines, Distributing machines and machinery systems, apparatus, appliances and devices including manufacture of peripheral controls for disc units, tape units, central processing units, and printers for communication network, terminals, add-on memories, computer systems and related electronic assemblies and sub-assemblies for any attachment to the aforesaid or otherwise including electronic gadgets and electronic appliances for office use or otherwise, and electronic test equipments, electronic typewriters, word processors and such other devices and electronic appliances for all purposes.
- (73) To carry on all or any of the business of manufacturing, processing and dealing in iron and steel, ferrous and non-ferrous alloys, special steels, aluminium, copper, lead, zinc, and their alloys and their products and of manufacturing and dealing in industrial machinery, and their components and accessories.
- (74) To carry on the business of manufacturers, assembles fabricators and dealers of engineering, scientific, mechanical, electrical, hydraulic, pneumatic, electronic, thermal, sonic, ultra sonic, optical, surgical and surveying equipment, electronic surveying equipments and instruments including radar equipments, remote control equipments and basic components such as valves, transistors, condensers, coils magnetic materials and microwave components, radiographs, phonographs, dictaphones, amplifiers, wireless sets, automobiles parts, micrometers, dial indicators, ammeters, voltmeters, ammeters, wattmeters, power factor meters, frequency meters, watt hours meters, insulation testers, geiger counters, scientillmenters, pressure and vaccum gauges, gas meters, oscilloscopes, stroboscopes, thermostats, temperature controllers, pyrometers, mixing dials and other instruments.

- (75) To finance or assist in financing the sale of commodities of all and every kind or description, by way of hire purchase or deferred payment, or similar transactions and to institute enter into, carry on, subsidise, finance or assist in subsidising or financing the state and maintenance of any goods, articles, or commodities of all and every kind and description upon any terms whatsoever, to acquire and discount hire purchase or other agreement or any rights thereunder (whether proprietary or contractual) and to carry on business and to act as financiers.
- (76) To manufacture, purchase, sell, import, export, fabricate, assemble, lease, let on hire and to act as agents for purchase and sale of, or otherwise to deal in cameras, projecting equipments, re-producing equipments, developing machines, enlargement machines for colour or black & white processing, binoculars, flashguns, lenses, photographic paper, optical products, opto & photo products and other plans, machines and apparatus capable of being used in connection with photography for cinematographic rolls, tapes, cassettes, equipments, accessories, parts, tools, materials, apparatus and other articles used in connection therewith and to undertake developing and processing of films and other ancillary jobs relating to aforesaid business.
- (77) To carry on business as goldsmiths, silver smiths, jewellers, gem and diamond merchants and of manufacturing and dealing in clocks, watches, jewellery, cutlery and their components and accessories and to acquire and hold by way of investment or resell and to let on hire purchase, lease, rent any metals, bullion, gold, silver, silver articles, diamonds, precious stones, ornaments and objects, and jewellery and paintings and coins and manuscripts curios, antiques and objects of art and pay for the same either in cash or otherwise.
- (78) To carry on the business of manufacturing, formulating, processing, refining, finishing, recovering, extracting, buying, selling, distributing and dealing in (whether by wholesale or retail) in Sulphuric Acid, Hydrochloric Acid, Presphotic Acid, Nitric Acid, Acetic Acid, Boric Acid, Caustic Soda solid, Caustic Soda flakes, Caustic Soda Lye, Soda Ash, Common salt, Sodium Chemicals, Alkalines, Antibiotic Pharmaceutical, Medicinal and Chemical preparations, Articles and Compounds (whether of animal, vegetable or mineral origin) dyes, paints, pigments, oils, varnishes, resins, synthetic sers, medicines, and other biological products and preparations.
- (79) To carry on the business of chemists, druggists, importers, exporters manufacturers, packers & dealer in pharmaceutical, medical, chemicals, industrial and other proportions and articles including compounds, drugs, oil paints, pigments, varnishes, infectants, patent medicines, scents, toilet requisites, contraceptives, vaccines, veterinary medicines, tincture extracts, capsules, syrups, tablets injectables aerosols, ointments and all kinds of bacteriological and biological products including sprays, vermigufes, fungicides, insecticides, pesticides.
- (80) To carry on the business of transport contractors, courier agents, travel and tourist agents, operators of vehicles, and as carriers of passengers, livestock, other animals and goods, as shipping, chartering, forwarding and transport agents and contractors stevedores, wharfingers, carmen, caring contractors, agents, superintendents, packers and haulers, as warehousemen, and proprietors of warehouses, as fleet owners, coach and auto hirers and other vehicle proprietors, garage proprietors,

engineers and electricians, and to act as tourist agents and contractors and to facilitate travelling and to provide for tourist and travelers the provisions of convenience of all kinds, and to construct, equip, maintain work purchase and let on hire aeroplanes and hovercraft for the carriage of passengers or freight and as carriers by air or by hovercraft, and as general carriers and forward carriers by all means of transport by land, sea, inland waterways and airways and as stores of goods, merchandise of every kind and description whatsoever and to purchase or otherwise acquire any land, docks, canals, waterways, warehouses, wharves, buildings, or machinery and to construct and equip the same, purchase, hire, take on charter any ships, tugs, barges, motortrucks, motor lorries, motor cars, heavy duty vehicles, including tempos, matadors, station wagons or any other vehicles or vessels of any description or kind and to make, work, equip and maintain railway and establish and carry on a tourist agency, travel bureau, and booking office and to act as customs clearing agents.

- (81) To carry on all or any of the business of printers, stationers, lithographers, typefounders, stereotypers, chrome-lithographers, engravers, dye sinkers, book-binders, designers, draughtsmen, paper and book sellers, publishers, of newspaper journals, magazines, books, periodicals and other literary works and undertakings.
- (82) To carry on business as manufacturers, processors, refiners, exporters, importers and dealers in all types of chemicals, including basic chemicals, bulk drugs, organic chemicals, inorganic chemicals, heavy chemicals, rubber chemicals, organic, inorganic and mixed chemicals and chemical dyestuffs and dyestuff intermediaries, dyes, fungicides, herbicides, weedicides, drugs and pharmaceuticals including plant growth activators and regulators and other articles and compounds, ingredients and products and other things of any description for in connection therewith.
- (83) To carry on the business of manufacturers, designers, constructors, fabricators, installers, maintainers, dealers, buyers, sellers, importers and exporters of scientific including hypodermic needles, hypodermic syringes, blades, knives, scalpels, anatomical, orthopaedic, surgical and dental appliances of all requisites for hospitals, patients and invalids.
- (84) To carry on the business of advertising contractors and agents to acquire and dispose off advertising time, space or opportunities in any media, to undertake advertising and promotional campaigns of every nature, to acquire and provide promotional requisites.
- (85) To carry on business as manufacturers, processors, exporters, importers, distributors and dealers in all types of synthetic resins such as alkyd resins of oxidising or non-oxidising varieties, modified alkyd resins of phenoloated, styrented, acrylated, siliconized, thixotropic, water soluble chain terminated or vinylated types pure or modified phenolic resins, estergum resin, resin modified maleics, hydrogenated phenolic resins and resins and resin derivatives, resin modified alkyds, amino resins, saturated and unsaturated polysters, epoxies, polyamides, ketenic resins, acrylic resins of all varieties, thermoplastic and thermosettings resins, hydroceton resins, vinyl, resins of different types, polumeric plasticisers, polythene, polycarbonates, silicons, plastics, resinous thermosetting and thermoplastic materials and celtutotic materials, elastomer emulsions, polymers, surface and active and tanning agents.

- (86) To carry on business as manufacturers, processors, extractors, refiners, bleachers, exporters, importers, suppliers, storers, distributors and dealers in vegetable oils and oil derivatives like castor oil, linseed oil, fish oil, kardi oil, nigerseed oil and other vegetable oils and their derivatives and of crude oil, petroleum oil and petroleum products, waxes, batunes, naptha and tar products and oil and colour paints of all types and all kinds including lacquers, enamels, paints, varnishes, oils, distempers, dry colours, minerals, disinfectants, turpentine, compounds derivatives, intermediates and by products of all or any of them.
- (87) To carry on the business of undertaking and setting up projects on turn key basis.
- (88) To promote, sponsor, undertake, and carry out or assist any activity for the promotion and growth of the national economy and for discharging social and moral responsibilities of the Company to the public or any section of the public as also any activity likely to promote national welfare or social, economic or upliftment of the people or any section of the people, and without prejudice to the generality of the foregoing promote, sponsor, undertake and carry out any activity for publication of any books, literature, newspapers or for organising lectures or seminars likely to advance these objects or for giving merit awards, scholarships, loans or any other assistance to deserving student or to other scholars or persons to enable them to pursue their studies or academic pursuits or researches and for establishing, conducting or assisting any Institution, Funds, Trust, Seminars, Camps having any of the aforesaid objects or one of its objects by giving donations or otherwise in any other manner in order to implement any of the above mentioned objects or purpose transfer without consideration or at such fair or concessional value and subject to the provisions of the Act divest the ownership of any property of the Company to or in favour of any public or Local Body or Authority or Central or State Government or any Public Institutions, Trust or Fund.
- (89) To carry on the business of manufacturing, assembling, repairs, remodeling, contracts and dealers motor-cars, taxicabs, automobiles, tramcars, motorornes, trucks and wagons, motor vehicles, cycles, bicycles, coaches, agricultural implements, machinery, Horticultural, dairy machinery, its components and accessories.
- (90) To carry on all or any of the business of running hotels, holiday resorts, restaurants, lodging houses, milk snack bars, laundries, libraries, swimming pools, night clubs, hair dressing and beauty saloons, chemist shops, cold storages, studios, exhibition halls, amusement centres, wine beer shops, department stores, institutions, sports clubs, skating, dancing halls, discotheques, optician shops, massage houses & paddling pools, garages and service stations, repair shops, petrol pumps, gymnasiums, safe deposits vaults, warehouses, godowns, car parks, hangars.
- (91) To carry on all or any business of and dealers in importers, exporters of pulp and paper of all kinds and articles made of paper or pulp and materials used in the manufacture or treatment of paper, including packing goods and materials such as bags, cartons, containers, and boxes whether made of paper or otherwise.
- (92) To carry on the business as financiers and to undertake, carry on and execute all kinds of financial and business operations (except banking and insurance business under the Banking Regulations Act, 1949, and

Insurance Act, 1938) as carried on by financing houses, shroffs, credit corporations, bankers and general financiers, and to carry on other business of advancing loans, deposits (intercorporate or otherwise) and to carry on business of a company established with the objects of financing Industrial Enterprises and/or to guarantee the payment or performance of any debts, contracts, obligations or give any guarantee in connection with loans or provide any security in connection with a loan made by any other person to, or to any person by, any person, firm or company for any purpose whatsoever and to act as agents for the collection, receipt or payment of money and generally to act as agents for or render services to customers and others and generally to give guarantees or indemnities.

- (93) To carry on the business as merchants, traders, commission agents, buying agents, brokers, adatias, buyers, sellers, agents, depot managers, warehousemen, importers, exporters, dealers in, collectors, distributors of and to import, export, buy, sell, barter, exchange, pledge, distribute, mortgage, advance upon or otherwise trade and deal in merchandise, goods machinery, and equipments, including Agricultural products, farm and Dairy products, and goods, merchandise, machinery, spares, accessories related to industries such as textile engineering, electrical, electronics, chemical, pharmaceuticals, mining, fertilisers, automobile, shipping, metal, precious stone, precious metals, leather, cottage and handicraft industries and other goods, commodities, product, things, spares, accessories as wholesalers or retailers, on the basis of ready delivery or forward contracts on commission basis or otherwise.
- (94) To carry on the business of manufacturers, importers, exporters, distributors, processors, agents and dealers in all kinds of coloured, natural, printed or non-printed packaging materials in all its forms and varieties including corrugated boxes, corrugated paper, packing sacks, jute bags, other bags, strappings, containers, boxes, films, tubings, yarn and packing material made from scrap, reprocessed or virgin metal, paper, card board, nylon, lamp goods, woollen, jute, cotton, plastics and moulded, extruded, woven, knitted, stitched or fabricated articles including jerrycan, drums, bottles, films, tubings, sheets, sections and other hollow items used for packing or otherwise out of thermoplastics, thermosetting plastics, reinforced plastics, pvc flexible and rigid sheets, leather cloth, industrial and decorative sheets and laminates, polythelene polyvinylchloride, polystyrene, polyurethane, phenol formaldehyde, urea formaldehyde, melamine, resins, and cellulose acrylic sheets, single layer or multilayer and laminated with paper, plastics or metal, by the process of blow moulding or injection moulding.
- (95) To carry on the business as generator and distributor of electricity and manufacturers, distributors, producers, assemblers, fabricators of transformers, voltage regulators, battery chargers, battery eliminators, voltage testing sets, voltage stabilisers, conductors, fittings switches and distribution boards, and other equipments in connection with wires for wireless signalling, lighting, heating, motive power cables, lines, power stations, exchanges, accumulators, dynamos, switching, controlling and signalling apparatus and also of high tension and low tension transformers, transmission towers, high voltage electrical porcelain bushing and insulation materials, electric switchgear for high and low tension for alternate and direct current and also to manufacture, sell, supply and deal in accumulators, lamps, lamp components, meters, engines, dynamics, batteries, telephonic or telegraphic apparatus of any kind.

- (96) To manufacture, buy, sell, exchange, alter, improve, manipulate, prepare for market, import or export or otherwise deal in all kinds of insulated cables and wires, rubber insulated wires and cables, PVC cables and flexible cords, cotton or silk braided, conduct wires and cables, telegraph and telephone cables, low and high tension paper, rubber or bitumen insulated lead covered power cables, armoured or non-armoured extra high tension shielded and belled power cables, signalling cables, accessories of power cables, alplastable cables with seamless aluminium sheath covered with a second seamless skin of thermoplastic material, overhead materials, bard copper, bronze, aluminium wires and cables solid or standard for telephone, telegraph and signalling purposes, aluminium cables for overhead lines, bare copper and cadmium copper wire round or grooved for trolleys buses, crane operation, aerials, furnaces, ship wiring, switch boards, bell wires, fuse wires, lead, lead alloy and tinned copper and all kinds of caues, wires, conductors & accessories.
- (97) To manufacture, assemble, erect, install, purchase, import, export, equip, trade, fabricate, design, distribute, repair, maintain, exchange, alter, lease, or hire, sell on hire purchase or instalment system, construct, develop, enter into arrangement of setting up the same either in whole or in part or in any other way to deal in sheet metal (ferrous and non ferrous) and sheet metal articles including Aluminium and Steel windows, doors, buckets, containers, tanks, steel furniture, pipes, railings, building material, weights and castings, special alloy castings, malleble castings, forgings of carbon, steel or its alloys, rerolling of steel, heating, edge metal sheet, pressing, forging, drawing, flattening, straightening; to manufacture sheets, tapes, wires, rods, bolts, panels, machinery and its spares and components, engineering tools and-equipments, nuts, bolts, steel rods, nails, tools, containers, angles, rounds, bards, joints, steel and iron structures, control panels and systems and electrical and electronic equipments, apparatus, and to carry out the fabrication, galvanising, rerotling, enamalling, electroplating, press works and moulding of sheet metal, heavy plate, iron, aluminium, steel, ferrous and non ferrous metals, special and alloy steel and spring steel and to act as consultants and advisors in relation to various aspects of mechanical, electrical, electronic and other allied engineering matters.
- (98) To manufacture, process, sell, distribute, market, import, export, buy, exchange, manipulate and otherwise deal in all kinds of scrap, granules, extruded articles including pipes, sections, profiles, sheets used in industrial, domestic or other purposes.
- (99) To carry on business of manufacturing, trading and dealing in salt and take on lease salt fields, buy or sell land for manufacturing salt, process sea, lake water, to set up projects, machineries for this purpose and to manufacture other allied chemicals, by-products of salt.
- (100) To carry on the business of preparing, combining, spinning, doubling, twisting, texurising, imparting, crimping, converting, calendering, testing, sizing, weaving, knitting, bleaching, processing, dyeing, ginning, cutting, scouring, winding, mercerising, combing, printing, finishing, manufacturing, buying, selling, importing, exporting or otherwise dealing in all types of fabrics, synthetic fabrics, synthetic yarn, nylon, polyester, acrylic, viscose, polypropelene, trelene, cotton, linen, wool, silk, flex, hemp, jute, artificial silk, rayon, canvas, and other fibres or textile susbstances, whether natural or synthetic or man made, in any state and whether similar to the forgoing substances or not, and to treat, utilise and

deal in any waste arising from any such operations and to manufacture, felted, knitted, looped and embroidered fabrics, lace and other types of manufactured, processed or decorated fabrics and to manufacture coated or laminated fabrics and ready made garments and apparels.

- (101) To manufacture, buy, sell, exchange, alter, improve, manipulate, prepare for market, import or export or otherwise deal in all kinds of rainwear, including umbrellas, raincoats, gumboots, shoes, sandals, chappals, caps, hats and other water protecting material.
- (102) To manufacture, turn, bend, mould, melt, reshape, buy, sell, exchange, alter, improve manipulate, prepare for market, import or export or otherwise deal in all kinds, of goods, merchandise, products, things made out of plastics including plastic sheets, household goods, appliances and/or components spares, accessories required in and utilised by and for any automobile industry or other industrial enterprises made by injection moulding or blow moulding process or any other process out of any kind of plastic either singly or laminated, impregnated or reinforced with any other materials.
- (103) To acquire, buy, sell, purchase, lease, develop, renovate, improve, maintain, exchange or otherwise own property, estate, lands, buildings, hereditaments, flats, garages, houses, halls, godowns, mills, factories, chawls, dwelling house or own or be interest therein, with any landed properties, of any tenure or description and any estate or interests therein together with all buildings and structures standing thereon with any rights connected with such lands, estates, buildings, hereditaments, flats, garages, houses, halls, godowns, mills, factories, chawls, dwelling, houses, bridges, or other immovable properties, and to turn the same to account as may be expedient and in particular by laying out and preparing land for building purposes and preparing building site by planting, paving, draining and cultivating land and by demolishing, constructing, reconstructing, altering, improving, furnishing, maintaining, administering, equipping the same and to carry on construction work of building houses, garages, halls, theatres, palaces, music halls, flats, offices, premises, shops, residential accommodation, godowns, warehouses, mills, factories, chawls, dwelling houses, bridges, or other landed properties and to consolidate and construct and subdivide properties by leasing or otherwise disposing of the same and to advance money and to enter into contracts and agreements of all kinds with builders, contractors, tenants, occupiers.
- (104) To carry on business of engineers, millwrights, founders, machinists, smiths, converters, metallurgist and manufacturers, fabricators, assemblers of all kinds of machinery, plants, equipments, components, spares, accessories, implements, and articles and to export, import, buy, sell, manufacture, repair, assemble, convert, alter, let on hire, and otherwise deal in all kinds of machinery, plants equipments, and all components, parts accessories fittings of all kinds of machinery, plants equipments, and articles and implements used in or capable of being used in connection with any machinery.
- (105) To do all or any of the above things and all such other things as are incidental or may be thought conducive to the attainment of the above objects or any of them either as principals, agents, contractors, trustees, or otherwise and by or through trustees, agents or otherwise and either alone or in conjunction with others.

*(106) To manufacture, machine, fabricate, develop, design, refine, process, research in, contract, install, service, repair, maintain, process, refine, cure, convert or buy, sell, trade in, or otherwise deal in all types, categories, form and description of forgings, castings and stampings of all metals including die making, die casting, machinery parts, moulds, press tools, jigs, fixtures, injections and compression moulding, tools, implements, and including but not limited for products such as Crankshafts, Front Axle, Connecting rods, Steering Knuckle, Stub axle, Axle Beam, Gears, Carriers, Flanges, Drives, Yokes, Axles, Links, Levers, Forks, Shifter, Seat Spring, Gears, Pinion, Shafts, Pins, Arms, Cam shaft, any parts required for automotives, engineering, electrical, mechanical, construction, agricultural, electronics, metallurgical, auto component, petroleum, railway, defense or any other industry, transport equipments, earth moving equipments, agricultural equipments, implements including hydraulic machine tools, special purpose machines, die sinking machines, components, parts, accessories, fittings and things used in the manufacture of these equipment in any stage or degree of manufacture, process thereof, any other components, parts or equipments; To undertake sheet metal press jobs and all other engineering job work, structural and rolling works of all kinds, die and press work of all kinds; To research in, develop, design, engineer, manufacture, contract, install, service, maintain, buy and sell, import, export or otherwise deal in forgings, in raw, machined or any other form, including regulating equipment, plant, instruments and controls tooling, fixture gauges, raw materials required to be used and scrap or by-products generated in the process of manufacture of forging / machining of the same, casting/machining of the same, stampings and tools.

** Amended by Special Resolution passed by the Company at the Extraordinary General Meeting held on 19th April, 2005 and certificate of registration dated 20th May 2005 issued by the Registrar of Companies Maharashtra Mumbai*

IV. The liability of the members is limited.

#V. The Authorised Share Capital of the Company is INR 5,168,426,365 (Rupees Five billion One Hundred Sixty Eight million Four Hundred and Twenty Six thousand Three hundred Sixty Five only) divided into 516,592,621 (Five Hundred Sixteen million Five Hundred Ninety Two Thousand Six Hundred Twenty One) Equity Shares of INR 10 (Rupees ten only) each aggregating **INR 5,165,926,210** (Rupees Five billion One Hundred Sixty Five million Nine Hundred and Twenty Six thousand Two Hundred Ten only) and 5 (Five) 4% (four percent) Non Cumulative Redeemable Non Convertible Preference Shares of **INR 31** (Rupees thirty one only) each aggregating INR 155 (Rupees One Hundred Fifty Five) and 250,000 (Two Hundred Fifty Thousand) Compulsory Convertible Preference Shares of Rs. 10/- each aggregating to **INR 2,500,000** (Rupees Two Million Five Hundred Thousand only), with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company and the legislative provisions for the time being in force.”

Amended w.e.f. 15th November 2019 pursuant to Scheme of Merger approved by Hon'ble National Company Law Tribunal, Mumbai Bench vide its order dated 4th November, 2019.

We the several persons, whose names and addresses are subscribed are desirous of being formed into a Company, in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names :

	Name, Address, description and Occupation of each subscriber	Number of Equity shares taken by each subscriber	Signature of the Subscriber	Name, Address and Signature of witnesses
1.	Mr. Harish Chandra Mahindra Son of Mr. Jagdish Chandra Mahindra Saahil, 14, Altamount Road, Mumbai 400 026. Industrialist	10 (Ten only)	Sd/-	<p align="center">Witness to all: Sd/- Mr. Birbali D. Prasad Verma R. No. 14, Bhatte Wadi, Opp. Baghdevi Nagar, Sant Namdeo Marg, Dahisar (East), Mumbai 400 068.</p>
2.	Mr. Keshub Mahindra Son of Mr. Kailash Chandra Mahindra St. Helen's Court, Peddar Road, Mumbai 400 026. Industrialist	10 (Ten only)	Sd/-	
3.	Mr. Anand G. Mahindra Son of Mr. Harish Chandra Mahindra Gulistan, 1st Floor, 65, Nepean Sea Road, Mumbai 400 026. Business Executive	10 (Ten only)	Sd/-	
4.	Mr. Ram Nawal Singh Son of Mr. Kalu Singh 23, Ashutosh, 38-A, Nepean Sea Road, Mumbai 400 026. Service	10 (Ten only)	Sd/-	
5.	Mr. Thekekara Varkey Lukose Son of Mr. Chacko 53, Venus Apartments, Cuffe Parade, Colaba, Mumbai 400 005. Service	10 (Ten only)	Sd/-	
6.	Mr. Anil Madhav Palekar Son of Mr. Madhav Palekar C-8, Oliver Mansion, 334/A, Mogul Lane, Mahim, Mumbai 400 016. Service	10 (Ten only)	Sd/-	
7.	Mr. Vikas Kashinath Gupte Son of Mr. Kashinath Gupte 29/C, Sarvodaya Bhuvan, Gokhale Road (North), Dadar, Mumbai 400 028. Service	10 (Ten only)	Sd/-	
		70 (Seventy only)		

Dated the 2nd day of August, 1999.

IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH

C.P.(CAA)/1582/MB/2019

in

C.A.(CAA)/1335/MB/2018

In the matter of the Companies Act, 2013;

AND

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ;

AND

In the matter of Scheme of Amalgamation (Merger by Absorption) of Bill Forge Private Limited (the Transferor Company) and Mahindra CIE Automotive Limited (the Transferee Company) and their respective Shareholders

Mahindra CIE Automotive Limited, }
a Company Incorporated under the provisions of }
the Companies Act 1956 having its registered office at }
Mahindra Towers, P. K. Kunte Chowk, }
Worli, Mumbai 400018, Maharashtra }
..... Petitioner Company
(Transferee Company)

Date of Hearing :- 20.09.2019

Order: - Order Delivered on 4.11.2019

Coram:

Shri. M. K. Shrawat, Member (Judicial)

Shri. C. B. Singh, Member (Technical)

For the Petitioner(s): Mr. Hemant Sethi, Advocate i/b Hemant Sethi & Co.

For Regional Director: Ms. Rupa Sutar, Deputy Director

Per: Chandra Bhan Singh, Member (Technical)

Order

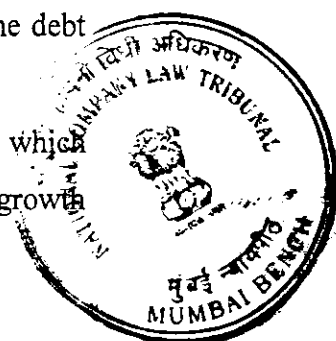
1. Heard learned counsel for the Petitioner Company. No objector has come before this Hon'ble Tribunal to oppose the Scheme nor has any party controverted any averments made in the Petition.

2. The sanction of the tribunal is sought under Sections 230 to 232 of the Companies Act, 2013 to a Scheme of Amalgamation (Merger by Absorption) between Bill Forge Private Limited (the Transferor Company) and Mahindra



CIE Automotive Limited (the Transferee Company) and their respective Shareholders.

3. Learned counsel of the Petitioner Company states that Transferee Company is a multi-locational and multi-technology business with engineering capabilities and manufacturing facilities of its own and of its subsidiaries in India and in Germany, Spain, Lithuania, Italy and the United Kingdom. The Company has an established presence in each of these locations and supply automotive components to its customers based there and export its products to customers based in other countries as well and the Transferor Company is engaged in the business of manufacturing of a variety of cold, warm, hot forged and machined components primarily for steering, transmission and wheel-related assemblies. The merger by way of absorption of the Transferor Company into the Transferee Company would be in the interests of all the stakeholders of the Amalgamating Companies, as it would result in increased operational efficiencies, bring economies of scale and result in synergetic integration of businesses presently being carried on by the Amalgamating Companies.
4. Learned counsel of the Petitioner Company states that the proposed Scheme will have the following benefits:
 - a. Both the entities are engaged into similar line of business and as a result the merger would lead to better leveraging of manufacturing facility (including facility of the Transferee Company's Pune plant) and marketing facilities and will bring both the entities under one roof to portray one face to all the customers.
 - b. Further, the combined entity will have a bigger portfolio of products targeted at a wider array of customers, which will strengthen its competitive position in the market. This will also enable the Transferee Company to offer newer products to its customers.
 - c. Consolidation of the business and simplification of the group structure.
 - d. Merger will provide the Transferee Company access to the Transferor Company's additional forging technology in the form of cold forgings and warm forging;
 - e. The Transferee Company will offer a strong financial structure to all stakeholders including the creditors of the Transferor Company. The merger will help the combined entity to get better credit facilities/terms from the debt market and banks.
 - f. Unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund organic and inorganic growth



opportunities and to maximize shareholders value; It strengthens the dividend paying abilities of the Transferee company.

- g. Administrative and operational rationalization, organizational efficiencies, reduction in overheads and other expenses and optimal utilization of various resources. It will prevent leakage of cost incurred on transfer of goods between both the entities.
 - h. Reduction in compliances and statutory filings with various government departments;
 - i. Merger will reduce managerial overlaps involved in running multiple entities. This will enable management efforts being more concentrated towards growth of the combined business;
 - j. Enhances the Company's ability to fund future acquisition from internal accruals;
 - k. It will improve and consolidate internal controls and enable functional integration at various level of the organization such as information technology, human resources, finance, secretarial, legal and general management leading to an efficient organization capable of responding swiftly to volatile and rapidly changing market scenarios; and
 - l. The Scheme does not affect the rights and interests of the shareholders or the creditors of the Transferee/ Transferor Company. The shareholding and other rights of the members of the Transferee Company will remain unaffected as no new shares are proposed to be issued by the Transferee Company and there is no change in the capital structure. Further, the creditors of the Transferee Company/ Transferor Company will not be affected by the Scheme since the combined assets of the Transferee Company are more than its combined liabilities.
5. The Petitioner Company have approved the said Scheme of Amalgamation by passing the Board Resolution at their Board Meeting held on 25th September, 2018, which is annexed to the Company Scheme Petition.
6. The Learned counsel appearing on behalf of the Petitioner Company states that the Petition have been filed in consonance with the order passed in Company Scheme Application No. C.A.(CAA)/1335/MB/2018 of the National Company Law Tribunal dated 4th January, 2019 which is annexed as Exhibit I to the Company Scheme Petition.
7. The Learned counsel appearing on behalf of the Petitioner Company states that the Petitioner Company have complied with all requirements as per directions



of the Hon'ble Tribunal and they have filed necessary Affidavits of compliance with Hon'ble Tribunal. Moreover, Petitioner Company undertake to comply with all statutory requirements, if any, as required under the Companies Act, 2013 and the Rules made there under. The said undertaking is accepted.

8. The Learned counsel appearing on behalf of the Petitioner Company submits that in terms of clause 16 of the Scheme, there is no consideration in lieu of the Scheme, since the entire share capital of the Transferor Company is held by the Transferee Company. Clause 16 of the Scheme is reproduced as under:

"The Transferor Company is a wholly owned subsidiary of the Transferee Company. Accordingly, upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of the holding of the Transferee Company in the Transferor Company and the issued and paid-up capital of the Transferor Company shall stand cancelled on the Effective Date without any further act, instrument or deed."

9. The Regional Director, Western Region, Mumbai has filed their Report dated 19th September, 2019 stating therein that save and except as stated in paragraph IV of the said Report, it appears that the Scheme is not prejudicial to the interest of shareholders and public.

Paragraph IV, of the said Report reads as follows:

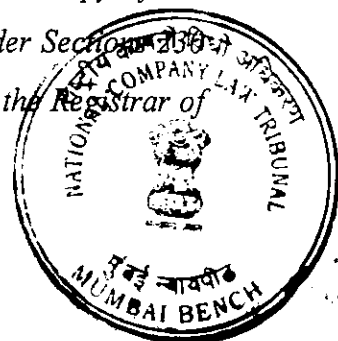
- a) *In compliance of AS-14 (IND AS-103), the Petitioner Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS-8) etc.*

- b) *AS per Definition of the Scheme,*

'Appointed Date' means the 1st day of April, 2018

'Effective Date' means the last of the following dates, namely:

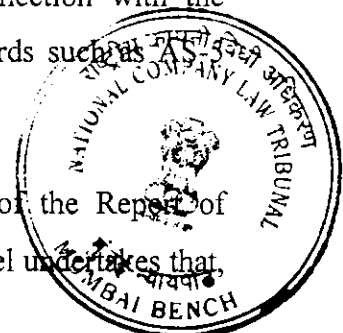
- a. *That on which the last of the consents, approvals, permissions, resolutions and orders as mentioned in Clause 23(a) shall be obtained or passed; or*
- b. *That on which the last of the dates on which certified copy of the order of the Tribunal of the Relevant Jurisdiction under Section 230 to 232 of the Act sanctioning the Scheme is filed with the Registrar of Companies of the Relevant Jurisdiction.*



In this regard, it is submitted that, section 232 (6) of the Companies Act, 2013, states that, the scheme under this section shall clearly indicate an appointed date from which it shall be effective and the scheme shall be deemed to be effective from such date and not at date subsequent to the appointed date. However, this aspect may be decided by the Hon'ble Tribunal taking into account its inherent powers.

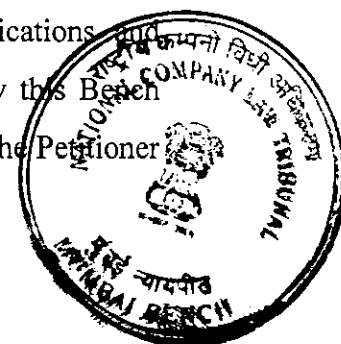
Further, the petitioner may be asked to comply with the requirements and clarified vide circular no. F. No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs.

- c) Petitioner Company have to undertake to comply with section 232 (3) (i) of the Companies Act, 2013 where the Transferor Company is dissolved, the fee, if any, paid by the Transferor Company on its Authorized Capital shall be set off against any fees payable by the Transferee Company on its Authorized Capital subsequent to the amalgamation and therefore, petitioner to affirm that they comply the provision of the section.*
 - d) ROC Mumbai report dated 25.07.2019 has inter alia mentioned that, as per MCA Master Data, the Authorized and Paid Up Share Capital of the Transferee Company is INR 5,131,926,365/- and INR 3,788,081,590/- respectively. And as per the Scheme, the Authorized and Paid Up share Capital of the Transferee Company is INR 5,131,926,365/- and INR 3,783,672,420/-*
 - e) The Registered Office of the Transferor Company is situated in the state of Karnataka i.e. outside the jurisdiction of NCLT of this Tribunal and falls within the jurisdiction of NCLT of Karnataka. Accordingly, similar approval be obtained by the transferor Company from Hon'ble NCLT at Karnataka respectively.*
10. In so far as the observations made in paragraph IV (a) of the Report of Regional Director, the Petitioner Company through its Counsel undertakes that, in addition to compliance of AS-14 (IND AS-103) the Transferee Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS-8) to the extent applicable.
11. In so far as the observations made in paragraph IV (b) of the Report of Regional Director, the Petitioner Company through its Counsel undertakes that,



the Scheme shall be effective from the Appointed Date i.e. 1st April, 2018, but shall be operative from the Effective Date.

12. In so far as the observations made in paragraph IV (c) of the Report of Regional Director, the Petitioner Company through its Counsel undertakes that, the Petitioner Company confirms that, combining the Authorized Share Capital and setting-off of fees paid by the Transferor Company on its Authorized Capital against the fess, if any, payable by Transferee Company on its Authorized Capital shall be in compliance with the provisions of Section 232(3)(i) of the Companies Act, 2013.
13. In so far as the observations made in paragraph IV (d) of the Report of Regional Director, the Petitioner Company through its Counsel states that, the Authorized Capital mentioned in the Scheme and the Authorized Capital appearing in the Master Data is same i.e. INR 5,131,926,365. As per the Scheme of Amalgamation, Paid Up Share capital of the Transferee Company as on 31st December, 2017 is INR 3,783,672,420 (comprising of 378,367,242 Equity Shares of INR 10 each). Later on, the Transferee Company has issued and allotted 440,917 Equity Shares of INR 10 each to its eligible employees under Mahindra CIE Automotive Limited Employees Stock Option Scheme 2007 and Employees Stock Option Scheme 2015. After considering the above allotments, the Paid Up Share Capital of the Transferee Company is INR 3,788,081,590 (comprising of 378,808,159 Equity Shares of INR 10 each), which is matching with Company Master Data of the Company on the website of Ministry of Corporate Affairs.
14. In so far as the observations made in paragraph IV (e) of the Report of Regional Director, the Petitioner Company through its Counsel states that, the Transferor Company has already filed Petition CP (CAA) No. 13/BB/2019 to National Company Law Tribunal, Bangalore Bench under the jurisdiction of State of Karnataka. The Scheme of Amalgamation is accepted and sanctioned by National Company Law Tribunal, Bangalore Bench on 6th September, 2019, and the appointed date of the Scheme of Amalgamation is 1st April, 2018.
15. The observations made by the Regional Director have been explained by the Petitioner Company in paragraphs 8 to 14 above. The clarifications and undertakings given by the Petitioner Company are considered by this Bench and are hereby accepted. Subsequently, this Bench hereby directs the Petitioner



Company to comply with the statements which the Petitioner Company undertake herein.

16. From the material on record, the Scheme appears to be fair, reasonable and is not violative to any provisions of law nor is contrary to public interest. None of the parties concerned have come forward to oppose the Scheme.
17. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petition No. C.P.(CAA)/1582/MB/2019 are made absolute in terms of prayer clauses (a) to (b).
18. The Petitioner Company are directed to file a copy of this order along with a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically, along with e-Form INC-28, in addition to physical copy, within 30 days from the date of receipt of the order by the Registry, duly certified by the Deputy Director or the Assistant Registrar, National Company Law Tribunal, Mumbai Bench.
19. The Petitioner Company to lodge a copy of this order along with the Scheme of Amalgamation duly certified by the Deputy Director or the Assistant Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, within a period of 60 days from the date of receipt of the order.
20. The Petitioner Company to pay costs of Rs. 25,000/- to the Regional Director, Western Region, Mumbai. Costs to be paid within four weeks from the date of the receipt of the order.
21. All authorities concerned to act on a copy of this order along with the Scheme of Amalgamation duly certified by the Deputy Director, or the Assistant Registrar, National Company Law Tribunal, Mumbai Bench.


22. The Scheme of amalgamation is sanctioned hereby, and the appointed date of the Scheme of Amalgamation is 1st April, 2018.

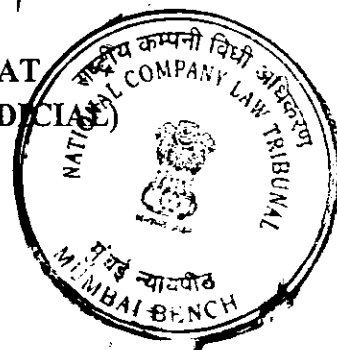
23. Ordered accordingly, Date of Application 06/11/2019
Number of Pages 7

Fee Paid Rs. 35
Sd/- Applicant called for collection copy on 06/11/2019 Sd/-
C. B. SINGH Copy prepared on 06/11/2019 M. K. SHRAWAT
MEMBER (TECHNICAL) 06/11/2019 MEMBER (JUDICIAL)

Date :- 04.11.2019

A.M.


Assistant Registrar
National Company Law Tribunal, Mumbai Bench



SCHEME OF MERGER

BY AND AMONG

BILL FORGE PRIVATE LIMITED ('TRANSFEROR COMPANY')

AND

MAHINDRA CIE AUTOMOTIVE LIMITED ('TRANSFeree COMPANY')

AND

THEIR RESPECTIVE MEMBERS

(Under Sections 230 to 232 or other applicable provisions of the Companies Act, 2013
as may be applicable and rules framed thereunder)



PRELIMINARY

1. OVERVIEW

- 1.1 This Scheme of Merger is presented *inter-alia* for the merger by way of absorption of Bill Forge Private Limited by Mahindra CIE Automotive Limited, pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 and the rules made thereunder.
- 1.2 This Scheme seeks to amalgamate and consolidate the business of Bill Forge Private Limited ("Transferor Company") with that of Mahindra CIE Automotive Limited ("Transferee Company") which is a wholly owned subsidiary of the Transferee Company. The Board of Directors of the Transferor Company and the Transferee Company (together referred to as the "Amalgamating Companies") have resolved that the merger by way of absorption of the Transferor Company into the Transferee Company would be in the interests of all the stakeholders of the Amalgamating Companies, as it would result in increased operational efficiencies, bring economies of scale and result in synergetic integration of businesses presently being carried on by the Amalgamating Companies.
- 1.3 This Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

2. DESCRIPTION OF AMALGAMATING COMPANIES

2.1 Transferor Company

Bill Forge Private Limited is a company incorporated under the Companies Act, 1956, having CIN - U51392KA1982PTC005086, with its registered office at No. 9C, Bommasandra-Industrial Area, Bangalore Karnataka, India ("Transferor Company" or "Bill Forge"). Bill Forge is a precision forging company based in Bangalore, India with 6 manufacturing facilities in India across Bangalore, Coimbatore and Haridwar. Bill Forge is a crucial supplier to a number of domestic and global two-wheeler and passenger car OEMs and Tier 1 auto component companies. It manufactures a variety of cold, warm, hot forged and machined components primarily for steering, transmission and wheel-related assemblies;

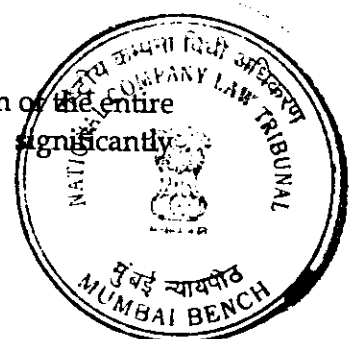
2.2 Transferee Company

Mahindra CIE Automotive Limited is a public limited company incorporated under the Companies Act, 1956, having CIN-L27100MH1999PLC121285, with its registered office at Mahindra Towers, P.K. Kurne Chowk, Worli, Mumbai - 400018, Maharashtra, India ("Transferee Company" or "MCIE"). The Transferee Company is a multi-locational and multi-technology business with engineering capabilities and manufacturing facilities of its own and of its subsidiaries in India and in Germany, Spain, Lithuania, Italy and the United Kingdom. The Company has an established presence in each of these locations and supply automotive components to its customers based there and export its products to customers based in other countries as well. The equity shares of the Transferee Company are listed on the BSE and the NSE.

The Transferor Company is a wholly owned subsidiary of the Transferee Company.

3. RATIONALE FOR THE SCHEME

In October 2016, the Transferee Company completed strategic acquisition of the entire shares of the Transferor Company. The acquisition was intended to significantly



strengthen the Transferee Company's market position and capability of delivering innovative solutions in the market. The acquisition was made of the Transferor Company for its tangible and valuable intangible assets.

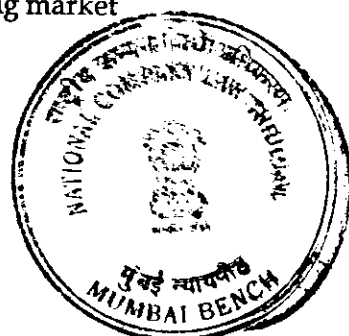
This scheme of merger by absorption is expected to enable better realisation of potential of the businesses of the companies and yield beneficial results and enhanced value creation for the Companies, their respective shareholders, customers, creditors and employees.

The rationale for the proposed Scheme is set out below:

- a. Both the entities are engaged into similar line of business and as a result the merger would lead to better leveraging of manufacturing facility (including facility of the Transferee Company's Pune plant) and marketing facilities and will bring both the entities under one roof to portray one face to all the customers.

Further, the combined entity will have a bigger portfolio of products targeted at a wider array of customers, which will strengthen its competitive position in the market. This will also enable the Transferee Company to offer newer products to its customers.

- b. Consolidation of the business and simplification of the group structure.
- c. Merger will provide the Transferee Company access to the Transferor Company's additional forging technology in the form of cold forgings and warm forging;
- d. The Transferee Company will offer a strong financial structure to all stakeholders including the creditors of the Transferor Company. The merger will help the combined entity to get better credit facilities/terms from the debt market and banks.
- e. Unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund organic and inorganic growth opportunities and to maximize shareholders value; It strengthens the dividend paying abilities of the Transferee company.
- f. Administrative and operational rationalization, organizational efficiencies, reduction in overheads and other expenses and optimal utilization of various resources. It will prevent leakage of cost incurred on transfer of goods between both the entities.
- g. Reduction in compliances and statutory filings with various government departments;
- h. Merger will reduce managerial overlaps involved in running multiple entities. This will enable management efforts being more concentrated towards growth of the combined business;
- i. Enhances the Company's ability to fund future acquisition from internal accruals;
- j. It will improve and consolidate internal controls and enable functional integration at various level of the organization such as information technology, human resources, finance, secretarial, legal and general management leading to an efficient organization capable of responding swiftly to volatile and rapidly changing market scenarios; and



- k. The Scheme does not affect the rights and interests of the shareholders or the creditors of the Transferee/ Transferor Company. The shareholding and other rights of the members of the Transferee Company will remain unaffected as no new shares are proposed to be issued by the Transferee Company and there is no change in the capital structure. Further, the creditors of the Transferee Company/ Transferor Company will not be affected by the Scheme since the combined assets of the Transferee Company are more than its combined liabilities.

In view of the above, the Board of Directors of the Transferor Company as well as Board of Directors of the Transferee Company have considered and proposed the merger of the Transferor Company with the Transferee Company in order to benefit the stakeholders of both the Companies. Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme of Merger by Absorption pursuant to the provisions of Sections 230 to 232 or other applicable provisions of the Companies Act, 2013 as may be applicable and rules framed thereunder.

4. PARTS OF THE SCHEME

The Scheme of merger is divided into following three parts:

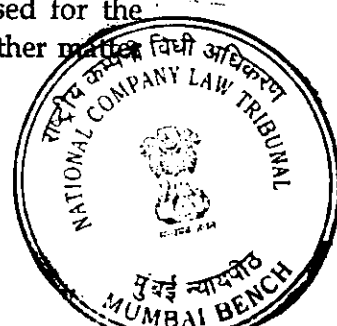
- (i) Part I - Deals with the definitions and share capital;
- (ii) Part II- Deals with merger of Bill Forge Private Limited with Mahindra CIE Automotive Limited; and
- (iii) Part III - Deals with the dissolution of the Transferor Company and General Clauses, Terms and Conditions applicable to the Scheme.

PART I - DEFINITIONS, INTERPRETATION AND SHARE CAPITAL

5. DEFINITIONS AND INTERPRETATION

In this Scheme, unless repugnant to the meaning or context thereof, (i) terms defined in the introductory paragraphs and recitals shall have the same meanings throughout this Scheme and (ii) the following words and expressions, wherever used (including in the recitals and the introductory paragraphs above), shall have the following meanings:

- 5.1. 'Act' or 'the Act' means the Companies Act, 2013 and Rules made thereunder.
- 5.2. 'Applicable Law(s)' means any statute, notification, bye laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions law enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force.
- 5.3. 'Appointed Date' means the 1st day of April, 2018.
- 5.4. 'Appropriate Authority' means any governmental, statutory, regulatory, departmental or public body or authority of the Relevant Jurisdiction including Securities and Exchange Board of India, Stock Exchanges, Registrar of Companies of Maharashtra and Karnataka, the National Company Law Tribunal of Relevant Jurisdiction
- 5.5. "Board of Directors" or "Board" in relation to the Transferor Company and the Transferee Company, as the case may be, means the board of directors of such company, and shall include a committee duly constituted and authorised for the purposes of matters pertaining to the merger, this Scheme and/or any other matter relating thereto;



- 5.6. 'Effective Date' means the last of the following dates, namely:
- a. That on which the last of the consents, approvals, permissions, resolutions and orders as mentioned in Clause 23(a) shall be obtained or passed; or
 - b. That on which the last of the dates on which certified copy of the order of the Tribunal of the Relevant Jurisdiction under Sections 230 to 232 of the Act sanctioning the Scheme is filed with the Registrar of Companies of the Relevant Jurisdiction.

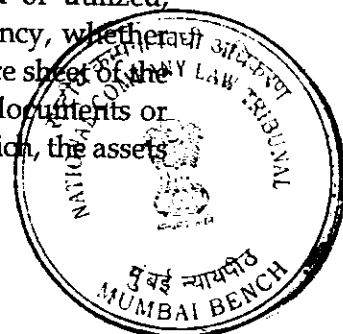
Any references in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "Scheme taking effect" shall mean the Effective Date;

- 5.7. "Governmental Authority" means (i) a national government, political subdivision thereof; (ii) an instrumentality, board, commission, court, or agency, whether civilian or military, of any of the above, however constituted; and (iii) a government-owned/ government-controlled association, organization in the Republic of India;
- 5.8. 'Relevant Jurisdiction' means the territories of the State of Maharashtra or State of Karnataka or Republic of India.
- 5.9. 'Scheme' or 'the Scheme' or 'this Scheme' means this Scheme of Merger by absorption in its present form as submitted to the Tribunal of Relevant Jurisdiction with any modification(s) made under Clause 25 of the Scheme as approved or directed by the Tribunal or such other competent authority, as may be applicable.
- 5.10. 'SEBI' means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- 5.11. 'SEBI Circular' shall mean the circular issued by the SEBI, being Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, and any amendments thereof.
- 5.12. 'Stock Exchanges' means the BSE Limited and National Stock Exchange of India Limited;
- 5.13. 'Tribunal' means the National Company Law Tribunal, Mumbai Bench and/or the National Company Law Tribunal, Bengaluru Bench as constituted and authorized as per the applicable provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of companies under Section 230 to 240 of the Companies Act, 2013, if applicable.
- 5.14. "Undertaking" means all the undertakings and entire business of the Transferor Company as a going concern, including, without limitation:
- a. all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature) of the Transferor Company, whether situated in India or abroad, including, without limitation, all manufacturing units and facilities, all land, buildings and structures, offices, residential and other premises, capital work-in-progress, machines and equipments, furniture, fixtures, office equipment, computers, appliances, accessories, power lines, stocks (including work-in-progress and transit), current assets (including inventories, sundry debtors, bills of exchange, loans and advances), investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, earnest monies, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company, financial assets, benefit of any bank guarantee



performance guarantees and letters of credit, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, tenancies in relation to the office and/or residential properties, guest houses, godowns, warehouses, vehicles, D.G. sets, share of any joint assets, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, other benefits (including tax benefits), tax holiday benefit, incentives, deductions, exemptions, rebates, allowances, amortizations, credits (including tax credits), Minimum Alternate Tax Credit entitlement ("MAT Credit") and advance income tax payments, unabsorbed depreciation and carried forward business losses (if available) under Income Tax Act 1961, the input credit balances (including SGST, CGST and IGST credits) under the Good and Service Tax (GST) laws, all customs duty benefits and exemptions, export and import incentives and benefits or any other benefits/incentives/ exemptions given under any policy announcements issued or promulgated by the government of India, any state government or any other government body or authority or any other like benefits under any statute and advantages of whatsoever nature belonging to or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company, including but without being limited to recognition or approvals received from government departments/ authorities, the CENVAT/MODVAT credit balances under the Central Excise Act, 1944, duty drawback claims, rebate receivables, refunds and advances, contracts entered into by the Transferor Company (including but not limited to government contracts procured by the Transferor Company), privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;

- b. all permits, quotas, rights, entitlements, industrial and other licenses, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), municipal permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions in respect of the profits of the undertaking for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the benefit or exemption is available in law if the merger pursuant to this Scheme does not take place, all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company;
- c. all debts, borrowings, obligations, duties and liabilities, both present and future (including deferred tax liabilities, contingent liabilities and the Liabilities and obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Rupees or foreign currency, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company. Provided that, any reference in the security documents or arrangements entered into by the Transferor Company and under which, the assets



of the Transferor Company stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to that Undertaking of the Transferor Company only as are vested in the Transferee Company by virtue of the Scheme and the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company which shall vest in the Transferee Company by virtue of the merger and the Transferee Company shall not be obliged to create any further or additional security therefore after the merger has become effective.

- d. All other obligations of whatsoever kind, including liabilities of the Transferor Company with regard to its employees, with respect to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of resignation, death, voluntary retirement or retrenchment.
- e. all trade and service names and marks, patents, copyrights, brands, knowhow, designs, trade secrets, customer contracts, established customer base and information, supplier contracts, domain name, Unpatented proprietary technology, product and process, a time tested range of products with significant sales coming from unrelated parties, skilled labour, strategic location of the factories and other intellectual property rights of any nature whatsoever constituting in the overall goodwill of the business, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company;
- f. Amounts claimed by the Transferor Company whether or not so recorded in the books of accounts of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess or of any excess payment.

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

References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.

The headings herein shall not affect the construction of this Scheme. Unless the context otherwise requires:

- i. the singular shall include the plural and vice versa, and references to one gender include all genders.
- ii. references to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives body (whether or not having separate legal personality).
- iii. Whenever the words include, includes or including are used, they will be deemed to be followed by the words "without limitation", whether or not they are followed by those words or words of like import;



- iv. reference to any law or to any provision thereof or to any rule or regulation promulgated thereunder includes a reference to such law, provision, rule or regulation as it may, from time to time, be amended, supplemented or re-enacted, or to any law, provision, rule or regulation that replaces it.

6. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form with or without any modification(s) approved or imposed or directed by the Tribunal or made as per the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

Any references in the Scheme to 'upon the Scheme becoming effective' or 'effectiveness of the Scheme' shall mean the Effective Date.

7. SHARE CAPITAL

7.1 The share capital of Transferor Company as at December 31, 2017 is as under:

Particulars	Amount (Rupees)
Authorized Capital	
3,400,000 Equity Shares of Rs. 10 each	34,000,000
250,000 Compulsory Convertible Preference Shares of Rs. 10/- each	2,500,000
Total	36,500,000
Issued	
1,171,207 Equity Shares of Rupees 10 each	11,712,070
Subscribed and Paid - up	
1,171,207 Equity Shares of Rupees 10 each	11,712,070
Total	11,712,070

The equity shares of the Transferor Company are not listed on the Stock Exchanges.

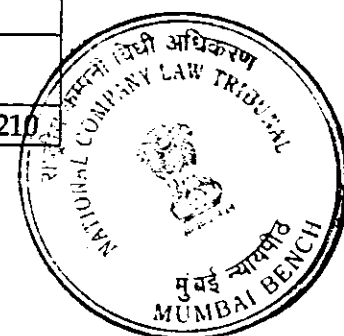
Subsequent to December 31, 2017 and up to the date of approval of this Scheme by the Board of Transferor Company, there is no change in the stated capital of Transferor Company.

As on the date of approval of this Scheme by the Board of Directors, the entire Equity Share Capital of the Transferor Company is held by the Transferee Company along with its nominee. Accordingly, the Transferor Company is a wholly owned subsidiary of the Transferee Company.

There are no existing commitments, obligations or arrangements by the Transferor Company as on the date of sanction of this Scheme by the Board of Directors to issue any further shares or convertible securities.

7.2 The share capital of Transferee Company as at December 31, 2017 is as under

Particulars	Amount (Rupees)
Authorized Capital	
513,192,621 Equity Shares of Rs. 10 each	5,131,926,210



5 4% Non-Cumulative Redeemable Non-Convertible Preference Shares of Rs. 31 each	155
Total	5,131,926,365
Issued	
378,368,187 Equity Shares of Rs. 10 each	3,783,681,870
Subscribed and Paid - up	
378,367,242 Equity Shares of Rs. 10 each	3,783,672,420
Total	3,783,672,420

The equity shares of the Transferee Company are listed on BSE Limited (BSE.) and the National Stock Exchange of India Limited ('NSE').

Subsequent to December 31, 2017 and up to the approval of this Scheme by the Board of the Transferee Company, the Transferee Company has issued and allotted 254,332 equity shares pursuant to exercise of options granted under the Employees Stock Options Scheme of the Transferee Company.

Accordingly, the authorised, issued, subscribed and paid-up share capital of the Transferee Company as on the date of approval of this Scheme by the Board of Directors i.e. as at 25th September, 2018, is as under

Particulars	Amount (Rupees)
Authorized Capital	
513,192,621 Equity Shares of Rs. 10 each	5,131,926,210
5 4% Non-Cumulative Redeemable Non-Convertible Preference Shares of Rs. 31 each	155
Total	5,131,926,365
Issued Capital	
378,622,519 Equity Shares of Rs. 10 each	3,786,225,190
Subscribed and Paid - up Capital	
378,621,574 Equity Shares of Rs. 10 each	3,786,215,740
Total	3,786,215,740

There are no existing commitments, obligations or arrangements by the Transferee Company as on the date of sanction of this Scheme by the Board of Directors to issue any further shares or convertible securities except to issue shares on exercise of options granted under any of its existing employee stock option schemes.

PART II - MERGER OF BILL FORGE WITH MCIE

8. TRANSFER AND VESTING

- 8.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, pursuant to the sanction of this Scheme by the Tribunal of Relevant Jurisdiction and pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, the Undertakings of the Transferor Company shall be and stand vested in or be deemed to have been vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the



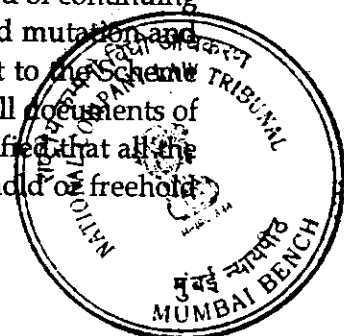
undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

8.1.1 Vesting of Assets

- (a.) Without prejudice to the generality of Clause 8.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date, all the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Undertakings of whatsoever nature and where so ever situate shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law, if any, without any further act or deed, be and stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the estate, assets, properties, rights, claims, title, interest and authorities of the Transferee Company. Provided that the movable assets of the Transferor Company shall vest in the Transferee Company in the manner laid down hereunder:
- i. Without prejudice to the provisions of Clause 8.1.1 above, in respect of such of the assets and properties of the Transferor Company as are movable in nature or incorporeal property or are otherwise capable of vesting or transfer by delivery or possession, or by endorsement and/or delivery, the same shall stand so transferred or vested by the Transferor Company upon the coming into effect of this Scheme, and shall, become the assets and property of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act, without requiring any deed or instrument of conveyance for transfer or vesting of the same.
 - ii. In respect of such of the assets and properties belonging to the Transferor Company (other than those referred to in Clause (i) above) including sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any government, quasi government, local or other authority or body or with any company or other person, the same shall stand transferred to and vested in the Transferee Company and/or be deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.
 - iii. All assets, rights, title, interest, investments and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets, rights, title, interest, investments and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.



- iv. All the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, including income tax benefits and exemptions, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in and/or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.
- (b.) All assets and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets and properties which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the relevant provisions of the Act, without any further act, instrument or deed, be and stand transferred to and vested in, and be deemed to have been transferred to and vested in, the Transferee Company upon the coming into effect of this Scheme pursuant to the relevant provisions of the Act.
- (c.) All intangible assets (including but not limited to goodwill) belonging to but not recorded in the books of accounts of the Transferor Company and all intangible assets (including but not limited to goodwill) arising or recorded in the process of merger in the books of the Transferee Company, shall, for all purposes, be regarded as intangible assets in terms of Explanation 3(b) to Section 32(1) of the Income-tax Act, 1961 and the Transferee Company shall be eligible for depreciation there under at the prescribed rates.
- (d.) From the Appointed Date, all immovable properties, of the Transferor Company, as described in the Schedule A, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or otherwise, and all documents of title, rights and easements in relation thereto, shall, stand vested in and/or be deemed to have been vested in the Transferee Company. The Transferee Company shall upon the Scheme becoming effective, be always entitled to all the rights and privileges attached in relation to such immovable properties and shall be liable to pay appropriate rent, rates and taxes and fulfil obligations in relation thereto or as applicable to such immovable property. Upon the Scheme becoming effective, the title to such properties shall be deemed to have been mutated and recognized as that of the Transferee Company and the mere filing thereof with the appropriate registrar or sub-registrar of assurances or with the relevant Government Authorities shall suffice as record of continuing titles with the Transferee Company and shall constitute a deemed mutation and substitution thereof. The Transferee Company shall, subsequent to the Scheme becoming effective, be entitled to the delivery and possession of all documents of title to such immovable property in this regard. It is hereby clarified that all the rights, title and interest of the Transferor Company in any leasehold or freehold



properties shall, pursuant to the provisions of this Scheme, without any further act, instrument or deed, be vested in, or be deemed to have been vested in, the Transferee Company.

- (e.) Upon the scheme coming into effect and with effect from the Appointment date, the title to the immovable properties of the Transferred Undertakings shall be deemed to have been mutated and recognised as that of the Transferee Company and the mere filing of the certified true copy of the vesting order of the Court sanctioning the Scheme with the appropriate Registrar or Sub-registrar of Assurances or with the relevant Government agencies shall suffice as record of continuing title of the immovable properties of the Transferred Undertakings with the Transferee Company pursuant to the Scheme becoming effective and shall constitute a deemed mutation and substitution thereof.

9. CONTRACTS, DEEDS ETC.

- a. Upon the coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, insurance, letters of Intent, undertakings, policies and other instruments of whatsoever nature, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder.
- b. Without prejudice to the other provisions of this Scheme and notwithstanding that vesting of the Undertakings occurs by virtue of this Scheme itself, the Transferee Company 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, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which any of the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, after the Effective Date, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.
- c. Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme and with effect from the Appointed Date, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

10. TRANSFER OF LIABILITIES

- a. Upon the coming into effect of this Scheme and with effect from the Appointed Date all debts and liabilities of the Transferor Company including all secured and unsecured debts (in whatsoever currency), liabilities (including contingent liabilities), duties and obligations of the Transferor Company of every kind, nature and description whatsoever whether present or future, and howsoever arising

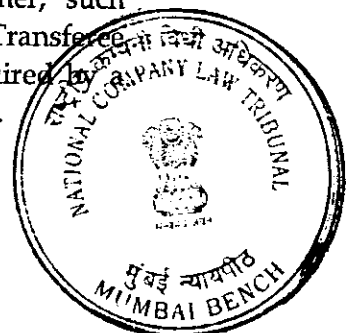


along with any charge, encumbrance, lien or security thereon (herein referred to as the "Liabilities") shall, pursuant to the sanction of this Scheme by the Tribunal and under the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company, to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause 10.

- b. Where any such debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date have been discharged by such Transferor Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.
- c. All loans raised and utilised and all liabilities, duties and obligations incurred or undertaken by the Transferor Company on or after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed be and stand transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- d. Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time from the Appointed Date to the Effective Date become due between the Transferor Company and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.

11. ENCUMBRANCES

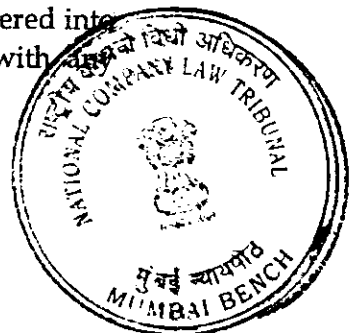
- a. The transfer and vesting of the assets comprised in the Undertakings to the Transferee Company under Clause 8.1.1 and Clause 9 of this Scheme shall be subject to the Encumbrances, if any, affecting the same as hereinafter provided.
- b. All Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date, provided that if any of the assets of the Transferor Company have not been Encumbered, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by lender or trustee or third party shall not affect the operation of the above.



- c. The existing Encumbrances over the other assets and properties of the Transferee Company or any part thereof which relate to the Liabilities of the Transferee Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.
- d. Any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its respective assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies of Relevant Jurisdiction to give formal effect to the above provisions, if required.
- e. Upon the coming into effect of this Scheme, the Transferee Company shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of this Scheme.
- f. It is expressly provided that, save as herein provided, no other term or condition of the Liabilities transferred to the Transferee Company is amended by virtue of this Scheme except to the extent that such amendment is required statutorily.
- g. The provisions of this Clause 11 shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings or the terms of sanction or issue or any security document shall stand modified and/or superseded by the foregoing provisions.

12. EMPLOYEES OF THE TRANSFEROR COMPANY

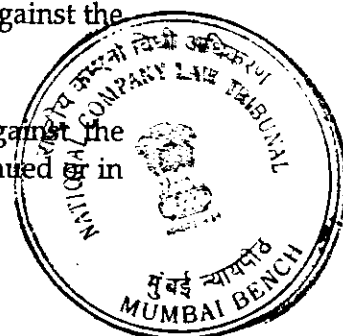
- a. Upon the coming into effect of this Scheme, all Employees of the Transferor Company shall, become the employees of the Transferee Company, on same terms and conditions and shall not be less favorable than those on which they are engaged by the Transferor Company and without any interruption of or break in service as a result of the merger of the Transferor Company with the Transferee Company. For the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such Employees with the Transferor Company and such benefits to which the Employees are entitled in the Transferor Company shall also be taken into account, and paid (as and when payable) by the Transferee Company.
- b. It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits (including employee stock options) that may be applicable and available to any of the other employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other employees of the Transferee Company), unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into or deemed to have been entered into by the Transferor Company with union/employee of the Transferor Company.



- c. On and from the Effective Date and with effect from the Appointed Date, the services of the employees of the Transferor Company will be treated as having been continuous, without any break, discontinuance or interruption, for the purpose of membership and the application of the rules or bye-laws of provident fund or gratuity fund or pension fund or superannuation fund or other statutory purposes as the case may be.
- d. With regard to provident fund and gratuity fund or any other special funds or schemes created or existing for the benefit of such employees (hereinafter referred to as the "said Funds") of the Transferor Company, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the administration or operation of such schemes or funds in relation to the obligations to make contributions to the said Funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such Funds shall become those of the Transferee Company. In the event that trustees are constituted as holders of any securities, trust funds or trust monies, in relation to any provident fund trust, gratuity trust, superannuation trust, welfare trust, or any other such trust existing for the benefit of the employees of the Transferor Company, such funds shall be transferred by such trustees of the trusts of the Transferor Company, to separate trusts and the trustees of the Transferee Company if set up for the same purpose and object and shall be deemed to be a transfer of trust property from one set of trustees to another set of trustees in accordance with the provisions of the relevant labour laws, Indian Trusts Act, 1882, the Income Tax Act, 1961 and relevant stamp legislations, as applicable. In such a case, appropriate deeds of trusts and/or documents for transfer of trust properties shall be executed upon the sanction of the Scheme in accordance with the terms hereof by the trustees of such trusts in favour of the trusts of the Transferee Company so as to continue the benefits of the employees. For this purpose, the trusts created by the Transferor Company shall be transferred/ merged with the respective trust(s) of the Transferee Company and/or be continued; by the Transferee Company, if permitted by law, failing which the Transferee Company shall establish similar trusts ensuring that there is continuity in this regard. The Trustees, including the Board of Directors of the Transferee Company, shall be entitled to adopt such course of action in this regard, as may be advised, provided however that there shall be no discontinuation or break-in the service of the employees of the Transferor Company. Notwithstanding the above, the Board of Directors of the Transferee Company, if it deems fit and subject to applicable law, shall be entitled to retain separate trusts/schemes within the Transferee Company for each of the erstwhile trusts/schemes of the Transferor Company.

13. LEGAL, TAXATION AND OTHER PROCEEDINGS

- a. Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal, whether in India or abroad) by or against the Transferor Company pending on the Effective Date shall be continued and/ or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted by or against the Transferor Company.
- b. If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or in



any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against Transferee Company, as the case may be, 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 this Scheme had not been made.

- c. In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Transferor Company, Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of Transferee Company.
- d. Without prejudice to the provisions of Clauses 8.1) to 13), with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.

14. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the undertaking of the Transferor Company and the continuance of proceedings by or against the Transferor Company of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

15. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

With effect from the Appointed Date and up to and including the Effective Date:

- a. the Transferor Company shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts and investments for and on account of, and in trust for, the Transferee Company;
- b. The Transferor Company shall carry on its business and activities with due business prudence and diligence and shall not, without prior written consent of the Transferee Company or pursuant to any preexisting obligation, sell transfer or otherwise alienate, charge, mortgage, encumber or otherwise deal with any part of its assets nor incur or accept or acknowledge any debt, obligation or liability except as is necessary in the ordinary course of business.
- c. all profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including taxes), as the case may be, of the Transferee Company;
- d. any of the rights, powers, authorities or privileges exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company.



Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company; and

- e. all taxes (including, without limitation, income tax, GST, sales tax, service tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the Transferor Company before the Appointed Date, shall be on account of the Transferor Company and, insofar as it relates to the tax payment (including, without limitation, income tax, GST, sales tax, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Transferor Company with effect from the Appointed Date, the same shall be deemed to be the corresponding taxes paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.
- f. For the removal of doubt, it is clarified that to the extent there are intercompany loans, deposits, obligations, balances or other outstanding between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of such assets or liabilities as the case may be.
- g. Pending sanction of the Scheme, the Transferor Company shall not, except by way of issue of shares / convertible debentures to the Transferee Company, increase its capital (by fresh issue of shares, convertible debentures or otherwise).
- h. Without prejudice to the above provisions, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes, except where any specific Indian law provides otherwise.

16. CANCELLATION OF SHARE CAPITAL OF TRANSFEROR COMPANY

- 16.1 The Transferor Company is a wholly owned subsidiary of the Transferee Company. Accordingly, upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of the holding of the Transferee Company in the Transferor Company and the issued and paid-up capital of the Transferor Company shall stand cancelled on the Effective Date without any further act, instrument or deed.

17. INCREASE IN AUTHORIZED SHARE CAPITAL OF TRANSFEE COMPANY

- 17.1 As a part of this Scheme, and, upon the coming into effect of this Scheme, the authorised share capital of the Transferee Company shall automatically stand increased, without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to Registrar of Companies, by the aggregate authorised share capital of the Transferor Company.
- 17.2 The capital clause of the Memorandum of Association and the Articles of Association of the Transferee Company shall, as a part of and, upon the coming into effect of this Scheme and without any further act or deed, be replaced by the following clause:



MEMORANDUM OF ASSOCIATION

"V. The Authorised Share Capital of the Company is INR 5,168,426,365 (Rupees Five billion One Hundred Sixty Eight million Four Hundred and Twenty Six thousand Three hundred Sixty Five only) divided into 516,592,621 (Five Hundred Sixteen million Five Hundred Ninety Two Thousand Six Hundred Twenty One) Equity Shares of INR 10 (Rupees ten only) each aggregating INR 5,165,926,210 (Rupees Five billion One Hundred Sixty Five million Nine Hundred and Twenty Six thousand Two Hundred Ten only) and 5 (Five) 4% (four percent) Non Cumulative Redeemable Non Convertible Preference Shares of INR 31 (Rupees thirty one only) each aggregating INR 155 (Rupees One Hundred Fifty Five) and 250,000 (Two Hundred Fifty Thousand) Compulsory Convertible Preference Shares of Rs. 10/- each aggregating to INR 2,500,000 (Rupees Two Million Five Hundred Thousand only), with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company and the legislative provisions for the time being in force."

ARTICLES OF ASSOCIATION

17.3 "3. The Authorised Share Capital of the Company is INR 5,168,426,365 (Rupees Five billion One Hundred Sixty Eight million Four Hundred and Twenty Six thousand Three hundred Sixty Five only) divided into 516,592,621 (Five Hundred Sixteen million Five Hundred Ninety Two Thousand Six Hundred Twenty One) Equity Shares of INR 10 (Rupees ten only) each aggregating INR 5,165,926,210 (Rupees Five billion One Hundred Sixty Five million Nine Hundred and Twenty Six thousand Two Hundred Ten only) and 5 (Five) 4% (four percent) Non Cumulative Redeemable Non Convertible Preference Shares of INR 31 (Rupees thirty one only) each aggregating INR 155 (Rupees One Hundred Fifty Five) and 250,000 (Two Hundred Fifty Thousand) Compulsory Convertible Preference Shares of Rs. 10/- each aggregating to INR 2,500,000 (Rupees Two Million Five Hundred Thousand only), with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company and the legislative provisions for the time being in force."

17.4 It is clarified that for the purposes of Clause 17.1 and 17.2 above, the stamp duties and fees (including registration fee) paid on the authorised share capital of the Transferor Company shall be utilized and applied to the increased authorised share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee (including registration fee) by the Transferee Company for increase in the authorised share capital to that extent. The Transferee Company shall file requisite forms with the concerned Registrar of Companies.

PART III - DISSOLUTION OF TRANSFEROR COMPANY, GENERAL CLAUSES, TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

18. ACCOUNTING TREATMENT

The Transferor Subsidiary Company shall merge into the Transferee Parent Company. The accounting treatment to be followed by Transferee Company is explained below.



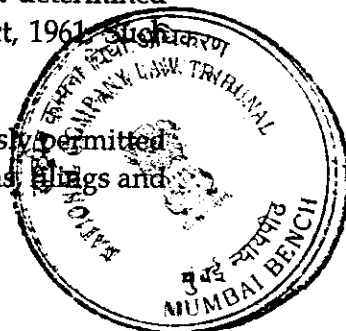
Upon scheme being effective, the Transferee Company shall account for merger as under:

- 18.1 The Transferee Company shall account for the merger in its financial statement in accordance with "Pooling of Interest Method" laid down by Appendix C of Ind AS 103 (Business combinations of entities under common control) notified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other applicable accounting standards prescribed under the Act.
- 18.2 All the assets, liabilities and reserves of the Transferor Company shall be recorded in the merged separate financial statements of the Transferee Company at the carrying value as appearing in the consolidated financial statements of the Transferee Company. The goodwill pertaining to the Transferor Company recorded in the consolidated financial statements of the Transferee Company will also be accounted by the Transferee Company in its merged separate financial statements.
- 18.3 The identity of the reserves pertaining to Transferor Company shall be preserved and shall appear in the merged separate financial statements of the Transferee Company in the same form in which they appeared in the consolidated financial statements of the Transferee Company. The balance of the retained earnings pertaining to Transferor Company appearing in the consolidated financial statements of the Transferee Company shall be aggregated with the corresponding balance appearing in the financial statements of the Transferee Company.
- 18.4 The investment in shares of the Transferor Company appearing, inter alia, in the books of accounts of the Transferee Company shall stand cancelled.
- 18.5 To the extent that there are inter-company loans, deposits, obligations, balances or other outstanding including any interest thereon, as between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be.
- 18.6 In case of any difference in accounting policies between the Transferor Company and the Transferee Company, the impact of the same will be quantified and adjusted in reserves to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of a consistent accounting policies.

19. APPLICABILITY OF PROVISIONS INCOME TAX ACT

The provisions of this Scheme as they relate to the merger of Transferor Company with Transferee Company has been drawn up to comply with the conditions relating to 'amalgamation' as defined under Section 2(1B) of the (Indian) 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 of the (Indian) Income-tax Act, 1961, 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 (Indian) Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the (Indian) Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

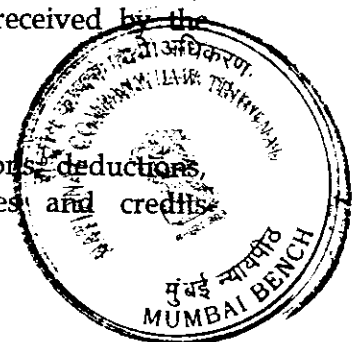
Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and



annexures under the Income Tax Act 1961 (including for minimum alternate tax purposes and tax benefits), service tax law and other tax laws and to claim refunds and/or credits for taxes paid (including minimum alternate tax), and to claim tax benefits under the Income Tax Act, 1961 etc. and for matters incidental thereto, if required to give effect to the provisions of this Scheme.

20. TREATMENT OF TAXES

- i. Upon the Scheme coming into effect, all taxes (direct and/or indirect)/ cess/ duties payable by or on behalf of the Transferor Company from the Appointed Date onwards including all or any refunds and claims, including refunds or claims pending with any Governmental Authority and including the right to claim credit for minimum alternate tax and carry forward of accumulated losses, and unutilized CENVAT credit, VAT credit or input tax credit etc shall, for all purposes, be treated as the tax/ cess/ duty, liabilities or refunds, claims, accumulated losses and unutilized CENVAT credits, VAT credit and rights to claim credit or refund etc of the Transferee Company. Accordingly, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its income tax returns, wealth tax returns, sales tax returns, excise and CENVAT returns, service tax returns, GST return, other statutory returns, and to claim refunds/ credits, pursuant to the provisions of this Scheme.
- ii. The Transferee Company shall also be permitted to claim refunds / credits in respect of any transaction between or amongst the Transferor Company inter se and the Transferor Company and the Transferee Company. Without prejudice to the generality of Clause 20)i) above, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its income tax returns and related withholding tax certificates, including withholding tax certificates relating to transactions between or amongst the Transferor Company inter se and the Transferor Company and the Transferee Company, and to claim refunds, advance tax and withholding tax credits, benefit of credit for minimum alternate tax and carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.
- iii. The withholding tax/ advance tax/ minimum alternate tax, if any, paid by the Transferor Company under the Income Tax Act, 1961 or any other statute in respect of income of the Transferor Company assessable for the period commencing from the Appointed Date shall be deemed to be the tax deducted from/ advance tax paid by the Transferee Company and credit for such withholding tax/advance tax/minimum alternate tax shall be allowed to the Transferee Company notwithstanding that certificates or challans for withholding tax/advance tax are in the name of the Transferor Company and not in the name of the Transferee Company.
- iv. Any refund under the Tax Laws received by / due to the Transferor Company consequent to the assessments made on the Transferor Company subsequent to the Appointed Date and for which no credit is taken on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- v. Without prejudice to the generality of the above, all exemptions, deductions, benefits, losses, entitlements, incentives, drawbacks, licenses and credits



(including but not limited to MAT credit, taxes withheld/ paid in foreign country etc) under the income tax, sales tax, customs duty, excise duty, GST, service tax, VAT, any Central Government/ State Government incentive schemes etc., to which the Transferor Company are/ would be entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.

- vi. The GST paid by the Transferor Company for the period commencing from the Appointed Date shall be deemed to be the GST paid by the Transferee Company and credit for such GST shall be allowed to the Transferee Company notwithstanding that challans for GST payments are in the name of the Transferor Company and not in the name of the Transferee Company.
- vii. Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, service-tax exemptions, GST exemptions, incentives, concessions and other authorizations of the Transferor Company shall stand transferred by the order of the NCLT to the Transferee Company, the Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the NCLT.
- viii. All tax assessment proceedings/ appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date as desired by the Transferee Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.

Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the merger by way of absorption of the Transferor Company by the Transferee Company or anything contained in the Scheme.

21. RESOLUTIONS

Upon the coming into effect of the Scheme and with effect from the Appointed Date, the resolutions, power of attorney, letter of authority, if any, of the Transferor Company which are validly subsisting shall continue to be valid and subsisting and be considered as resolutions, power of attorney, letter of authority of the Transferee Company. If any such resolutions, power of attorney, letter of authority have any monetary limits approved under the provisions of the Act or of any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under the like resolutions, power of attorney, letter of authority passed by the Transferee Company.

Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company in terms of Section 181 of the Act shall be deemed, without any further act or deed, to have been enhanced by the aggregate limits of the Transferor Company which are being transferred to the Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company, with effect from the Appointed Date.



22. DISSOLUTION OF THE TRANSFEROR COMPANY

Upon the coming into effect of this Scheme, the Transferor Company shall stand dissolved without winding-up without any further act or deed.

23. CONDITIONS PRECEDENT

- a. The effectiveness of the Scheme is conditional upon and subject to:
 - i. this Scheme being approved by the respective requisite majorities of the various classes of shareholders of the Transferor Company and the Transferee Company if required under the Act and the requisite orders of the Tribunal of Relevant Jurisdiction being obtained;
 - ii. The certified copy of the order of the Tribunal of Relevant Jurisdiction under Sections 230 to 232 and other applicable provisions of the Act sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra at Mumbai by the Transferee Company and with the Registrar of Companies, Bengaluru, Karnataka by Transferor Company;
 - iii. such other approvals and sanctions as may be required under Applicable Law in respect of this Scheme being obtained.
- b. On the approval of this Scheme by the shareholders of the Transferor Company and the Transferee Company, if required, such shareholders shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the merger set out in this Scheme, related matters and this Scheme itself.

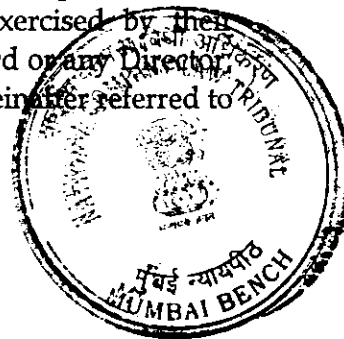
24. APPLICATIONS

The Transferee Company and the Transferor Company, if required, shall, with all reasonable dispatch, make applications/ petitions to the National Company Law Tribunal of Relevant Jurisdiction under Section 230 to 232 and other applicable provisions, of the Act, for sanctioning of this Scheme.

The Transferor Company shall take all necessary steps for sanctioning of this Scheme and for its dissolution without winding up, and apply for and obtain such other approvals, if any, required under the law.

25. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

- a) Subject to approval of the tribunal, the Transferor Company and the Transferee Company, through their respective Board of Directors, may assent from time to time on behalf of all the persons concerned to any modifications or amendments or additions to this Scheme subject to any conditions or limitations which the Tribunal and/or any other competent authorities, if any, under the law may deem fit and approve of or impose and which the Transferor Company and the Transferee Company may in their discretion deem fit and may resolve all doubts or difficulties that may arise for carrying out this Scheme and do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by their respective Boards of Directors, a Committee of the concerned Board or any Director authorized in that behalf by the concerned Board of Directors (hereinafter referred to as the 'delegate').



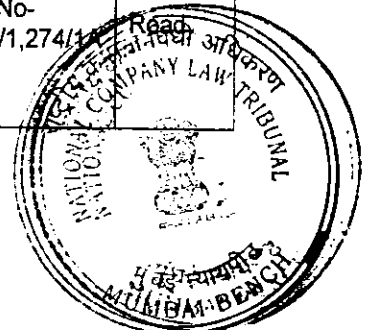
- b) For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate of the Transferor Company or the Transferee Company may give and is hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties in the same manner as if the same were specifically incorporated in this Scheme.

26. Costs, Charges and Expenses

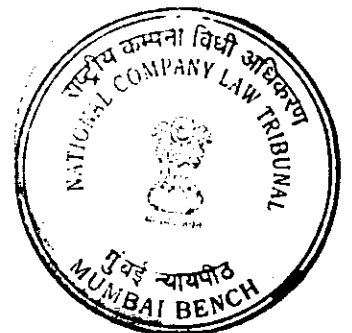
All costs, charges, taxes, including stamp duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne and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

SCHEDULE A Description of immovable properties

Sr. No.	Description of the immovable properties	Detailed Address of the Land	Area of Plot in sq. mtr.	Plot is bounded as follows:			
				North	East	West	South
	column1	Column2	Column3	Column4			
1	Plant 1 - Land as described in column -2 together with the buildings and structures standing thereon and plant and machineries embedded or affixed thereto	Land known as Plot No 9C, Bommasandra Industrial Area, situated in Survey No. 168 of Hebbagodi Village, AttibeleHobli, Anekal Taluk, Bangalore- 560099	8,086	Road	Plot No 9-B	Plot No 9-D	Private Property
2	Plant 2 - Land as described in column -2 together with the buildings and structures standing thereon and plant and machineries embedded or affixed thereto	Land known as Plot No. 98-L & 98-M of Jigani Industrial Area, 2nd Phase, situated in Survey No. Parts of 109, 110, 111 and 112 of Jigani Village, JiganiHobli, Anekal Taluk, Bangalore- 562106	22,162	Plot No 98-K	Road	Plot No 98A & private Property	Private Property
3	Plant 3 - Land as described in column -2 together with the buildings and structures standing thereon and plant and machineries embedded or affixed thereto	Land known as No. 7C, Attibele Industrial Area situated in Survey No. Parts of 57, 114 and 116 of Lehhangur Village, AttibeleHobli, Anekal Taluk, Bangalore-562107	3,773	Plot no 7-B	Plot No 7-A	Road	Road
4	Plant 4 - Land as described in column -2 together with the buildings and structures standing thereon and plant and	Land known as Door No.1/178 situated in SF No. 273/2, 274/1B, 275/1B, Malumachampatti Village, Coimbatore - 641021	11,311	Private Property	Private property	SF.No- 273/1,274/1B, Road	



Sr. No.	Description of the immovable properties	Detailed Address of the Land	Area of Plot in sq. mtr.	Plot is bounded as follows:			
				North	East	West	South
	column1	Column2	column3	Column4			
5	machineries embedded or affixed thereto	Land known as Door No.1/178 situated in SF No. 276, 274/2, 268, Malumachampatti Village, Coimbatore District, Coimbatore South Taluk	577.62	Private Property	Road	SF.No-275/1B, 274/1B, 273/2	Sf.No. 275/2B
6	Plant 5 - Land as described in coloumn -2 together with the buildings and structures standing thereon and plant and machineries embedded or affixed thereto	Land known as Plot No-29, Khasra No. Part of 152, 127, 138, 139, 140, 141, 142, 145, 146, 147, 148, Industrial Park-IV, Begampur Village, Tehsil & Dist. Haridwar, Uttrakhand - 249409	8,097.2	24M wide road	Private property	12M wide road	Private Property



IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH

C.P.(CAA)/1582/MB/2019

in

C.A.(CAA)/1335/MB/2018

In the matter of the Companies Act, 2013;

AND

In the matter of Sections 230 to 232 and other applicable
provisions of the Companies Act, 2013 ;

AND

In the matter of Scheme of Amalgamation (Merger by
Absorption) of Bill Forge Private Limited (the Transferor
Company) and Mahindra CIE Automotive Limited (the
Transferee Company) and their respective Shareholders

Mahindra CIE Automotive Limited.....Petitioner

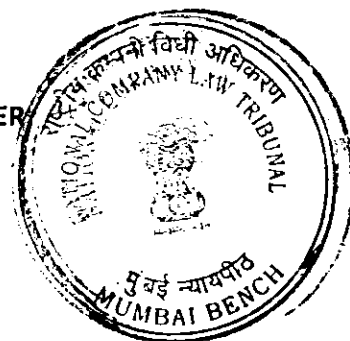
CERTIFIED COPY OF ORDER DATED 4TH DAY OF
NOVEMBER 2019 AND THE SCHEME ANNEXED TO THE
PETITION

HS

HEMANT SETHI & CO

ADVOCATES FOR PETITIONER

9820244453



BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH

CSP NO 1075 (MAH) OF 2017

IN

CSA NO 899 (MAH) OF 2017

Mahindra Gears and Transmissions Private Limited, ...First Petitioner Company
AND
Crest Geartech Private Limited ...Second Petitioner Company
AND
Mahindra CIE Automotive Limited ...Third Petitioner Company

In the matter of the Companies Act, 2013;

AND

In the matter of Sections 230 to 234 and other applicable provisions of the Companies Act, 2013 ;

AND

In the matter of Scheme of Amalgamation of Mahindra Forgings Global Limited (Transferor Company 1) and Mahindra Forgings International Limited (Transferor Company 2) and Mahindra Gears and Transmissions Private Limited (Transferor Company 3) and Crest Geartech Private Limited (Transferor Company 4) with Mahindra CIE Automotive Limited and their respective Shareholders

Order delivered on 13th December 2017

Coram:

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

Hon'ble V. Nallisenapathy, Member (T)

For the Petitioner(s): Mr. Hemant Sethi i/b Hemant Sethi & Co for Petitioners
Ms. P. Sheela, Joint Director in the office of Regional Director
Mr. Santosh Dalvi, Assistant in the office of Official Liquidator

Per: V. Nallisenapathy, Member (T)

Order

1. Heard the learned counsel for the Petitioner Companies. No objector has come before the Tribunal to oppose the Petitions, nor any party has controverted any averments made in the Petitions.
2. The sanction of the Tribunal is sought under Sections 230 to 232 and Section 234 of the Companies Act, 2013, to the Scheme of Amalgamation Mahindra Forgings



Global Limited (Transferor Company 1) and Mahindra Forgings International Limited (Transferor Company 2) and Mahindra Gears and Transmissions Private Limited (Transferor Company 3) and Crest Geartech Private Limited (Transferor Company 4) with Mahindra CIE Automotive Limited and their respective Shareholders

3. The Counsel for the Petitioners submit that that the First Petitioner Company is engaged in the business of manufacturing of Engine and transmission gears and shafts. The key products manufactured by First Petitioner Company includes Engine Gears, Timing Gears, Transmission Gears and Transmission Drive Shafts. These key products are mainly used in Passenger and Utility Vehicles and Construction and Earthmoving Equipment. The Second Petitioner Company is Operationally Closed. The Third Petitioner Company is a multi-locational and multi-technology business with engineering capabilities and manufacturing facilities of its own and of its subsidiaries in India and in Germany, Spain, Lithuania, Italy and the United Kingdom. The Company has an established presence in each of these locations and supply automotive components to its customers based there and export its products to customers based in other countries as well.
4. The Scheme would result in the following benefits:
- (a) Rationalizing multiple subsidiaries in the group to ensure optimized legal entity structure more aligned with the business.
 - (b) Reorganizing the legal entities in the group structure so as to obtain significant cost savings and/or simplification benefits;
 - (c) Significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by Mahindra Forgings Global Limited, Mahindra Forgings International Limited, Mahindra Gears and Transmissions Private Limited and Crest Geartech Private Limited;



(d) Mahindra Gears and Transmissions Private Limited and the Transferee Company are engaged in complementary businesses and combining the businesses of the Transferor Company 3 and the Transferee Company will result in enhancing shareholder value.

(e) Rationalizing costs by elimination of administrative functions and multiple record-keeping;

5. The Counsel for the Petitioners submit that the Transferor Companies are wholly owned subsidiaries of the Transferee Company.
6. The Counsel for the Petitioner Companies further submits that the Board of Directors of the Transferor Companies and the Transferee Company have approved the said Scheme of Amalgamation by passing Board Resolutions which are annexed to the Company Scheme Petition.
7. The Counsel appearing on behalf of the Petitioner Companies further states that the Petitioner Companies have complied with all the directions passed in Company Scheme Application No. 899 of 2017, by this Tribunal and that the Company Scheme Petition have been filed in consonance with the orders passed in abovementioned Company Scheme Application.
8. The Counsel appearing on behalf of the Petitioner Companies further states that the Petitioner Companies have complied with all requirements as per directions of the Tribunal and they have filed necessary affidavits of compliance in the Tribunal. Moreover, the Petitioner Companies through their Counsel undertakes to comply with all statutory requirements if any, as required under the Companies Act, 2013 and the Rules made there under whichever is applicable. The said undertakings given by the Petitioner Companies are accepted.
9. The Regional Director has filed a Report dated 11th December 2017 stating therein, save and except as stated in paragraph IV (a) to (f), it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph IV, of the said Report it is stated that:



- (a) In addition to compliance of AS-14 (IND AS-103) the Petitioner Companies shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS-8) etc.,
- (b) As per existing practice, the Petitioner Companies are required to serve notice for Scheme of Amalgamation to the Income Tax Department for their comments. It is observed that the Petitioner Companies vide letters dated 16.10.2017 has served a copy of company scheme application No 899 of 2017 along with relevant orders etc.
- (c) The tax implication if any arising out of the scheme is subject to final decision of Income Tax Authorities. The approval of the scheme by this Hon'ble Tribunal may not deter the Income Tax Authority to scrutinize the tax return filed by the Petitioner Companies after giving effect to the scheme. The decision of the Income Tax Authority is binding on the petitioner Companies.
- (d) It is submitted that Mahindra Forgings Global Limited, Transferor Company 1 and Mahindra Forgings International Limited, Transferor Company 2 are situated in Mauritius. The Petitioner Companies shall comply with the laws and provisions of the Republic of Mauritius. Further the FEMA Regulations / RBI Guidelines, as applicable shall also be complied by the Transferor Company 1 & Transferor Company 2.
- (e) As regards para No. 15 of the Scheme, the Transferee Company may be allowed in respect of fees payable by the Transferee Company on its Authorized Share Capital, subsequent to the Amalgamation for setting off of fees paid by the Transferor Company 3 & Transferor Company 4 on its Authorized Share Capital in accordance with the provisions of Section 232 (3)(i) of the Companies Act, 2013.
- (f) The Registrar of Company has filed his Report to the Regional Director and has made the following observations which have been captured in paragraph



IV (f) of Regional Directors' report :ROC- Mumbai vide letter /report No ROC/STA/SSA/121285/230-232/1026 dated 07.12.2017 in respect of Transferor Company 3 and Transferee Company has inter alia mentioned as under

- As per Section 232(6) of the Companies Act, 2013 effective date shall not be subsequent to the Appointed Date.
- As per Clause 13 & 14 of the scheme, it is provide that increase of authorized Capital and amendment in Capital Clause of MOA & AOA of the Company In this regard, the Transferee Company has to file amended MOA & AOA with e-forms on MCA Portal.
- 1st & 2nd Transferor Companies are Foreign Body Corporate under the Law of Mauritius and they have obtained NOC from RBI vide letter dated 04.10.2017 & 07.11.2017. Hence they may be directed to comply with the conditions therein by the RBI.
- The Transferee Company has not submitted copy of notice in CAA-3 to Competition Commission of India.

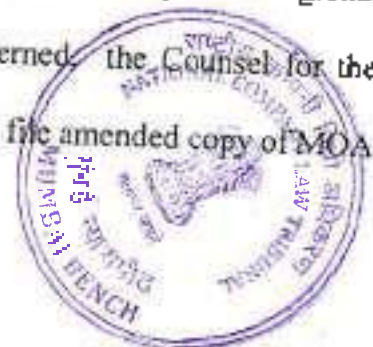
Save and except as stated in para IV (a) to (f) it appears that the Scheme is not prejudicial to the interest of shareholders & public.

10. In so far as observations made in paragraph IV (a) of the Report of Regional Director is concerned, the Transferee Company through their Counsel undertakes that in addition to compliance of AS-14 (IND AS-103) the Transferee Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS-8) to the extent applicable.
11. In so far as observations made in paragraph IV. (b) & (c) of the Report of Regional Director is concerned, the Petitioner Companies through its Counsel undertakes to comply with all applicable provision of the Income Tax Act, 1961



and all tax issues arising out of the Scheme will be met and answered in accordance with law.

12. As far as observations made in paragraph IV (d) of the Report of Regional Director is concerned, the Transferee Company undertakes that Mahindra Forgings Global Limited, Transferor Company 1 and Mahindra Forgings International Limited, Transferor Company 2 being incorporated under the law of Mauritius shall make all compliances with the laws and provisions of the Republic of Mauritius to the extent applicable. The Counsel for Petitioners further submits that provisions of section 234 of the Companies Act, 2013 have been complied with as necessary approvals have been obtained from the Reserve Bank of India. The Transferee Company further undertakes to comply with all applicable provisions of RBI/FEMA regulations to the extent applicable and all conditions stipulated in letters of RBI.
13. As far as observations made in paragraph IV (e) of the Report of Regional Director, the Transferee Company confirms that combining the Authorized Share Capital and setting-off of fees paid by the Transferor Company-3 and Transferor Company-4 on its Authorized Capital against the fees, if any, payable by Transferee Company on its Authorized Capital shall be in compliance with the provisions of Section 232(3) (i) of the Companies Act, 2013.
14. In so far as observations made in paragraph IV (f) (i) of the Report of Regional Director pertaining to ROC's observations is concerned, the Transferee Company through its Counsel clarifies that in terms of Clause 2 of the scheme, the Scheme, shall be effective from the Appointed Date i.e. 1st July 2017 but shall be operative from the Effective Date i.e. as defined in Clause 1.6 of the Scheme..
15. In so far as observations made in paragraph IV (f) (ii) of the Report of Regional Director pertaining to ROC's observations is concerned, the Counsel for the Petitioners submit that the Transferee Company shall file amended copy of MOA & AOA with e-forms on MCA portal.



16. In so far as observations made in paragraph IV (i) (iii) of the Report of Regional Director pertaining to ROC's observations is concerned, the Counsel for the Petitioners submit that in compliance of Section 234 of the Companies Act, 2013, the Reserve Bank of India vide its letters dated 4th October, 2017 and 7th November, 2017 had conveyed its No Objection for merger of Transferor Company-1 and Transferor Company-2 with the Transferee Company. The copies of no objection letters are annexed as Annexures Z1 & Z2 to the petition. The Transferee Company undertakes to comply with all the conditions as stipulated by RBI in letter of no objection.
17. In so far as observations made in paragraph IV (iv) of the Report of Regional Director pertaining to ROC's observations is concerned, the Counsel for the Petitioners clarify that mergers of subsidiaries with holding company are exempted from the purview of Competition Act 2002. Therefore no notice is required to be given under the Competition Act 2002.
18. The observations made by the Regional Director and the Registrar of Companies have been explained by the Petitioner Companies in paragraphs 10 to 16 above. The clarifications and undertakings given by the Petitioner Companies are hereby accepted.
19. The Official Liquidator has filed his report dated 27th November 2017 stating therein that the affairs of the First and Second Petitioner Company have been conducted in a proper manner and the First and Second Petitioner Company may be ordered to be dissolved without winding up.
20. From the material on record, the Scheme appears to be fair and reasonable and is not in violation of any provisions of law and is not contrary to public policy. None of the parties concerned have come forward to oppose the Scheme.
21. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 1075 of 2017 filed by the Petitioner Companies are made absolute in terms of prayer clause (a) of the Petition.

22. The Petitioner Companies to lodge a copy of this order and the Scheme duly authenticated by the Deputy Director or Assistant Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of receipt of the order.
23. Petitioner Companies are directed to file a copy of this order along with a copy of the Scheme duly certified by the Deputy Director or Assistant Registrar, National Company Law Tribunal, Mumbai Bench with the concerned Registrar of companies, electronically, along with E-form INC 28 within 30 days from the date of issuance of the order by the Registry.
24. The Petitioner Companies to pay costs of Rs. 25,000/- each to the Regional Director, Western Region, Mumbai. Transferor Company 3 & 4 (First and Second Petitioner Company above) to pay cost of Rs. 25,000/- to the Official Liquidator, High Court, Bombay.
25. The costs to be paid within four weeks from the date of receipt of Order.
26. All authorities concerned to act on a copy of this order along with Scheme duly certified by the Deputy Director or Assistant Registrar, National Company Law Tribunal, Mumbai Bench.

Sd/-

V. Nallasenapathy, Member (T)
Date: 13.12.2017

Sd/-

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

Certified True Copy
Recd of Application 15.12.2017
Number of Pages 8
Page No. 40
Application for collection copy on 20.12.2017
Copy submitted on 20.12.2017
Copy received on 20.12.2017

[Signature]

Deputy Director
National Company Law Tribunal, Mumbai Bench
Page 8 of 8



SCHEME OF AMALGAMATION

BY AND AMONG

MAHINDRA FORGINGS GLOBAL LIMITED.... Transferor Company 1

AND

MAHINDRA FORGINGS INTERNATIONAL LIMITED.... Transferor Company 2

AND

MAHINDRA GEARS AND TRANSMISSIONS PRIVATE LIMITED... Transferor Company 3

AND

CREST GEARTECH PRIVATE LIMITED Transferor Company 4

AND

MAHINDRA CIE AUTOMOTIVE LIMITEDThe Transferee Company

AND

THEIR RESPECTIVE SHAREHOLDERS



**SCHEME OF AMALGAMATION
OF
MAHINDRA FORGINGS GLOBAL LIMITED Transferor Company 1
AND
MAHINDRA FORGINGS INTERNATIONAL LIMITED.... Transferor Company 2
AND
MAHINDRA GEARS AND TRANSMISSIONS PRIVATE LIMITED....Transferor
Company 3
AND
CREST GEARTECH PRIVATE LIMITED.... Transferor Company 4
WITH
MAHINDRA CIE AUTOMOTIVE LIMITED.... The Transferee Company**

- a. **Mahindra Forgings Global Limited** is a company incorporated under the laws of Mauritius with its registered office at IFS Court, Bank Street, Twenty Eight Cybercity, Ebene 72201, Mauritius. ("Transferor Company 1" or "MFGL") The principal business of MFGL is to act as an investment holding company. The entire share capital of MFGL is held by MCIE. The Unique Identification Number provided by RBI for the WOS is BYWAZ20100242;
- b. **Mahindra Forgings International Limited** is a company incorporated under the laws of Mauritius with its registered office at IFS Court, Bank Street, Twenty Eight Cybercity, Ebene 72201, Mauritius. ("Transferor Company 2" or "MFIL") The principal business of MFIL is to act as an investment holding company. The entire share capital of MFIL is held by MCIE. The Unique Identification Number provided by RBI for the WOS is BYWAZ20090385;
- c. **Mahindra Gears and Transmissions Private Limited** is a company incorporated under the Companies Act, 1956 with its registered office at Mahindra Towers, P.K. Kurne Chowk, Worli, Mumbai - 400018, Maharashtra, India ("Transferor Company 3" or "MGTPPL"). MGTPPL is engaged in the business of manufacturing of Engine and transmission gears and shafts. The key products manufactured by MGTPPL includes Engine Gears, Timing Gears, Transmission Gears and Transmission Drive Shafts. These key products are mainly used in Passenger and Utility Vehicles and Construction and Earthmoving Equipment;
- d. **Crest Geartech Private Limited** is a company incorporated under the



Companies Act, 1956 with its registered office at 371, Takwe Road, At & Post Kanhe, Taluka -Maval, Dist- Pune - 412106, Maharashtra, India ("Transferor Company 4" or "Crest"). Crest is Operationally Closed;

(Transferor Company 1, Transferor Company 2, Transferor Company 3, and Transferor Company 4 together are hereinafter referred to as the "Transferor Companies")

e. **Mahindra CIE Automotive Limited** is a public limited company incorporated under the Companies Act, 1956 with its registered office at Mahindra Towers, P.K. Kurne Chowk, Worli, Mumbai - 400018, Maharashtra, India ("Transferee Company" or "MCIE"). The Transferee Company is a multi-locational and multi-technology business with engineering capabilities and manufacturing facilities of its own and of its subsidiaries in India and in Germany, Spain, Lithuania, Italy and the United Kingdom. The Company has an established presence in each of these locations and supply automotive components to its customers based there and export its products to customers based in other countries as well. The equity shares of the Transferee Company are listed on the BSE and the NSE.

f. All the Transferor Companies are subsidiaries of the Transferee Company.

g. **Purpose of the Scheme**

The Scheme of Amalgamation is presented under Sections 230 to 234 and other applicable provisions of the Companies Act, 2013 of India read with Rules made thereunder and Sections 261 to 264 and other applicable provisions of the Mauritius Companies Act, 2001 for amalgamation of Mahindra Forgings Global Limited, Mahindra Forgings International Limited, Mahindra Gears and Transmissions Private Limited and Crest Geartech Private Limited with Mahindra CIE Automotive Limited and their respective shareholders.

h. **Rationale of the Scheme:**

- Rationalizing multiple subsidiaries in the group to ensure optimized legal entity structure more aligned with the business;
- Reorganizing the legal entities in the group structure so as to obtain significant cost savings and/or simplification benefits;
- Significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by Mahindra Forgings Global Limited,



Mahindra Forgings International Limited, Mahindra Gears and Transmissions Private Limited and Crest Geartech Private Limited;

- Mahindra Gears and Transmissions Private Limited and the Company are engaged in complementary businesses and combining the businesses of the Transferor Company 3 and the Transferee Company will result in enhancing shareholder value ;
- Rationalizing costs by elimination of administrative functions and multiple record-keeping.

i. **Parts of the Scheme:**

The Scheme of Amalgamation is divided into following three parts:

- Part I** - Deals with the definitions and share capital;
- Part II**- Deals with amalgamation of Mahindra Forgings Global Limited, Mahindra Forgings International Limited, Mahindra Gears and Transmissions Private Limited and Crest Geartech Private Limited with Mahindra CIE Automotive Limited; and
- Part III** - Deals with the dissolution of the Transferor Companies and General Clauses, Terms and Conditions applicable to the Scheme.

PART I -DEFINITIONS, INTERPRETATION AND SHARE CAPITAL

1) **Definitions and Interpretation**

In this Scheme, unless repugnant to the meaning or context thereof, (i) terms defined in the introductory paragraphs and recitals shall have the same meanings throughout this Scheme and (ii) the following words and expressions, wherever used (including in the recitals and the introductory paragraphs above), shall have the following meanings:

- 1.1. 'Act' or 'the Act' means the Companies Act, 2013 of India and Rules made thereunder,
- 1.2. 'Applicable Law(s)' means any statute, notification, bye laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions law enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force.
- 1.3. 'Appointed Date' means the 1st day of July, 2017.



- 1.4. **'Appropriate Authority'** means any governmental, statutory, regulatory, departmental or public body or authority of the Relevant Jurisdiction including Securities and Exchange Board of India, Stock Exchanges, Registrar of Companies of Maharashtra, India, Registrar of Companies of Mauritius, the National Company Law Tribunal in relation to India and relevant competent authorities in relation to Mauritius.
- 1.5. **"Board of Directors" or "Board"** in relation to each of the Transferor Companies and the Transferee Company, as the case may be, means the board of directors of such company, and shall include a committee duly constituted and authorised for the purposes of matters pertaining to the amalgamation, this Scheme and/or any other matter relating thereto;
- 1.6. **'Effective Date'** means the last of the following dates, namely:
- a. That on which the last of the aforesaid consents, approvals, permissions, resolutions and orders as mentioned in Clause 20(a) shall be obtained or passed; or
 - b. That on which all necessary certified copies of orders under the applicable section(s) of the Act shall be duly filed with the appropriate Registrar of Companies.
- 1.7. **"Governmental Authority"** means (i) a national government, political subdivision thereof; (ii) an instrumentality, board, commission, court, or agency, whether civilian or military, of any of the above, however constituted; and (iii) a government-owned/ government-controlled association, organization in the Republic of India and Mauritius;
- 1.8. **'Mauritius Act'** means the Companies Act, 2001 of Mauritius and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force.
- 1.9. **'Relevant Jurisdiction'** means the territories of the Republic of India and Mauritius.
- 1.10. **'Scheme' or 'the Scheme' or 'this Scheme'** means this Scheme of Amalgamation in its present form as submitted to the Tribunal and the Registrar of Companies of Mauritius with any modification(s) made under Clause 22 of the Scheme as approved or directed by the Tribunal or such other competent authority, as may be applicable.



- 1.11. 'SEBI' means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- 1.12. 'SEBI Circular' shall mean the circular issued by the SEBI, being Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, and any amendments thereof.
- 1.13. 'Stock Exchanges' means the BSE Limited and National Stock Exchange of India Limited;
- 1.14. 'Tribunal' means the National Company Law Tribunal, Mumbai Bench as constituted and authorized as per the applicable provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of companies under Section 230 to 240 of the Companies Act, 2013, if applicable.
- 1.15. "Undertaking" means all the undertakings and entire business of the Transferor Companies as a going concern, including, without limitation:
- a. all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature) of the Transferor Companies, whether situated in India or abroad, including, without limitation, all manufacturing units and facilities, all land, buildings and structures, offices, residential and other premises, capital work-in-progress, machines and equipments, furniture, fixtures, office equipment, computers, appliances, accessories, power lines, stocks, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, earnest monies, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Companies, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, tenancies in relation to the office and/ or residential properties, guest houses, godowns, warehouses, vehicles, ITG sets, share of any joint assets, rights to use and avail of telephones, telexes



facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Companies or in connection with or relating to the Transferor Companies and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Companies, whether in India or abroad;

- b. all permits, quotas, rights, entitlements, industrial and other licences, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), municipal permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions in respect of the profits of the undertaking for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the benefit or exemption is available in law if the amalgamation pursuant to this Scheme does not take place, all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Companies;
- c. all debts, borrowings, obligations, duties and liabilities, both present and future (including deferred tax liabilities, contingent liabilities and the Liabilities and obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Rupees or foreign currency, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Companies; and
- d. all trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, books, records, files,



papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programmes, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Companies.

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

References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.

The headings herein shall not affect the construction of this Scheme.

Unless the context otherwise requires:

- i. the singular shall include the plural and vice versa, and references to one gender include all genders.
- ii. references to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives body (whether or not having separate legal personality).
- iii. reference to any law or to any provision thereof or to any rule or regulation promulgated thereunder includes a reference to such law, provision, rule or regulation as it may, from time to time, be amended, supplemented or re-enacted, or to any law, provision, rule or regulation that replaces it.

2) DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form with or without any modification(s) approved or imposed or directed by the Tribunal made as per the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.



Any references in the Scheme to 'upon the Scheme becoming effective' or 'effectiveness of the Scheme' shall mean the Effective Date.

3) SHARE CAPITAL

3.1. The stated capital of 'Transferor Company 1' as at December 31, 2016 is as under:

Particulars	Stated Capital (Amount in Euros)
3,38,49,836 shares of Euro 1 each	3,38,49,836
Total	3,38,49,836

Subsequent to December 31, 2016 and up to the date of approval of this Scheme by the Board of Transferor Company 1, there has been no change in the stated capital of Transferor Company 1.

There are no existing commitments, obligations or arrangements by the Transferor Company 1 as on the date of sanction of this Scheme by the Board of Directors to issue any further shares or convertible securities.

3.2. The stated capital of Transferor Company 2 as at December 31, 2016 is as under:

Particulars	Stated Capital (Amount in Euros)
8,01,70,001 shares of Euro 1 each	8,01,70,001
90,00,000 11% Non- Cumulative Preference Shares of Euro 1 each	90,00,000
Total	8,91,70,001

Subsequent to December 31, 2016 and up to the date of approval of this Scheme by the Board of Transferor Company 2, there is no change in the stated capital of Transferor Company 2.

There are no existing commitments, obligations or arrangements by the Transferor Company 2 as on the date of sanction of this Scheme by the Board of Directors to issue any further shares or convertible securities, except for the convertible debenture stocks of Euro 32,387,362 held by Transferor Company 1.



3.3. The share capital of Transferor Company 3 as at December 31, 2016 is as under:

Particulars	Amount (Rupees)
Authorized Capital	
2,50,00,000 Equity Shares of Rs. 10 each	2,50,00,000
Total	2,50,00,000
Issued	
1,51,12,455 shares of Rupees 10 each	15,11,24,550
Subscribed and Paid - up	
1,51,12,455 shares of Rupees 10 each	15,11,24,550
Total	15,11,24,550

The equity shares of the Transferor Company 3 are not listed on the Stock Exchanges.

Subsequent to December 31, 2016 and up to the date of approval of this Scheme by the Board of Transferor Company 3, there is no change in the stated capital of Transferor Company 3.

There are no existing commitments, obligations or arrangements by the Transferor Company 3 as on the date of sanction of this Scheme by the Board of Directors to issue any further shares or convertible securities.

3.4. The share capital of Transferor Company 4 as at March 31, 2017 is as under:

Particulars	Amount (Rupees)
Authorized Capital	
12,50,000 Equity Shares of Rs. 10 each	1,25,00,000
Total	1,25,00,000
Issued	
5,99,344 shares of Rupees 10 each	59,93,440
Subscribed and Paid - up	
5,99,344 shares of Rupees 10 each	59,93,440



Total	59,93,440
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The equity shares of the Transferor Company 4 are not listed on the Stock Exchanges.

Subsequent to March 31, 2017 and up to the date of approval of this Scheme by the Board of Transferor Company 4, there is no change in the stated capital of Transferor Company 4.

There are no existing commitments, obligations or arrangements by the Transferor Company 4 as on the date of sanction of this Scheme by the Board of Directors to issue any further shares or convertible securities.

3.5. The share capital of Transferee Company as at March 31, 2017 is as under

Particulars	Amount (Rs. in millions)
Authorized Capital	
48,69,42,621 Equity Shares of Rs. 10 each	4869.43
5 4% Non-Cumulative Redeemable Non-Convertible Preference Shares of Rs. 31 each	0.00
Total	4869.43
Issued	
37,81,14,710 Equity Shares of Rs. 10 each	3781.15
Subscribed and Paid - up	
378,113,765 Equity Shares of Rs. 10 each	3781.14
Total	3781.14

The equity shares of the Transferee Company are listed on BSE Limited (BSE.) and the National Stock Exchange of India Limited ("NSE"). Subsequent to March 31, 2017 and up to the approval of this Scheme by the Board of the Transferee Company, there has been no change in the issued, subscribed and paid-up capital of the Transferee Company.

There are no existing commitments, obligations or arrangements by the Transferee Company as on the date of sanction of this Scheme by the Board of Directors to issue



any further shares or convertible securities except issue shares on exercise of options granted under any of its existing employee stock option schemes.

PART II - AMALGAMATION OF MFGL, MFIL, MGTPL AND CREST WITH MCIE

Section I - Transfer and vesting

4) Upon the coming into effect of this Scheme and with effect from the Appointed Date, pursuant to the sanction of this Scheme by the Tribunal and pursuant to the provisions of Sections 230 to 234 and other applicable provisions, if any, of the Act, the Undertakings of the Transferor Companies shall be and stand vested in or be deemed to have been vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

5) *Vesting of Assets*

a. Without prejudice to the generality of Clause 4 above, upon the coming into effect of this Scheme and with effect from the Appointed Date, all the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Undertakings of whatsoever nature and where so ever situate shall, under the provisions of Sections 230 to 234 of the Act and all other applicable provisions of Applicable Law, if any, without any further act or deed, be and stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the estate, assets, properties, rights, claims, title, interest and authorities of the Transferee Company.

b. Without prejudice to the provisions of Clause 5(a) above, in respect of such of the assets and properties of the Transferor Companies as are movable in nature or incorporeal property or are otherwise capable of vesting or transfer by delivery or possession, or by endorsement and/or delivery, the same shall stand so transferred or vested by each of the Transferor Companies upon the coming into effect of this Scheme, and shall, become the assets and property of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Sections 230 to 234 of the Act, without requiring any deed or instrument of conveyance for transfer or vesting of the same.



- c. In respect of such of the assets and properties belonging to the Transferor Companies (other than those referred to in Clause (b) above) including sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any government, quasi government, local or other authority or body or with any company or other person, the same shall stand transferred to and vested in the Transferee Company and/or be deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 234 of the Act.
- d. All assets, rights, title, interest, investments and properties of the Transferor Companies as on the Appointed Date, whether or not included in the books of each of the Transferor Companies, and all assets, rights, title, interest, investments and properties, which are acquired by the Transferor Companies on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets, rights, title, interest, investments and properties of the Transferee Company, and shall under the provisions of Sections 230 to 234 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 234 of the Act.
- e. All the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Companies and all rights and benefits that have accrued or which may accrue to the Transferor Companies, whether on, before or after the Appointed Date, including income tax benefits and exemptions, shall, under the provisions of Sections 230 to 234 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vested in and/or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and



benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

6) **Contracts, Deeds etc.**

- a. Upon the coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, insurance, letters of Intent, undertakings, policies and other instruments of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which each of the Transferor Companies may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company concerned, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder.
- b. Without prejudice to the other provisions of this Scheme and notwithstanding that vesting of the Undertakings occurs by virtue of this Scheme itself, the Transferee Company 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, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, after the Effective Date, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of each of the Transferor Companies and to carry out or perform all such formalities or compliances referred to above on the part of each of the Transferor Companies to be carried out or performed.
- c. Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme and with effect from the Appointed Date, all consents, permissions, licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Companies shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound



by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

7) **Transfer of Liabilities**

- a. Upon the coming into effect of this Scheme and with effect from the Appointed Date all debts and liabilities of each of the Transferor Companies including all secured and unsecured debts (in whatsoever currency), liabilities (including contingent liabilities), duties and obligations of each of the Transferor Companies of every kind, nature and description whatsoever whether present or future, and howsoever arising, along with any charge, encumbrance, lien or security thereon (herein referred to as the "Liabilities") shall, pursuant to the sanction of this Scheme by the Tribunal and under the provisions of Sections 230 to 234 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company, to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Companies, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause 7.
- b. Where any such debts, liabilities, duties and obligations of each of the Transferor Companies as on the Appointed Date have been discharged by such Transferor Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.
- c. All loans raised and utilised and all liabilities, duties and obligations incurred or undertaken by each of the Transferor Companies on or after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 234 of the Act, without any further act, instrument or deed be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company and shall become the loans



and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

- d. Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time from the Appointed Date to the Effective Date become due between each of the Transferor Companies and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.

8) **Encumbrances**

- a. The transfer and vesting of the assets comprised in the Undertakings to the Transferee Company under Clause 5 and Clause 6 of this Scheme shall be subject to the Encumbrances, if any, affecting the same as hereinafter provided.
- b. All Encumbrances, if any, existing prior to the Effective Date over the assets of each of the Transferor Companies shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date, provided that if any of the assets of the Transferor Companies have not been Encumbered, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.
- c. The existing Encumbrances over the other assets and properties of the Transferee Company or any part thereof which relate to the Liabilities of the Transferee Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Companies transferred to and vested in the Transferee Company by virtue of this Scheme.
- d. Any reference in any security documents or arrangements (to which any of the Transferor Companies is a party) to any of the Transferor Companies and their respective assets and properties, shall be construed as a reference to the Transferee Company and the assets and



properties of the Transferor Companies transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.

- e. Upon the coming into effect of this Scheme, the Transferee Company shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of this Scheme.
- f. It is expressly provided that, save as herein provided, no other term or condition of the Liabilities transferred to the Transferee Company is amended by virtue of this Scheme except to the extent that such amendment is required statutorily.
- g. The provisions of this Clause 8 shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings or the terms of sanction or issue or any security document shall stand modified and/or superseded by the foregoing provisions.

9) **Employees**

- a. Upon the coming into effect of this Scheme, all Employees of each of the Transferor Companies shall, become the employees of the Transferee Company, on same terms and conditions and shall not be less favorable than those on which they are engaged by the Transferor Companies and without any interruption of or break in service as a result of the amalgamation of the Transferor Companies with the Transferee Company. For the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such Employees with the respective Transferor Company and such benefits to which the Employees are entitled in the respective Transferor Company shall also be taken into account, and paid (as and when payable) by the Transferee Company.
- b. It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits (including employee stock options) that may be applicable and available to any of the other employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other employees of the Transferee Company), unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into or deemed to have been entered into by any of the Transferor Companies with any union/employee of the respective Transferor Company.



- c. Insofar as the provident fund, gratuity fund, superannuation fund, retirement fund and any other funds or benefits created by any of the Transferor Companies for its Employees or to which any of the Transferor Companies is contributing for the benefit of its Employees (collectively referred to as the "Funds") are concerned, the Funds or such part thereof as relates to the Employees (including the aggregate of all the contributions made to such Funds for the benefit of the Employees, accretions thereto and the investments made by the Funds in relation to the Employees) shall be transferred to the Transferee Company and shall be held for the benefit of the concerned Employees. In the event the Transferee Company has its own funds in respect of any of the employee benefits referred to above, the Funds shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, be merged with the relevant funds of the Transferee Company. In the event that the Transferee Company does not have its own funds in respect of any of the above or if deemed appropriate by the Transferee Company, the Transferee Company may, subject to necessary approvals and permissions, maintain the existing funds separately and contribute thereto until such time that the Transferee Company creates its own funds, at which time the Funds and the investments and contributions pertaining to the Employees shall be merged with the funds created by the Transferee Company.
- d. In relation to those Employees for whom any of the Transferor Companies is making contributions to the government provident fund or other employee benefit fund, the Transferee Company shall stand substituted for the relevant Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such Employees, such that all the rights, duties, powers and obligations of the Transferor Companies as the case may be in relation to such schemes/ Funds shall become those of the Transferee Company.

10) Legal, Taxation and other Proceedings

- a. Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against each of the Transferor Companies pending on the Effective Date shall be continued and/ or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted by or against the Transferee Company.
- b. If any suit, appeal or other proceeding of whatever nature by or against the Transferor Companies is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against Transferee Company, as the case may be, in the same manner and to the same extent as if



would or might have been continued, prosecuted and enforced by or against the Transferor Companies as if this Scheme had not been made.

- c. In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Transferor Companies, Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of Transferee Company.
- d. Without prejudice to the provisions of Clauses 4) to 10), with effect from the Appointed Date, all inter-party transactions between each of the Transferor Companies and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.

Section 2 – Conduct of Business

11) *With effect from the Appointed Date and up to and including the Effective Date:*

- a. each of the Transferor Companies shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts and investments for and on account of, and in trust for, the Transferee Company;
- b. The Transferor Companies shall carry on their business and activities with due business prudence and diligence and shall not, without prior written consent of the Transferee Company or pursuant to any preexisting obligation, sell transfer or otherwise alienate, charge, mortgage, encumber or otherwise deal with any part of its assets nor incur or accept or acknowledge any debt, obligation or liability except as is necessary in the ordinary course of business.
- c. all profits and income accruing or arising to the Transferor Companies, and losses and expenditure arising or incurred by them (including taxes, if any, accruing or paid in relation to any profits or income) for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including taxes), as the case may be, of the Transferee Company;
- d. any of the rights, powers, authorities or privileges exercised by the Transferor Companies shall be deemed to have been exercised by the Transferor Companies for and on behalf of, and in trust for and as an agent of the Transferee Company.



Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Companies shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company; and

- e. all taxes (including, without limitation, income tax, sales tax, service tax, VAT, etc.) paid or payable by the Transferor Companies in respect of the operations and/or the profits of the respective Transferor Companies before the Appointed Date, shall be on account of the Transferor Companies and, insofar as it relates to the tax payment (including, without limitation, income tax, sales tax, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of the profits or activities or operation of the Transferor Companies with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.
- f. Pending sanction of the Scheme, the Transferor Companies shall not, except by way of issue of shares / convertible debentures to the Transferee Company, increase their capital (by fresh issue of shares, convertible debentures or otherwise).
- g. Except by way of transfer to the Transferee Company, the Transferor Company 1 shall not transfer the convertible debenture stocks held by it in Transferor Company.

Section 3 - Cancellation of share capital of Transferor Companies

- 12) Upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of the holding of the Transferee Company in the Transferor Companies and the stated capital/issued and paid-up capital of the Transferor Companies shall stand cancelled on the Effective Date.

Section 4 - Increase in Authorised Share Capital of Transferee Company

- 13) As a part of this Scheme, and, upon the coming into effect of this Scheme, the authorised share capital of the Transferee Company shall automatically stand increased, without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to Registrar of Companies, by the aggregate authorised share capital of the Transferor Companies.
- 14) The capital clause of the Memorandum of Association and the Articles of Association of the Transferee Company shall, as a part of and, upon the coming into effect of this Scheme and without any further act or deed, be replaced by the following clause:



MEMORANDUM OF ASSOCIATION

"V. The Authorised Share Capital of the Company is INR 5,131,926,365 (Rupees Five billion One Hundred Thirty One million Nine Hundred and Twenty Six thousand three hundred Sixty Five only) divided into 513,192,621 (Five Hundred Thirteen million One Hundred Ninety Two Thousand Six Hundred Twenty One) Equity Shares of INR 10 (Rupees ten only) each aggregating INR 5,131,926,210 (Rupees Five billion One Hundred Thirty One million Nine Hundred and Twenty Six thousand Two Hundred Ten only) and 5 (Five) 4% (four percent) Non Cumulative Redeemable Non Convertible Preference Shares of INR 31 (Rupees thirty one only) each aggregating INR 155 (Rupees One Hundred Fifty Five), with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company and the legislative provisions for the time being in force."

ARTICLES OF ASSOCIATION

"3. The Authorised Share Capital of the Company is INR 5,131,926,365 (Rupees Five billion One Hundred Thirty One million Nine Hundred and Twenty Six thousand three hundred Sixty Five only) divided into 513,192,621 (Five Hundred Thirteen million One Hundred Ninety Two Thousand Six Hundred Twenty One) Equity Shares of INR 10 (Rupees ten only) each aggregating INR 5,131,926,210 (Rupees Five billion One Hundred Thirty One million Nine Hundred and Twenty Six thousand Two Hundred Ten only) and 5 (Five) 4% (four percent) Non Cumulative Redeemable Non Convertible Preference Shares of INR 31 (Rupees thirty one only) each aggregating INR 155 (Rupees One Hundred Fifty Five), with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company and the legislative provisions for the time being in force."



- 15) It is clarified that for the purposes of Clause 13 and 14 above, the stamp duties and fees (including registration fee) paid on the authorised share capital of the Transferor Companies shall be utilized and applied to the increased authorised share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee (including registration fee) by the Transferee Company for increase in the authorised share capital to that extent. The Transferee Company shall file requisite forms with the concerned Registrar of Companies.

**PART III - DISSOLUTION OF TRANSFEROR COMPANIES, GENERAL
CLAUSES, TERMS AND CONDITIONS APPLICABLE TO THE SCHEME**

16) Accounting and Tax Treatment

a. Applicability of provisions Income Tax Act

- i. The provisions of this Scheme as they relate to the amalgamation of Transferor Companies with Transferee Company has been drawn up to comply with the conditions relating to 'amalgamation' as defined under Section 2(1B) of the (Indian) 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 of the (Indian) Income-tax Act, 1961, 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 (Indian) Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the (Indian) Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.
- ii. Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act 1961 (including for minimum alternate tax purposes and tax benefits), service tax law and other tax laws and to claim refunds and/or credits for taxes paid (including minimum alternate tax), and to claim tax benefits under the Income Tax Act, 1961 etc. and for matters incidental thereto, if required to give effect to the provisions of this Scheme.

b. Accounting Treatment



- i. The Transferor Companies are subsidiaries of the Transferee Company and as a result of the amalgamation the Transferor Companies and the Transferee Company would be under the same control before and after the business combination

ii. Accounting – standalone financial statements

The amalgamation shall be accounted for under the pooling of interests method

Notwithstanding anything to the contrary, upon the scheme becoming effective, the Transferee Company shall give effect to the accounting treatment in its books of accounts in accordance with the applicable accounting standards specified under section 173 of the Act read with rule 7 of the Accounts Rules and other generally accepted accounting principles:

The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies

- The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.
- The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor companies shall be transferred to capital reserve and shall be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

iii. Accounting – consolidated financial statements

The Transferor Companies being wholly owned subsidiaries of the Transferee Company there will be no changes made in the consolidated financial statements of the Transferee Company before and after the amalgamation.

c. Tax

- i. Upon the Scheme coming into effect, all taxes (direct and/or indirect)/ cess/ duties payable by or on behalf of the Transferor Companies from the Appointed Date onwards including all or any refunds and claims, including refunds or claims pending with any Governmental Authority and including the right to claim credit for minimum alternate tax and carry forward of accumulated losses, and unutilized CENVAT credit, VAT credit etc shall, for all purposes, be treated as the tax/ cess/ duty, liabilities or refunds, claims, accumulated losses and unutilized CENVAT credits, VAT credit and rights to claim credit or refund etc of the Transferee Company. Accordingly, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its income tax returns, wealth



tax returns, sales tax returns, excise and CENVAT returns, service tax returns, other statutory returns, and to claim refunds/ credits, pursuant to the provisions of this Scheme.

- ii. The Transferee Company shall also be permitted to claim refunds / credits in respect of any transaction between or amongst the Transferor Companies inter se and the Transferor Companies and the Transferee Company. Without prejudice to the generality of Clause 16) c) i) above, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its income tax returns and related withholding tax certificates, including withholding tax certificates relating to transactions between or amongst the Transferor Companies inter se and the Transferor Companies and the Transferee Company, and to claim refunds, advance tax and withholding tax credits, benefit of credit for minimum alternate tax and carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.
- iii. The withholding tax/ advance tax/ minimum alternate tax, if any, paid by the Transferor Companies under the Income Tax Act, 1961 or any other statute in respect of income of the Transferor Companies assessable for the period commencing from the Appointed Date shall be deemed to be the tax deducted from/ advance tax paid by the Transferee Company and credit for such withholding tax/ advance tax/ minimum alternate tax shall be allowed to the Transferee Company notwithstanding that certificates or challans for withholding tax/ advance tax are in the name of the Transferor Companies and not in the name of the Transferee Company.
- iv. The service tax paid by the Transferor Companies under the Finance Act, 1994 in respect of services provided by the Transferor Companies for the period commencing from the Appointed Date shall be deemed to be the service tax paid by the Transferee Company and credit for such service tax shall be allowed to the Transferee Company notwithstanding that challans for service tax payments are in the name of the Transferor Companies and not in the name of the Transferee Company.

17) Resolutions

- a. Upon the coming into effect of this Scheme, the resolutions, if any, of the Transferor Companies, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company in terms of Section 181 of the Act shall be deemed, without any further act or deed, to have



been enhanced by the aggregate limits of the Transferor Companies which are being transferred to the Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company, with effect from the Appointed Date.

18) Savings of concluded transactions

The transfer and vesting of undertaking under Clause 4 above and the continuance of proceedings by or against the Transferee Company under clause 10 above shall not affect any transaction or proceedings already concluded by the Transferor Companies on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto.

19) Dissolution of the Transferor Companies

Upon the coming into effect of this Scheme, each of the Transferor Companies shall stand dissolved without winding-up without any further act or deed.

20) Conditions Precedent

a. The effectiveness of the Scheme is conditional upon and subject to:

- i. The requisite sanction or approval of the Appropriate Authorities from India and Mauritius being obtained and/or granted in relation to any of the matters in respect of which such sanction or approval is required.
- ii. this Scheme being approved by the respective requisite majorities of the various classes of shareholders of each of the Transferor Companies and the Transferee Company if required under the Act or Mauritius Act and the requisite orders of the Tribunal being obtained;
- iii. The certified copy of the order of the Tribunal under Sections 230 to 234 and other applicable provisions of the Act sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra at Mumbai by the Transferee Company and Transferor Company 3 and with the Registrar of Companies, Maharashtra at Pune by Transferor Company 4;
- iv. such other approvals and sanctions as may be required by Applicable Law in respect of this Scheme being obtained.

b. On the approval of this Scheme by the shareholders of each of the Transferor Companies and the Transferee Company, if required, such shareholders shall also be



deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the amalgamation set out in this Scheme, related matters and this Scheme itself.

21) Applications

MGTPL, Crest and the Transferee Company, if required shall, with all reasonable dispatch, make applications/ petitions to the Tribunal under Section 230 to 234 and other applicable provisions, of the Act, for sanctioning of this Scheme.

MFGL and MFIL shall initiate and pursue all actions necessary under the laws of Mauritius, including filing of the Order of the Tribunal with the RoC Mauritius and such other agreements, opinions, certificates, consents or documents as may be required under the laws of Mauritius, to enable her to strike off the name of MFGL and MFIL.

The Transferor Companies shall take all necessary steps for sanctioning of this Scheme and for their dissolution without winding up, and apply for and obtain such other approvals, if any, required under the law.

22) Modifications or amendments to the Scheme

- a) The Transferor Companies and the Transferee Company, through their respective Board of Directors, may assent from time to time on behalf of all the persons concerned to any modifications or amendments or additions to this Scheme subject to approval of the Tribunal or to any conditions or limitations which the Tribunal and/or the Mauritius authorities and/or any other competent authorities, if any, under the law may deem fit and approve of or impose and which the Transferor Companies and the Transferee Company may in their discretion deem fit and may resolve all doubts or difficulties that may arise for carrying out this Scheme and do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect. The aforesaid powers of the Transferor Companies and the Transferee Company may be exercised by their respective Boards of Directors, a Committee of the concerned Board or any Director, authorized in that behalf by the concerned Board of Directors (hereinafter referred to as the 'delegate').
- b) For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate of the Transferor Companies or the Transferee Company may give and is hereby authorized to determine and give



all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties in the same manner as if the same were specifically incorporated in this Scheme.

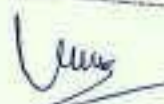
- c) For the removal of doubts, it is hereby clarified that withdrawal by any one or more of the Transferor Companies from the Scheme shall not prejudicially effect the implementation of the Scheme between the remaining Transferor Companies and the Transferee Company as if the party withdrawing from the Scheme was never a party to the Scheme in that behalf.

23) Costs, Charges and Expenses

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



Certified True Copy
Date of Application 15.12.2017
Number of Pages 27
Fee Paid Rs 135
Applicant named for collection copy on 20.12.2017
Copy prepared on 20.12.2017
Copy filed on 20.12.2017


Deputy Director
National Company Law Tribunal, Mumbai Bench

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH

CSP NO 1075 (MAH) OF 2017

IN

CSA NO 899 (MAH) OF 2017

In the matter of the Companies Act, 2013;

AND

In the matter of Sections 230 to 234 and other applicable provisions of the Companies Act, 2013 ;

AND

In the matter of Scheme of Amalgamation of Mahindra Forgings Global Limited (Transferor Company 1) and Mahindra Forgings International Limited (Transferor Company 2) and Mahindra Gears and Transmissions Private Limited (Transferor Company 3) and Crest Geartech Private Limited (Transferor Company 4) with Mahindra CIE Automotive Limited and their respective Shareholders



Mahindra CIE Automotive Limited..... Petitioner Company

**CERTIFIED COPY OF ORDER DATED 13TH DAY OF
DECEMBER 2017 AND THE SCHEME ANNEXED TO
THE PETITION**

HS

HEMANT SETHI & CO

ADVOCATES FOR PETITIONER

+91 9820244453

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO.112 OF 2005
CONNECTED WITH
COMPANY APPLICATION NO.872 OF 2005

In the matter of Companies Act,
1956;

and

In the matter of Section 391 to
394 of the Companies Act, 1956;

and

In the matter of Scheme of
Arrangement between:-

Amforge Industries Limited

and

Mahindra Automotive Steels
Pvt.Ltd.

Mahindra Automotive Steels
Private Limited

.. Petitioner

Mr.Virag Tulzapurkar, Senior Advocate with
Mr.Amit Jamsandekar i/b. Khaitan & Co. for
petitioner

Mr.C.J.Joy with R.C.Master with M.M.Goswami
Panel Counsel i/b. Dr.T.C.Kaishik - Regional
Director.

WITH



COMPANY PETITION NO.119 OF 2006
CONNECTED WITH
COMPANY APPLICATION NO.850 OF 2005

In the matter of Companies Act,
1956;

and

In the matter of Section 391 to
394 and 189 to 184 of the
Companies Act, 1956;

and

In the matter of Scheme of
Arrangement between:

Amforge Industries Limited
And
Mahindra Automotive Steels
Pvt.Ltd.

Amforge Industries Limited .. Petitioner.

Mr.Jijina with Mr.Sameer Samant i/b. M/s.Mulla &
Mulla & C.B.C. for petitioner
Mr.C.J.Joy with H.C.Master and Mr.M.M.Goswami,
Panel Counsel i/b. Dr.f.C.Kaushik - Regional
Director.

CURAM : B.C.DHARMADHIKARI, J.
DATE : 21st March 2006

P.C.

Heard Mr.Tuizaparker, learned Senior
Counsel appearing for petitioner company and
Mr.Joy, learned Counsel appearing for Regional



Director.

2. Present petition is by Transferee company seeking sanction of this Court to a scheme of arrangement with the Transferor company which is petitioner in Company Petition No.119 of 2006. The Diakan unit of Transferor company would be taken over as a going concern by the petitioner in Company Petition No.112 of 2006 and is proposed to be vested on the terms and conditions set out in the scheme.

3. The features of the scheme are set out in the petition. Audited financial accounts of petitioner company for the year ended 31st March 2005 are also annexed. The scheme postulates that in consideration of the de-merger of the transferor company the transferee company shall without any further payment issue and allot on a proportionate basis to each of the member of transferor company, whose name is recorded in the Register of members of the transferor company,



shares in the ratio set out in the petition. Meeting has been dispensed with by this Court. The Regional Director has filed an affidavit in both matters. The Regional Director has pointed out that the Transferee company proposes to change its name and, therefore, it will have to comply with provisions of sections 21 and 23 of the Companies Act, 1956. Further, conversion contemplates change from "Private Limited" to "Public Limited" and, therefore, the transferee company will also have to comply with the provisions of Companies Act in that behalf. Additionally, it is pointed out that issue of shares to Non Resident Indians may involve taking appropriate permission from Reserve Bank of India.

3. Mr. Tulzapurkar, learned Senior Counsel appearing for petitioner in C.P.112 of 2006 and the learned Advocate appearing for petitioner in C.P.119 of 2006 make a statement that compliance with all statutory provisions of Companies Act



and if necessary, with Foreign Exchange Management Act as also Reserve Bank guidelines would be made, before the scheme is implemented fully. Similarly, provisions contained in Companies Act with regard to increase in authorised share capital would also be made by parties.

4. Needless to state that the order passed by this Court sanctioning the scheme is subject to compliance as aforesaid. Both petitions are made absolute accordingly in the following manner:-

a) Company Petition No.112 of 2006 is made absolute in terms of prayer clauses (a) to (h). Cost of Regional Director is quantified at Rs.2,500/-;

b) Company Petition No.119 of 2006 is made absolute in terms of prayer clauses (a) to (d). Cost of Regional



Director is quantified at Rs.2,500/-

c) As far as reduction of share capital is concerned, form of minutes in terms of Exh.M would be filed with the authorities within the time stipulated by Companies Act, 1936.

Parties to act on authenticated copy of this order. C.C. expedited.

(S.C.Dharmadhikari, J)

TRUE-COPY

M. D. Narvekar 22/03/06
M. D. NARVEKAR
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

TRUE COPY

Date 3-10
Section Officer
High Court, Appellate Side
Bombay.

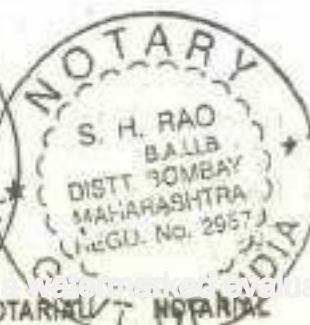
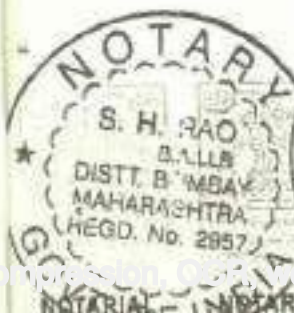


CERTIFIED TO BE
TRUE COPY

Suro
S. H. RAO

B.A.
ADVOCATE HIGH COURT
NOTARY GOVT. OF INDIA
A1/13, N.M. CO-OP SOCIETY,
MUMBAI-PUNE ROAD,
MALWA (WEST), THANE-400 605.
MOBILE: 98211-1111

17 APR 2006



**SCHEME OF ARRANGEMENT (DEMERGER)
UNDER SECTIONS 391 TO 394 OF
THE COMPANIES ACT, 1956**

between

AMFORGE INDUSTRIES LIMITED

(Amforge/The Demerged Company / Transferor Company)

and

MAHINDRA AUTOMOTIVE STEELS PRIVATE LIMITED

(MASPL/The Resulting Company / Transferee Company)

and

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PART 1 – GENERAL

- (A) The Transferor Company is a listed public company and is engaged in the business inter alia, to manufacture, fabricate, buy, sell, deal in forgings, castings and stampings, of all metals, machinery parts, moulds, press tools, jigs, fixtures, injections and compression mouldings, garage tools, agricultural implements, small forgings, die making and die casting, automobile parts, brass parts, spare parts of all kinds of machinery and all other allied lines and to undertake sheet metal press jobs and all other engineering job works.
- (B) The Resulting Company is an unlisted company and a wholly owned subsidiary of Mahindra as on the date hereof and is engaged in the business inter alia, to manufacture, machine, fabricate, develop, design, refine, process, research in, contract, install, service, repair, maintain, process, refine, cure or conversion or buy, sell, trade in, deal with, otherwise deal in all types, categories, form and description of forgings, castings and stampings of all metals – including die making, die casting, machinery parts, moulds, press tools, jigs, fixtures, injections and compression moulding, tools, implements.
- (C) This Scheme of Arrangement (hereinafter referred to as the “Scheme”) provides for the Demerger of the Demerged Undertaking (as defined hereinafter) from the Transferor Company to the Resulting Company, and the consequent issue of shares by the Resulting Company to the shareholders of the Transferor Company, in accordance with Section 2(19AA) of the Income Tax Act, 1961 and the provisions of Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 and the reorganisation of share capital of the Transferor Company.
- (D) The Transferor Company and Mr. Puneet Makar being one of its promoter shareholder have pursuant to a separate Deeds of Warranties and Indemnities dated July 1, 2005 (Deeds of Warranties) represented, warranted and covenanted to the Resulting Company in relation to the Demerged Undertaking and the Transferor Company;
- (E) Mahindra has subscribed to and the Resulting Company has relying upon the Deeds of Warranties allotted to Mahindra 82,11,866 number of equity share, of the Resulting Company, at a price of Rs.97.42/- (being Rs.10/- face value and premium of Rs.87.42/- each) aggregating to Rs.80,00,00,000 (Rupees Eighty Crores only) (being rounded off to the nearest thousand).
- (F) Mahindra has also, relying upon the Deeds of Warranties, paid share application money to the Resulting Company toward subscription of 49,78,444 number of equity shares of the Resulting Company, at a price of Rs.97.42 (being Rs.10/- face value and premium of Rs.87.42 each) aggregating to Rs.48,50,00,015 (Rupees Forty-eight crores fifty lakhs fifteen only), which will be allotted by the Resulting Company to Mahindra pursuant to the terms of the Scheme, the proceed of which shall be utilized for the purpose of redeeming the Preference Shares.

- (G) The Transferor Company acknowledges that the shareholders of the Transferee Company will be approving this Scheme in reliance upon the representations set out in the Deeds of Warranties made by Mr. Puneet Makar being one of its promoter shareholder and the Transferor Company.
- (H) Nainesh Investment And Trading Company Private Limited ("Nainesh") a company incorporated under the Companies Act, 1956 and having its registered office at 416 Raheja Chambers, 4th Floor, Free Press Journal Road, Nariman Point, Mumbai 400 021, Mumbai 400 021 is a group company of the promoters of the Transferor Company. The said Nainesh as a result of inter-se transfer of equity shares of the Transferor Company, amongst the promoter group companies, acquired equity shares of the Transferor Company and currently holds equity share of the Transferor Company representing 14.9% of the issued, subscribed and paid up equity share capital of the Transferor Company.
- (I) The Indian and Eastern Engineer Company Limited, a company incorporated under the Indian Companies Act, 1913 and existing under the Companies Act, 1956 and having its registered office at Cecil Court, 5th Floor, Mahakavi Bhushan Marg, Mumbai 400 001, ("IEECL"), and a company controlled by family members of the promoter of Mahindra & Mahindra Limited, has subscribed to, and Nainesh has issued and allotted, on August 29, 2005, to IEECL, Class B equity shares of Nainesh representing 76.19 % of the issued and paid up share capital of Nainesh."
- (J) This Scheme also makes provisions for various other matters consequential or related thereto and otherwise integrally connected therewith.

1. Definitions

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

- (i) "Act" means the Companies Act, 1956 or any statutory modification or re-enactment thereof;
- (iii) "Appointed Date" means opening business hours of 1st day of April 2005;
- (iv) "Demerged Undertaking" means the forging and other businesses carried out by the Transferor Company at its unit located at GUT No. 856-860, Chakan Ambethan Road, Taluka – Khed, District Pune, Maharashtra – 410 501, on a going concern basis and consisting inter alia all assets as set out in Part 1 of Schedule 1, and all the liabilities as set out in Part 2 of Schedule 1 relating thereto (the Chakan Undertaking) but excluding those pertaining to the Remaining Business;

Assets and Liabilities of the Chakan Undertaking and/ or unit shall mean and include:

- (a) all assets, wherever situated, whether movable or immovable, tangible or intangible, including but not limited to any plant and machinery, land properties, estate, buildings, offices, residential flats/guest houses/transit quarters, work-in-progress, furniture, fixtures, office equipment, data processing equipments, computer aided design equipments with software packages/licenses, electrical installations / systems, communication system / accessories, appliances, accessories, raw material, finished and semi finished goods, all scrap or by-products, inventory, investments, vehicles, fork lifts/material handling equipments, etc., together with all the present disclosed liabilities and borrowings including specific loans and borrowings (including debentures, if any) raised, incurred and/or utilized solely for the activities or operations, appertaining to or relatable to the Chakan Undertaking and particularly listed in Part 2 of Schedule 1 as on the Appointed Date;

- (b) without prejudice to the generality of the clause (a) above the Assets of the Chakan Undertaking shall also include; all permits, approvals, arrangements, authorizations, benefits, concessions, rights and benefits of all contracts, agreements, allotments, consents, quotas, rights, easements, engagements, exemptions, entitlements, advantages of whatsoever nature; industrial and other licenses, approvals, consents, municipal permissions, current assets receivables, fixed assets, industrial and intellectual property rights of any nature whatsoever and howsoever named, including trademark, trade-names, patents, copyrights, designs permits powers of every kind, nature and description whatsoever, all properties, movable and immovable, real, corporeal, or incorporeal, in possession or reversion, present or contingent of whatsoever nature and where-so-ever situated, tenancies in relation to office and/or residential properties for the employees, offices, license in respect thereof, intangibles, leasehold rights, liberties, ownerships rights and benefits, cash balances, the benefit of any deposits, bank balances, bank accounts, earnest moneys; all other rights and benefits, licenses, powers, privileges and facilities of every kind, nature and description whatsoever; right to use and avail of telephones, telexes, facsimile, connections, installations and other communication facilities and equipments, titles, all other utilities, benefits of all agreements, contracts, government contracts, memoranda of understanding, project service agreement, pre-qualification, applications, bids, tenders, letters of intent, concessions, agreements, non possessory contractual rights or any other contracts, development rights, allocated deferred tax, including deferred sales tax and or carry forward income tax benefits as per law, funds belonging to, proposed to be utilised by the Chakan Undertaking and arrangements and all other interest in connection with or relating to the Chakan Undertaking on the Appointed Date;
 - (c) all deposits and/or moneys paid by the Transferor Company in connection with or relating to the Chakan Undertaking (including the deposits in the name of Isha Steel Processor Limited, which was amalgamated with the Transferor Company and which originally owned the factory land at Chakan); and
 - (d) all necessary records, files, papers, engineering and process information, all product pricing, costing, commercial and business related information, computer program, drawings & designs, manuals, data, catalogues, quotations, sales and advertising materials, lists and all details of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form in connection with or relating to the Chakan Undertaking.
- (v) "Deeds of Warranties": the Deed of Warranties and Indemnities dated July 1, 2005 by Mr. Puneet Makar being one of the promoter shareholder of the Transferor Company and Deed of Warranties and Indemnities executed in favor of the Transferee Company dated July 1, 2005 by the Transferor Company pursuant to which they have, represented, warranted and covenant to The Transferee Company in relation to the Demerged Undertaking and the Transferor Company;
- (vi) "Effective Date" means the date on which :
 - (a) all the conditions and matters referred to in Clause 31 hereof have been fulfilled and
 - (b) all the approvals and consents referred to therein have been obtained. References in the Scheme to the date of "coming into effect of this Scheme" or "effectiveness of the Scheme" shall mean the Effective Date.

- (vii) "Transferor Company" or "Demerged Company" means Amforge Industries Limited, a company within the meaning of the Act and having its registered office at United Bank of India Building, 6th Floor, Sir P.M. Road, Mumbai or the Transferor Company or the Demerged Company;
- (viii) "Guaranteed Debts" means all debts, liabilities and obligations of the Demerged Company as on the Appointed Date in relation to the Remaining Business which the Resulting Company undertakes to discharge in terms of Part V of this Scheme;
- (ix) "Record Date" means the date to be fixed by the Board of Directors or a committee thereof of the Transferor Company for the purpose of determining the members of the Transferor Company to whom shares will be allotted pursuant to this Scheme;
- (x) "Remaining Business" means all the business, units, divisions, and their respective assets and liabilities (including that portion of general common and multipurpose borrowing more particularly described in Part 3 B of Schedule 1) of the Transferor Company, other than those being transferred to the Demerged Undertaking;
- (xi)
- (xii) "Mahindra": means Mahindra & Mahindra Limited, a company within the meaning of the Act, having registered office at Gateway Building, Apollo Bunder, Mumbai
- (xiii) "The Transferee or the Resulting Company " means Mahindra Automotive Steels Private Limited, a company within the meaning of the Act, having registered office at Mahindra Towers, P K Kurne Chowk, Worli, Mumbai 400018; and
- (xiv) "New Mahindra Shares": 49,78,444 number of equity shares of Rs.10/- each, of the Resulting Company to be issued and allotted to Mahindra, at a premium of Rs.87.42/- per share pursuant to the terms of the Scheme, within 48 hours after the issue and allotment of shares pursuant to paragraph 17(c) herein, the proceed of which shall be utilized for the purpose of redeeming the Preference Shares;
- (xv) "Scheme" means this composite Scheme of Arrangement in accordance with the Section 2(19AA) of the Income Tax Act 1961, with or without any modification approved or imposed or directed by the High Court of Bombay pursuant to which the Demerged Undertaking shall be demerged and transferred and vested with the Resulting Company on and from the Effective Date;

2. Share Capital:

(a) The Share Capital structure of the Transferor Company were as follows:

	Rs. in Lakhs as of March 31, 2005	Rs. in Lakhs as of July 1, 2005
AUTHORISED		
1,97,50,000 Equity Shares of Rs.10 each.....	1975.00	1975.00
25,000 15% Redeemable Cumulative Preference Shares of Rs.100 each.....	25.00	25.00
	2000.00	2000.00
ISSUED, SUBSCRIBED AND PAID-UP		
1,48,20,206 Equity Shares of Rs.10 each fully paid-up ..	1482.02	1482.02

(b) The Share Capital structure of the Resulting Company were as follows:-

	Rs. in Lakhs as of March 31, 2005	Rs. in Lakhs as of July 1, 2005
AUTHORISED SHARE CAPITAL		
4,00,00,000 Equity Shares of Rs.10 each;	4,000.00	4,000.00
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL :		
10,070 Equity Shares of Rs.10 Each (as on March 31, 2005).....	1.01	
82,21,936 Equity Shares of Rs.10 Each (on July 1, 2005 82,11,866 Equity shares were issued to Mahindra).....		822.19
Share Premium Account (Rounded off to nearest thousand)		7178.81
Advance towards subscription/Application Money		4850.00

PART II – DEMERGED UNDERTAKING

3. Upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the order of the Hon'ble High Court of Judicature at Bombay under Section 391 read with Section 394 and other applicable provisions of the Act, the Demerged Undertaking of the Transferor Company shall be demerged and transferred to the Resulting Company such that
- (i) all the property of the Demerged Undertaking, being transferred by the Transferor Company, immediately before the demerger, becomes the property of the Resulting Company by virtue of the demerger;
 - (ii) all the liabilities relatable to the Demerged Undertaking, being transferred by the Transferor Company, immediately before the demerger, become the liabilities of the Resulting Company by virtue of the demerger;
 - (iii) the property and the liabilities of the Demerged Undertaking being transferred by the Transferor Company are transferred at values appearing in its books of account immediately before the demerger;
 - (iv) the Resulting Company issues, in consideration of the demerger, its shares to the shareholders of the Transferor Company on a proportionate basis;
 - (v) the shareholders holding not less than three-fourths in value of the shares in the Transferor Company (other than shares already held therein immediately before the demerger, or by a nominee for, the resulting company or, its subsidiary) become shareholders of the Resulting Company by virtue of the demerger, otherwise than as a result of the acquisition of the property or assets of the Transferor Company or any undertaking thereof by the Resulting Company;
 - (vi) the transfer of the Demerged Undertaking is on a going concern basis;
 - (vii) the demerger is in accordance with the conditions, if any, notified under sub-Section (5) of Section 72A by the Central Government in this behalf.

Without limiting the generality of the aforesaid and subject to this Scheme, the Demerged Undertaking shall, subject to the provisions of this clause in relation to the mode of vesting and pursuant to Section 394(2) of the Act and without any further act or deed, be demerged from the Transferor Company and transferred to and vested in the Resulting Company or be deemed to have demerged from the Transferor Company and transferred to and vested in the Resulting Company as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, title, interest and authorities of the Resulting Company subject to and in accordance with the provisions of this Scheme set out hereinafter.

4. With effect from the Appointed Date :

- (a) the Demerged Undertaking along with all the estates, assets, rights, titles, and interest including, benefits, entitlements, provisions, concessions, remissions, accretions and appurtenances of the Demerged Undertaking at their closing book values as on 31st March 2005 shall, subject to the provisions of this Clause in relation to the mode of vesting and pursuant to Section 394(2) of the Act, without any further act, instrument or deed be demerged from, be transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company as a going concern so as to become as and from the Appointed Date the estate, assets, rights, title and interest of the Resulting Company.
- (b) in respect of such of the assets of the Demerged Undertaking, held by the Transferor Company prior to the Appointed Date and/ or thereafter up to the Effective Date, including cash and bank balances, as are movable in nature or are otherwise capable of transfer by manual delivery, payment or by endorsement and delivery, shall be so transferred, and shall become the property as an integral part of the Transferee Company.
- (c) in respect of such of the assets belonging to the Demerged Undertaking other than those referred to in sub-clause (b) above, and more particularly provided in sub clause (a) above, held by the Transferor Company prior to or on the Appointed Date and/ or thereafter upto the Effective Date, the same shall, without any further act, instrument or deed, be demerged, transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company pursuant to the provisions of Section 394 of the Act.
- (d) all assets acquired by the Transferor Company after the Appointed Date and prior to the Effective Date for operations of the Demerged Undertaking shall also stand transferred to and vested in the Resulting Company.
- (e) The transfer and vesting of the Demerged Undertaking, shall be subject to the securities, charges and mortgages, if any subsisting as on Effective Date.

5. Borrowings

- (a) Upon the coming into effect of the Scheme, such of borrowings of the Transferor Company, which arose out of the activities or operations of the Demerged Undertaking and which are more particularly identified in Part 2 of Schedule 1 on the Appointed Date and to the extent they are outstanding on the Effective Date shall without any further act or deed be and stand transferred to the Resulting Company and shall become the borrowings of the Resulting Company which undertakes to meet, discharge and satisfy the same.
- (b) Upon coming into effect of the Scheme, so much of the amounts of the general or multipurpose borrowings of the Demerged Company as standing in the same proportion which the value of the assets of the Demerged Undertaking transferred to the Resulting Company bears to the total value of assets of the Demerged Company immediately before the Appointed Date and which are more particularly identified in Part 3 of Schedule 1 and to the extent they are outstanding on the Effective Date shall without any further act or deed be and stand transferred to the

Resulting Company and shall become the borrowings of the Resulting Company which undertakes to meet, discharge and satisfy the same.

The borrowings referred to in clause (a) and (b) above and more particularly set out in Part 2 and 3A of the Schedule 1 is hereinafter referred to as the "Transferred Liabilities".

- (c) Where any of the borrowings of the Transferor Company as on the Appointed Date deemed to be transferred to the Resulting Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company and all loans raised and used and the borrowings incurred by the Transferor Company for the operations of the Demerged Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Resulting Company and to the extent they are outstanding on the Effective Date, shall also without any further act or deed stand transferred to the Resulting Company and shall become the borrowings of the Resulting Company which undertakes to meet, discharge and satisfy the same.
- (d) In so far as the existing charge or security in respect of the Transferred Liabilities is concerned such security shall without any further act, instrument or deed, be modified and shall be extended to and shall operate only over the assets comprised in the Demerged Undertaking which have been charged and secured in respect of the Transferred Liabilities as on the Effective Date. Provided however that if any of the assets comprised in the Demerged Undertaking have not been charged or secured in respect of the Transferred Liabilities as on the Effective Date, such assets shall remain unencumbered and the existing security referred to above shall not be extended to and shall not operate over such assets. Notwithstanding the above, the Resulting Company shall be liable for repayment of principal and payment of interest in relation to such Transferred Liabilities based on terms and condition mutually agreed amongst the Resulting Company, the Transferor Company and Lenders;
- (e) In so far as the assets comprised in the Remaining Business are concerned the security over such assets relating to Transferred Liabilities shall without any further act, instrument or deed be released and discharged from the obligations and security relating to the same. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.
- (f) Further, in so far as the assets comprised in the Demerged Undertaking are concerned, the security and charge over such assets relating to any loans, borrowing which are not transferred pursuant to this Scheme (and which shall continue with the Demerged Company) shall without any further act or deed be released from such encumbrance and shall no longer be available as security in relation to any liabilities of the Remaining Business. Notwithstanding the above, the Transferor Company shall be liable for repayment of principal and payment of interest in relation to such of the loans, borrowing which are not transferred pursuant to this Scheme;
- (g) Without prejudice to the provisions of sub clauses (a) to (f) above, upon the Scheme becoming effective, the Demerged Company, the Lenders of the Demerged Company and the Resulting Company shall execute any instrument or documents or do all the acts and deeds as may be required, including the filing of necessary particular and /or modification(s) of charge, with the Registrar of Companies, Maharashtra to give formal effect to the above provisions, if required.

6. All the assets and liabilities of the Demerged Undertaking, as broadly set out in Schedule 1, and stated in Schedule 3, shall be transferred on the Appointed Date, at the values appearing in the books of the Transferor Company, immediately, before the demerger which are set forth in the statement set out in Schedule 3.

7. Contracts

- (a) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Demerged Undertaking to which the Transferor Company is a party or to the benefits of which the Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour, as the case may be, of the Resulting Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Resulting Company had been a party or beneficiary or obligee thereto.
- (b) Without prejudice to the other provisions of the Scheme and notwithstanding that the vesting of the Demerged Undertaking with the Resulting Company occurs by virtue of this Scheme itself, the Resulting Company may, at its own costs 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, execute deeds, confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Transferor Company will, if necessary, also be a party to the above but shall not be required to incur any cost in this behalf. The Resulting 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 carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.
- (c) For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances (including those under the Urban Land Ceiling Act), authorities (including for the operation of bank accounts), powers of attorneys all in respect of the Demerged Undertaking shall stand transferred to the Resulting Company as if the same were originally given by, issued to or executed in favour of the Resulting Company, and the rights and benefits under the same shall be available to the Resulting Company.
- (d) It is hereby clarified that if any assets (estate, rights, title, interest in or authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Demerged Undertaking which the Transferor Company owns or to which the Transferor Company is a party to cannot be transferred to the Resulting Company for any reason whatsoever, the Transferor Company shall hold such asset or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Resulting Company and shall utilise, dispose or otherwise treat the same in such a manner as instructed by the Transferee Company in this regard and forward the benefits and proceeds of the same to the Resulting Company.
- (e) The Resulting Company 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, as it may, if the terms of a contract are reviewed, renegotiated with the parties and mutually agreed, execute deeds, confirmations or other writings or tripartite arrangements with any 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 Transferor Company will, if necessary, also be a part to the above but shall not be required to incur any cost in this behalf. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out and perform all such formalities or compliances referred to above to be carried out or performed on the part of the Transferor Company.

8. Employees

- (a) The Resulting Company undertakes to engage, on and from the Effective Date, all employees of the Transferor Company relatable to the Demerged Undertaking as on the Effective Date (the "Transferred Employees"), without any interruption of service, on the terms and conditions not less favourable than those on which they are engaged by the Transferor Company prior to the Effective Date. The Resulting Company undertakes to continue to abide by any agreement/settlement entered into by the Transferor Company with Transferred Employees in respect of the Demerged Undertaking. The Resulting Company agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of the Transferred Employees with the Transferor Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.
- (b) In so far as the existing provident fund, and pension fund, maintained by the Transferor Company, for its employees (including the Transferred Employees) are concerned, the part of the funds referable to the Transferred Employees shall be transferred to the separate accounts of such funds set up by the Resulting Company. The Transferor Company and the Resulting Company shall take all necessary steps to separate such provident fund, pension fund, as soon as practicable. Until such time the accounts are separated and the policies are created the Resulting Company may, subject to necessary approvals and permissions, if any, continue to contribute in respect of the Transferred Employees to the account and under the policies maintained by the Transferor Company. Upon creation of new account and the policies, the entire contributions pertaining to the Transferred Employees shall be transferred by the Transferor Company/relevant authority to the new account or policies as the case may be.

9. Legal Proceedings

Upon the coming into effect of the Scheme, all legal or other proceedings by or against the Transferor Company under any statute, whether pending on the Appointed Date or which may be instituted in future (whether before or after the Effective Date) in respect of any matter arising before the Effective Date and relating to the Demerged Undertaking shall be continued and enforced by or against the Resulting Company after the Effective Date.

Provided however that the Resulting Company shall not be liable for any liability, loss, expenses, damages, taxes, charges, penalty etc. suffered and or incurred by the Transferor Company arising out of any demand on account of deficiencies or disallowance or breach or contravention or non-compliance of any statute, law, regulation, contract or agreement or otherwise, pertaining to the period prior to the Effective Date.

In the event that the legal proceedings referred to herein require both the Demerged Company and the Resulting Company to be added as parties thereto, the Demerged Company shall be added as party to such proceedings and shall prosecute or defend such proceedings in co-operation with the Resulting Company. However, the Demerged Company shall not be liable to incur any cost in prosecuting or defending such proceedings. In the event of any difference or difficulty in determining whether any specific legal or other proceedings relates to the Demerged Undertakings or not, the decision of the Boards of Directors of the Resulting Company and the Demerged Company as to whether such proceeding relates to the Demerged Undertaking or not, shall be conclusive evidence of the relationship with the Demerged Undertaking.

10. Carrying on business in trust:

With effect from the Appointed Date and up to and including the Effective Date:

- (a) the Transferor Company shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Demerged Undertaking and stand possessed of all the estates, assets, rights, title and interest of the Demerged Undertaking for and on account of, and in trust for, the Resulting Company;

- (b) the Demerged Company undertakes that it will from the Appointed Date and up to and including the Effective Date preserve and carry on the Demerged Undertaking with diligence, prudence and agrees that it will not, in any material respect without the prior written consent of the Resulting Company, alienate, charge or otherwise deal with or dispose of the Demerged Undertaking or any part thereof or recruit new employees or revise terms of employment, or conclude settlements with union or employees, or accept or compromise waive or settle any claim or take any new liability in each case except in the ordinary course of business or undertake substantial expansion of the Demerged Undertaking, other than expansions which have already been commenced or undertake any financial commitments on behalf of the Demerged Undertaking;
- (c) the Transferor Company shall carry on all business and activities relating to the Demerged Undertaking such that the principles of corporate governance usually followed in such transactions are observed.
- (d) all decisions on operational and/ or business transactions relating to items set out in Schedule 2 shall be made with prior consultation and agreement of the authorized representative of the Resulting Company appointed for such purpose.
- (e) all profits accruing to the Transferor Company, or losses arising or incurred by it (including the effect of taxes if any thereon) from the appointed date relating to the Demerged Undertaking shall for all purposes, be treated as the profits, taxes or losses, as the case may be, of the Resulting Company.
- (f) the Transferor Company, its Board of Director, and the Key officials such as the Managing Director, Chief Executive officer and Chief Financial Officer of the Transferor Company shall in relation to the Demerged Undertaking, take all steps, action and deed in consultation with the representative and nominees of the Resulting Company.
- (g) the Transferor Company shall appoint a CEO and a CFO in consultation with or at the recommendation of the Resulting Company for the Demerged Undertaking to monitoring operational parameters and improve efficiencies. Such CFO and CEO of the Demerged Undertaking shall be entitled to
 - (i) have access to the books and records of the Demerged Undertaking;
 - (ii) to over see the operations of the Demerged Undertaking;
 - (iii) be invited and attend meetings of the Board of Directors of the Transferor Company and all such committees constituted by them only as far as the business to be transacted at such meeting pertaining to the Demerged Undertaking.
- (h) Proportionate costs shall be debited to the Demerged Undertaking (during the demerger process), for services rendered / facilities utilised by the Demerged Undertaking from the other divisions of the Transferor Company /corporate, shall not exceed (a) the allocated costs for such services as may be allocated based on a fair allocation mechanism or (b) Rs.15 lakhs per month, which ever is lower. Upon the Scheme coming into effect the Resulting Company shall decide on the need for continuation of such services from the Transferor Company and if the services are required, then both parties shall decide on a fair compensation to the Transferor Company for such services to be rendered for such period as may be mutually decided.
- (i) All transactions, including fund transfers between the Demerged Undertaking and the Remaining Business subsequent to the Appointed Date shall be at arms length and shall carry interest of 10% p.a. till the date of such transaction settlement.
- (j) The Demerged Company shall carry on the Remaining Business in terms of this Scheme distinctly and as a separate business from the Demerged Undertaking.

11. The Transfer and vesting of the assets, liabilities and obligations of the Demerged Undertaking under Clause 3 & 4 and the continuance of the proceedings by or against the Resulting Company under Clause 9 hereof shall not affect any transactions or proceedings already completed by the Transferor Company on and after the Appointed date to the end and intent that, the Resulting Company accepts all acts, deeds and things done and executed by the Transferor Company in concurrence with the Resulting Company, as acts, deeds and things done and executed by and on behalf of the Resulting Company.
12. From the date of the filing of this Scheme with the High Court and including the Effective Date, the Demerged Company shall not make any change in its capital structure in any manner either by way of an increase (including by way of equity and/or preference shares on a rights basis or by way of public issue, bonus shares and/or convertible debentures or otherwise), decrease, reduction, reclassification, sub-division, consolidation, re-organisation or in any other manner which may, in any way, affect the Entitlement Ratio as defined below except with the prior approval of the board of directors of the Resulting Company.

PART III – REMAINING BUSINESS

13. The Remaining Business and all the assets, investments, liabilities and obligations other than those identified in Part 1, Part 2 and Part 3(A) of Schedule 1 shall continue to belong to and be vested in and be managed by the Transferor Company.
14. All legal or other proceedings by or against the Transferor Company 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 (including those relating to any property, right, power, liability, obligation or duties of the Transferor Company in respect of the Remaining Business) shall be continued and enforced by or against the Transferor Company which shall keep the Resulting Company fully indemnified in that behalf. The Resulting Company in no event shall be responsible or liable in relation to any such legal or other proceedings against the Transferor Company.
15. (i) With effect from the Appointed Date and up to and including the Effective Date, the Transferor Company:
- (a) shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Remaining Business for and on its own behalf;
 - (b) all profits accruing to the Transferor Company thereon or losses arising or incurred by it including the effect of taxes (including advance taxes paid), if any, thereon relating to the Remaining Business shall, for all purposes, be treated as the profits, taxes or losses, as the case may be, of the Transferor Company.
- (ii) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Remaining Business to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour, as the case may be, of the Transferor Company.

PART IV –CAPITAL

The provisions of this Part shall operate notwithstanding anything to the contrary in this Scheme or in any other instrument/deed or writing.

SECTION “A”

16. In view of the demerger, and as an integral part of the Scheme, the capital of Resulting Company shall be organized in the manner set out in Section “B” and “C” below and the capital of Demerged Company shall be reorganized in the manner set out in Section “D” below.

SECTION "B"

17. Upon the Scheme coming into Effect:

- (a) the Authorised share capital of the Resulting Company shall, without any further act on part of it shareholders or the Board of Directors, be deemed to have been reclassified and increased from Rs.40,00,00,000/- comprising 4,00,00,000 equity shares of Rs.10/- each, to Rs.78,94,26,386/- comprising 3,30,00,000 equity shares of Rs.10/- each aggregating to Rs.33,00,00,000/- (Rupees Thirty Three crores) and 1,48,20,206 - 4% non cumulative, redeemable non convertible preference shares of Rs.31 /- each aggregating to Rs.45,94,26,386/- (Rupees forty five crores ninety-four lakhs twenty-six thousand three hundred and eighty-six only).
- (b) Clause V of the Memorandum of Association and Article 3 of the Articles of Association of the Resulting Company (relating to the authorised share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 16, 31, 94, and 394 and other applicable provisions of the Act, as the case may be and be replaced by the following clause:

"The Authorised share capital of the Company is Rs.78,94,26,386/- comprising 3,30,00,000 equity shares of Rs.10/- each aggregating to Rs.33,00,00,000/- (Rupees Thirty-three crores) and 1,48,20,206 - 4% non cumulative, redeemable, non convertible preference shares of Rs.31/- each aggregating to Rs.45,94,26,386/- (Rupees Forty-five crores ninety-four lakhs twenty-six thousand three hundred and eighty-six only) each with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or condition as may be determined by or in accordance with the Articles of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of the Company and the legislative provisions for the time being in force."

It is clarified that the approval of the members of the Resulting Company to the Scheme shall be deemed to be their consent/ approval also to the alteration of the Memorandum and Articles of Association of the Resulting Company as required under Section 17 and other applicable provisions of the Act.

- (c) in consideration for the demerger of the Demerged Undertaking, including the transfer and vesting thereof in the Resulting Company pursuant to Part II of the Scheme, the Resulting Company shall, without any further payment, issue and allot on a proportionate basis to each member of the Transferor Company whose name is recorded in the register of members of the Transferor Company on the Record Date, in the following ratio (the "Entitlement Ratio"):

- (i) Equity Shares -
One (1) Equity Share in the Resulting Company of Rs.10 each credited as fully paid-up for every One (1) Equity Share of Rs.10 each fully paid up held by such member in the Transferor Company.
- (ii) Preference Shares -
One (1) 4% non cumulative redeemable, non convertible Preference Share of Rs.31 /- each in the Resulting Company for every One (1) fully paid-up Equity Share of Rs.10 held by such member in the Transferor Company.

The Preference Shares shall have:

- (a) tenure of 18 months
- (b) face value Rs.31/-;
- (c) shall be redeemed at its face value ;
- (d) The Resulting Company shall have an option to redeem the Preference shares any time after one month from the Preference shares being issued and allotted;
- (e) the Preference Shares shall carry a fixed coupon or dividend rate of 4% p.a..

The Resulting Company shall make necessary application to the stock exchange for the listing of the Preference Shares.

The Share Capital Structure of the Resulting Company post the allotment of shares under this sub-clause (c) shall be as follows:

	Rs. in Lakhs
AUTHORISED SHARE CAPITAL	
3,30,00,000 Equity Shares of Rs.10 each (aggregating to Rs.33,00,00,000/-).....	7894.26
1,48,20,206 4% Non Cumulative, Redeemable, Non Convertible Preference. Shares of Rs.31/-; (aggregating to Rs.45,94,26,386) .	
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	
Issued Allotted and Paid up Share Capital :	
2,30,42,142 Equity Shares of Rs.10 each	2304.21
Share Premium Account.....	7178.81
1,48,20,206 - 4% Non Cumulative, Redeemable, Non Convertible Preference Shares of Rs.31/-	4594.26
Advance towards subscription/Application Money	4850.00

- (d) The Board of the Resulting Company shall, within 48 hours after the issue and allotment of shares pursuant to clause 17(c) above, issue and allot, to Mahindra, further shares, without any further act on part of its Board or Shareholders of the Resulting Company,, the New Mahindra Shares (viz.49,78,444 number of equity shares of Rs.10/- at premium of Rs.87.42 representing approximately 17.76 % of the post issue equity share capital of the Resulting Company), the proceeds of which shall be utilized to redeem the 4% Non Cumulative, Redeemable, Non Convertible Preference Shares of Rs.45,94,26,386/- in compliance with Section 80 of the Act.
- (e) The Share Capital Structure of the Resulting Company post the allotment of shares under clause 17 above shall be as follows:-

	Rs. in Lakhs
AUTHORISED SHARE CAPITAL	
3,30,00,000 Equity Shares of Rs.10 each (aggregating to Rs.33,00,00,000/-).....	7894.26
1,48,20,206 - 4% Non Cumulative, Redeemable, Non Convertible Preference. Shares of Rs.31/-; (aggregating to Rs.45,94,26,386) .	
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	
Issued Allotted and Paid up Share Capital :	
2,80,20,586 Equity Shares of Rs.10 each	2802.05
Share Premium Account.....	11530.96
1,48,20,206 - 4% Non Cumulative, Redeemable, Non Convertible Preference Shares of Rs.31/-	4594.26

- (f) the proceeds of issue and allotment of New Mahindra Shares shall be utilized for the propose of redeeming the Preference Shares in accordance with its terms and conditions and provisions of Section 80 of the Act.

18. Upon the approval of the Scheme by the shareholders of the Resulting Company pursuant to Section 391 of the Act, no further approval of the shareholders of the Resulting Company under Section 81(1A) of the Act or other provisions of the Act would be required with regard to allotment of the New Mahindra Shares under the Scheme, being 49,78,444 number of equity shares of Rs.10/- each of the Resulting Company at a premium of Rs.87.42/- per share.
19. In case any member's shareholding in the Transferor Company is such that the member becomes entitled to a fraction of an Equity Share of the Resulting Company, the Resulting Company shall not issue fractional Share Certificates to such member but shall consolidate such fractions and issue such consolidated Equity Shares in Trust to a trustee, who is nominated by the Board of Directors of the Resulting Company in that behalf, who shall sell such Shares and distribute the net of the proceeds to the shareholders respectively entitled to the same in proportion to their fractional entitlements.
20. Such Equity Shares to be issued and allotted by the Resulting Company in terms of clauses 16 and 17 above shall stand *pari passu* in all respects with the existing Equity Shares of the Resulting Company.
21. Equity Shares of the Resulting Company issued in terms of clauses 16 and 17 above, shall be listed on the relevant Stock Exchange/s, where the existing Equity Shares of the Transferor Company are listed and the Resulting Company shall pay the appropriate fee and incur all costs for the same.
22. The new Equity Shares and the Preference Shares issued pursuant to clauses 16 and 17 above shall be issued in the dematerialized form by the Resulting Company unless otherwise notified in writing by the shareholders of the Demerged Company to the Resulting Company on or before such date as may be determined by the Board of Directors of the Resulting Company or a committee thereof. In the event that such notice has not been received by the Resulting Company in respect of any of the members of the Transferor Company, the new Equity Shares and Preference Shares shall be issued to such members in dematerialized form provided that the members of the Transferor Company shall be required to have an account with a depository participant and shall provide details thereof and such other confirmations as may be required. It is only thereupon the Resulting Company shall issue and directly credit the demat/ dematerialized securities account of such members of the Transferor Company. In the event that the Resulting Company has received the notice from any of the members of the Transferor Company that the new Equity Shares and Preference Shares are to be issued in certificate form or if any member has not provided the requisite details regarding the account with a depository participant or other confirmations as may be required, then the Resulting Company shall issue the new Equity Shares and the Preference Shares in certificate form in such number.

SECTION "C"

23. Unless otherwise determined by the Board of Directors or any Committee thereof of the Transferor Company and the Board of Directors or any Committee thereof of the Resulting Company, allotment of Shares in terms of Clause 17 of this Part shall be done within the prescribed statutory period from the Effective Date.

SECTION "D"

24. Upon the coming into effect of this Scheme and upon the transfer of the Demerged Undertaking, under and pursuant to the provisions of this Scheme and Section 100 and all other applicable provisions of the Act, if any, the issued, subscribed and paid up equity share capital of the Transferor Company shall stand reduced from the Appointed Date, in the manner as provided hereunder:

- (i) The issued, subscribed and paid up equity share capital of the Transferor Company shall be reduced from Rs.1482.02 lacs divided into 1,48,20,206 equity shares of Rs.10/- each fully paid to Rs.296.40 lacs divided into 1,48,20,206 equity shares of Rs.2/- each fully paid up.
- (ii) The deficit if any, in the value of the assets over the value of the liabilities of the Demerged Undertaking vested in the Resulting Company pursuant to the Scheme, after considering the reduction in share capital, shall be credited in the books of the Transferor Company to a reserve styled 'Reorganization Reserve'.
- (iii) The debit balance of the Profit and Loss Account of the Demerged Company as on the Appointed Date shall be written off against the balance in the Reorganization Reserve.
- (iv) The reduction of issued, subscribed and paid-up equity share capital of the Demerged Company as contemplated in this Scheme shall be carried out and effected as part of this Scheme without following the procedure laid down under Section 100 of the Act. The Demerged Company shall obtain the necessary approvals from its shareholders and creditors as required under Section 100 in terms of this Scheme only and the Demerged Company shall not nor shall be obliged to call for a separate meeting of its shareholders and creditors for obtaining their approval sanctioning the reduction of issued, subscribed and paid up equity share capital as contemplated herein.

PART V

GUARANTEES

25. The Transferee Company, on covenants and representations of the Transferor Company set out in its Deed of Warranties, agrees to guarantee to discharge debt of Rs.8,34,50,000/- of Remaining Business as of the Appointed Date. The Resulting Company also agrees to guarantee payment of interest on the above debt guaranteed from the Appointed Date.

PART VI

GENERAL TERMS & CONDITIONS

26. (a) The Resulting Company, upon the coming into effect of this Scheme, an amount representing the excess of the liabilities over assets of the Demerged Undertaking in its books of account, together with the aggregate face value of the Share Capital issued by the Resulting Company to the members of the Transferor Company, to be debited to Goodwill account of the Resulting Company.
- (b) All the Assets and Liabilities of the Demerged Undertaking recorded in the books of the Transferor Company shall stand transferred to and vested in the Resulting Company pursuant to the Scheme and shall be recorded by the Resulting Company at their respective book values as appearing in the books of the Transferor Company as on the Appointed Date. The Deferred Tax Asset as appearing in books of Accounts of the Transferor Company as on the Appointed Date will be taken over as Asset of the Demerged Undertaking/ the Resulting Company only to the extent of the deferred tax liability as on the Appointed Date taken over by the Demerged Undertaking/ the Resulting Company.
- (c) With effect from the Appointed Date, the tax losses and unabsorbed depreciation relatable to the Demerged Undertaking as determined in accordance with Section 72A of the Income Tax Act 1961, shall become the tax losses and unabsorbed depreciation of the Resulting Company.

27. (a) From the Appointed Date and up to the Effective Date, the Transferor Company and the Resulting Company shall not declare and pay dividends, whether interim or final, to their respective members in respect of the accounting period prior to the Appointed Date. After the Effective Date, both the Transferor Company & the Resulting Company can declare and pay dividends, whether interim or final, to their respective members.
- (b) The holders of the Shares of the Transferor Company and the Resulting Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
- (c) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Company and the Resulting Company and subject to the approval of the members of the Transferor Company and the Resulting Company respectively.
28. (a) The Transferor Company and the Resulting Company shall make necessary applications before the High Court, Bombay for the sanction of this Scheme of Arrangement under Sections 391 and 394 of the Act. The Transferor Company and the Resulting Company may in due course apply for one or more orders under Section 394 of the Act for vesting of the Demerged Undertaking under this Scheme.
- (b) The name of the Resulting Company will be changed from "Mahindra Automotive Steels Private Limited" to "Mahindra Automotive Steels Limited" in terms of this Scheme without any further act or deed on the part of the Resulting Company and the Resulting Company shall not nor shall be obliged to call for a separate meeting of its shareholders as required under Section 21 of the Act.
29. In the event of there being any pending Share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors or any Committee thereof of the Transferor Company at the sole discretion shall be empowered in appropriate cases, even subsequent to the Record Date or the Effective Date as the case may be effectuate such a transfer in the Transferor Company as if such changes in registered holder were operative as on the Record Date in order to remove any difficulties in relation to the new Shares after the Scheme becomes effective and the Board of Directors of the Resulting Company shall be empowered to remove such difficulties as may arise in the course of implementation of the Scheme and registration of new members in the Resulting Company on account of difficulties faced in the transition period.
30. (a) the Transferor Company (by its Board of Directors) and the Resulting Company (by its Board of Directors) either by themselves or through a Committee appointed by them in this behalf, and with the consent of the other may, in their full and absolute discretion, make and/or assent to any alteration or modification to this Scheme, including but not limited to those which the Court and/or any other Authority may deem fit to approve or impose.
- (b) the Transferor Company (by its Board of Directors) and the Resulting Company (by its Board of Directors), either by themselves or through a Committee appointed by them in this behalf, may give such directions as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to and of the meaning or interpretation of the Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders, depositors or debenture-holders of the respective companies), or to review the position relating to the satisfaction of various conditions of the Scheme and if necessary, to waive any of those to the extent permissible under Law.

- (c) Any issue as to whether any asset or liability pertains to the Demerged Undertaking or not shall be decided by the Boards of Directors of the Transferor Company and the Resulting Company, either by themselves or through a Committee appointed by them in this behalf on the basis of evidence that they may deem relevant for the purpose (including the books and records of the Transferor Company).

31. The Scheme is conditional upon and subject to:

- (a) the Scheme being agreed to by the respective requisite majorities of the various classes of members and creditors (where applicable) of the Transferor Company and the Resulting Company as required under Sections 21, 100, 391, and other applicable provisions of the Act and the requisite Orders of the High Court of Bombay as referred to in Clause 28 hereof being obtained; and
- (b) the Resulting Company and the lenders/secured creditors of Transferred Liabilities having agreed to the terms, conditions and securities of such Transferred Liabilities to their mutual satisfaction;
- (c) the sanction or approval under any law or of the Central Government or any other agency, department or authorities concerned in respect of any of the matters in respect of which such sanction or approval is required and obtained.
- (d) there has not occurred any force majeure event on or prior to the Effective Date that has renders the Demerged Undertaking unviable and/or any event that has a material adverse effect on the operation of the Demerged Undertaking has occurred and the intent and purpose of the transaction contemplated hereunder being frustrated.
- (e) the Transferor Company issuing a certificate that it has complied with the covenants and the representations and warranties set out in the Deed of Warranties are true and correct as on the Effective Date.
- (f) the certified copies of the Court Orders referred to in this Scheme in respect of the Transferor Company and the Resulting Company being filed with the Registrar of Companies, Maharashtra, Mumbai.

32. In the event of this Scheme failing to take effect finally by June 30, 2006 or by such later date as may be agreed by the respective Boards of Directors or Committee thereof of the Transferor Company and the Resulting Company, this Scheme shall become null and void in that event no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case the Transferor Company shall bear its own and all related costs.

33. In the event of non-fulfillment of any or all obligations under the Scheme by any Company towards the other Company, inter-se or to third parties and non-performance of which will put the other Company under any obligation, then such Company will indemnify all costs/interest, etc. to the other Company.

34. If any part of this Scheme is found to be unworkable for any reason whatsoever, in the sole discretion of the Transferor Company and the Resulting Company either by the Board of Directors or through Committee appointed by them in this behalf, the same shall not, subject to the decision of the Transferor Company and the Resulting Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

35. All past, present and future costs, charges, levies, duties (including any stamp duty) and expenses in relation to or in connection with or incidental to this Scheme or the implementation thereof (including in relation to the issue of Shares by the Resulting Company and all matters related thereto and also including in relation to the transfer of the Demerged Undertaking) shall be borne and paid for by the Resulting Company.

Schedule 1

Part 1

Assets of the Demerged Undertaking as on the Appointed Date

Schedule of Assets of Demerged Undertaking -

- (1) The summarized book value of Fixed Assets of the Demerged Undertaking as on the Appointed Date would appear as under:

[Rs. in lakhs]			
Items	Gross Block	Accumulated Depreciation	Net WDV
Freehold Land (Refer Note A)	51.74	0	51.74
Buildings/Covered Shed Area (Refer Note B)	859.92	155.46	704.46
Flats (Refer Note B)	23.74	3.50	20.24
Plant & Machineries (Refer Note C)	4,331.88	2,231.28	2,100.60
Electrical installations	283.34	93.43	189.91
Data Processing Equipments	126.83	48.83	78.00
Furniture & Fixtures	71.32	19.38	51.94
Office Equipments	20.85	4.52	16.33
Vehicles	11.61	3.16	8.45
Total	5,781.23	2,559.56	3221.67

The Capital work-in-Progress of Demerged Undertaking as on the Appointed Date is Rs.183.73 lakhs.

NOTES :

(A) Short Description of the freehold property relating to the Demerged Undertaking

1. All the piece and parcel of land bearing Gut No. 856 situated at village Ambethan, within the Pune registration district, sub-division, Taluka : Khed and within the limits of Zilla Parishad, Pune and Grampanchayat, Ambethan and admeasuring OH=42 R and bounded on or towards the east by boundary of village Birdawadi, on or towards the west by land of Gut No.858, on or towards the south by land of Gut No.857 and on or towards the north by land of Gut No.858.
2. All the piece and parcel of land bearing Gut No. 857 situated at village Ambethan, within the Pune registration district, sub-division, Taluka: Khed and within the limits of Zilla Parishad, Pune and Grampanchayat, Ambethan and admeasuring O H=66 R and bounded on or towards the east by Nalla and boundary of village Birdawadi, on or towards the west by land of Gut No.858, on or towards the south by land of Gut No.858 and on or towards the north by land of Gut No.856.
3. All the piece and parcel of land bearing Gut No. 858 situated at village Ambethan, within the Pune registration district, sub-division, Taluka: Khed and within the limits of Zilla Parishad, Pune and Grampanchayat, Ambethan and admeasuring 8 H =66 R including well and bounded on or towards the east by land of Gut No.855, on or towards the west by land of Gut No.855, on or towards the south by boundary of village Birdawadi and on or towards the north by land of Gut No.859.

4. All the piece and parcel of land bearing Gut No. 859 situated at village Ambethan, within the Pune registration district, sub-division, Taluka: Khed and within the limits of Zilla Parishad, Pune and Grampanchayat, Ambethan and admeasuring 2 H=91 R and bounded on or towards the east by land of Gut No.855, on or towards the west by land of Gut No.40, on or towards the south by land of Gut No.858 and on or towards the north by land of Gut No.860.
5. All the piece and parcel of land bearing Gut No. 860 situated at village Ambethan, within the Pune registration district, sub-division, Taluka: Khed and within the limits of Zilla Parishad, Pune and Grampanchayat, Ambethan and admeasuring 2H=61R and bounded on or towards the east by land of Gut No.859, on or towards the west by land of Gut No.861 and 862, on or towards the south by Chakan–Ambethan Road and on or towards the north by land of Gut No.855.
6. Land outside factory - 80R (2 Acres) land at Dawadmala, Chakan Ambethan Road, Chakan, Taluka - Khed, Dist. - Pune - 410 501

(B) Residential Flats : Flat Nos. I-9 & 10, K-4 & 5 and K-7 & 8 (six flats) at –

The Shanta Niketan Co-operative. Housing Society Limited
33, Bhau Patil Road, Khadki, Pune 411 003.

Details / break-up of Covered Shed Area and Building:

Sl. No.	Particulars	Sqr. Mtrs.
Covered Shed and Building		
1.	Factory shed & Connected Toilets	7337.07
2	Watchmen Cabin	177.49
3	Administrative Building	663.60
4	Canteen	216.00
5	D. G. Set.....	71.03
6	Blower Shed	6.48
7	Panel Room.....	108.68
8	Sheering Shed 2.....	252.00
9	Die Yard.....	609.00
10	Weigh Room.....	19.89
11	Meter Room.....	11.97
12	Grinding Shed behind Shed	538.20
13	Temple.....	16.00
14	Scrap Yard (Welding – 1)	122.00
15	Scrap Yard (Welding – 2)	96.95
16	Heat treatment shed	5304.00
17	New Panel Room.....	65.00
18	Machining Shed.....	680.76

(C) All and singular the plant and machinery, engines, electricals and other installation equipments, implements, tools, appliances, fixtures, fittings, furniture, vehicles, machinery spare parts, accessories and stores relating to plant and machinery and other articles and things both present and future. A brief description of major machineries at Chakan is given below:

(1) Major Plant & Machineries of Demerged Undertaking with quantities mentioned in brackets

Press Lines	Balancing Equipments	Ancillary Equipments	Other facilities
5000 Ton Press (1)	Heater (2) 800 Ton Trim Press (1) Conveyor (1)	1000 Ton Coining Press (1) 630 Ton Coining Press (1) Hydraulic Straightening Press (4) VMC Machine (3)	Spectrometers (2) Tensile Testing Machine (1) Impact Testing Machine (1) Microscope (1)
3000 Ton Press (1)	Heater (1) 500 Ton Trim Press (1) Conveyor (1)	Magnaflux (10) Shotblasting (9) Table Blast (1)	CAD / CAM with Euclid / Idea / Catihar / Unigraphics / Autocad Forging Simulation Software
2500 Ton Press (1)	Heater (1) 500 Ton Trim Press (1) Conveyor (1) Reduce Roller (1)	Tumblast (6) Rubber belt blast (2) Drupp & Wrein (5+2)	1000 Ton Shearing Machine (1) 500 Ton Shearing Machine (2) Overhead Cranes 5 Ton (3)
1600 Ton Press (1)	Heater (1) 200 Ton Trim Press (1) Reduce Roller (1)	BFW VMC (3) Tafo VMC (1) HAAS VMC (1) ZNC / EDM EDM Machines (3)	Overhead Cranes 25 Ton (1) Overhead Cranes 1 Ton (1) Static Weigh bridge (1)
1000 Ton Press (1)	Heater (1) 200 Ton Trim Press (1) Reduce Roller (1)	Lathes (3) Heat Treatment Line Bafco (2) Heat Treatment Line Rohit Furnace (1) Bafco Stress Relieving Furnace (1)	Grinders Sufficient utilities incl. Compressors, Transformers, Generators etc.

CURRENT ASSETS	
INVENTORIES (as certified by a Director)	
Raw Materials & Components (Including in transit) (at cost)	1,546.22
Work in Progress (at estimated cost).....	573.51
Finished Goods (lower of cost or net realisable value).....	661.09
Stores and Spares (at cost)	164.00
Die Room Inventory:	0.00
- Die Steel Blocks (at cost)	38.39
- Dies (at cost, less amortisation/write offs)	1,282.36
INVENTORIES	4,265.57
SUNDRY DEBTORS (UNSECURED)	
Over six months : Considered Good	337.17
: Considered Doubtful.....	0.00
	337.17
Other Debts : Considered Good	1,432.60
	<u>1,769.77</u>
Less : Provision for Doubtful Debts	0.00
SUNDRY DEBTORS	1,769.77
Cash and Bank Balances :	
Cash on hand.....	3.57
Balance with Scheduled Banks	
- In Current Account.....	16.03
- In Fixed Deposit Account.....	
- In Margin Money Deposit Account.....	131.56
CASH AND BANK BALANCES	151.16
TOTAL CURRENT ASSET	6,186.50
LOANS AND ADVANCES	
(Unsecured, considered good) :	
Due from Employees	14.15
Advances recoverable in cash or in kind or for value to be received	190.05
Balances with Central Excise Department	52.97
Deposits	235.55
Advance payment against taxes (net)	0.00
TOTAL LOANS AND ADVANCES	492.72
TOTAL OF CURRENT ASSETS & LOAN AND ADVANCES	6679.22

Part 2

Liabilities of the Demerged Undertaking as on the Appointed Date

Liabilities arising out of the activities or operations of Demerged Undertaking

	PARTICULARS	NATURE OF LOAN / LIABILITY	AMOUNT (Rs.Lacs)
(A)	DIRECT LOANS/BORROWINGS :		
	South Indian Bank Limited	Long Term Loan.....	358.36
	L. I. C. of India.....	Long Term Loan.....	225.00
	L. I. C. of India.....	Funded Interest Term Loan	55.09
	L. I. C. of India.....	Funded Interest Term Loan – Interest on Long Term Loan.....	157.40
	L. I. C. of India.....	Funded Interest Term Loan – Interest on Funded Interest Term Loan	38.14
	Industrial Investment Bank of India	Long Term Loan.....	360.00
	Industrial Investment Bank of India	Funded Interest Term Loan	186.58
	Kotak Mahindra Bank Limited	Working Capital Loan.....	263.87
	Kotak Mahindra Bank Limited	Pre-Ship Advance (Unsecured)	795.46
	South Indian Bank Limited	Interest Accrued & Due on Term loan	370.86
	Electronica Leasing & Finance Ltd.	H. P. Loan	14.03
	Electronica Leasing & Finance Ltd.	H. P. Loan	16.39
	Sales Tax Loan	Interest free Loan.....	1920.76
		Total.....	4761.94
(B)	Other Liability / Provisions :		
	Sundry Creditors		4148.45
	Advances from Customers.....		79.87
	Other Current Liabilities		324.29
	Interest Accrued but not Due		8.12
	Gratuity		56.99
	Leave Encashment		17.70
		Total.....	4635.42

Part 3

Multi purpose and common borrowings as on the Appointed Date

Total General or Multi purpose and common borrowings of the Transferor Company as on appointed date is:

General or Multi purpose and Common borrowings

Part	PARTICULARS	NATURE OF LOAN / LIABILITY	AMOUNT (Rs. Lacs)	Status of the borrowings post Demerger
Part 3 A	State Bank of India	Working Capital Term Loan	887.00	Transferred to Resulting Company
Part 3 A	State Bank of India	Funded Interest Term Loan	722.00	Transferred to Resulting Company
Part 3 A	Union Bank of India	Working Capital Loan	180.15	Transferred to Resulting Company
Part 3 A	State Bank of India	Working Capital Loan	1493.98	Transferred to Resulting Company
Part 3 A	Atulya Trades & Agencies Limited	Interoperate Deposit	18.50	Transferred to Resulting Company
Part 3 A	Jaybros Investment & Trading Co. Pvt. Limited	Interoperate Deposit	2.00	Transferred to Resulting Company
Part 3 B	South Indian Bank Limited	Working Capital Loan	291.28	Remaining with Demerged Company
Part 3 B	South Indian Bank Limited	Working Capital Term Loan	320.00	Remaining with Demerged Company
Part 3 B	L. I. C. of India	FITL on Short Term Loan	111.83	Remaining with Demerged Company
Part 3 B	Nainesh Investment & Trading Co. Pvt. Limited	Inter Corporate Deposit	80.00	Remaining with Demerged Company
Part 3 B	Associated Capsules Pvt. Limited	Inter Corporate Deposit	50.00	Remaining with Demerged Company
Part 3 B	Allcargo Movers (India) Pvt. Limited	Inter Corporate Deposit	700.00	Remaining with Demerged Company
Part 3 B	Paam Pharmaceuticals & Allied Industries Limited	Inter Corporate Deposit	50.00	Remaining with Demerged Company
Part 3 B	Peddar Johnson Limited	Inter Corporate Deposit	15.00	Remaining with Demerged Company
Part 3 B	Vasa Consultants Limited	Inter Corporate Deposit	30.00	Remaining with Demerged Company
Part 3 B	Bombay Cable Co. Pvt. Limited	Inter Corporate Deposit	500.00	Remaining with Demerged Company
Part 3 B	Devidass Pvt. Limited	Inter Corporate Deposit	159.00	Remaining with Demerged Company
Part 3 B	Dhanlaxmi Fabrics Limited	Inter Corporate Deposit	50.00	Remaining with Demerged Company
Part 3 B	Kotak Mahindra Investments Limited	Inter Corporate Deposit	1300.00	Remaining with Demerged Company
		Total	6960.74	

Part 3 (A) Of the total amount of General or Multi purpose and common borrowings of the Transferor Company (of Rs.6960.74 lacs), Rs.3303.63 lacs represents the proportion (i.e. 47.46%) of the borrowing that stand in the same proportion to the value of assets of the Demerged Undertaking, immediately before the Appointed Date, transferred to the Resulting Company.

Part 3 (B) Of the total amount of General or Multi purpose and common borrowings of the Transferor Company (of Rs.6960.74 lacs), Rs.3657.11 lacs represents the proportion (i.e. 52.54%) of the borrowing that stand in the same proportion to the value of assets of the Remaining Business or Demerged Company, immediately before the Appointed Date, that will be continued with the Transferor or Demerged Company.

Schedule 2

List of Operational and Business Transactions

On and from the Appointed Date through the Effective Date, the Transferor Company undertakes not to, without the prior written consent of the Resulting Company, in relation to or affecting the Demerged Undertaking:

- (a) sell or otherwise dispose of (including by way of scrap and or write off) any material part of its assets or those relating to the Demerged Undertaking (or any interest therein);
- (b) unless permitted under the terms of this Scheme, appoint any additional directors or otherwise change its key management or personnel;
- (c) amend its Memorandum and Articles of Association,
- (d) change its financial year end;
- (e) acquire assets (or any interest therein) or enter into contract, otherwise than in the ordinary course of its business, or acquire any shares, partnership interests or other equity interest;
- (f) enter into any contract with any related party;
- (g) borrow any money in excess of Rs.10,00,000/-;
- (h) lend any money or give any guarantee or indemnity in favour of any party in respect of the performance or obligations of a third party or give any financial assistance in any way to any related party;
- (i) give up, whether in favour of a related party or otherwise, any right that it may have with respect to any properties, assets, or any intellectual property right that it may have, or that may be transferred pursuant to this Scheme;
- (j) declare, pay or make any dividend or distribution;
- (k) issue any securities of any kind.
- (l) unusual and or disproportionate increase the wages/salaries of the employees of the Demerged Undertaking;
- (m) inter unit transaction and or transfers of assets and or liabilities
- (n) inter-unit transfers of employees
- (o) changes to the business plan;
- (p) any capital expenditure;
- (q) any new Borrowings for the Demerged Undertaking;
- (r) any inter unit cash flow;
- (s) any managerial personnel / labour related issues (like new appointment, Change in designation or work content, Transfer within divisions, wage or salary revisions, acceptance of resignations etc.)
- (t) any sale or disposal of Fixed Assets
- (u) enter in to and perform any material contract
- (v) undertaking / Acceptance / Acknowledgment of any liability (including contingent liabilities)
- (w) change in terms of any lender / creditor / supplier / contractor or any party providing any services/goods etc.

Schedule 3

Audited accounts of the Demerged Undertaking as on 31st March, 2005

AMFORGE INDUSTRIES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2005

(Rs. in Lacs)

	Schedule	NON-CHAKAN TOTAL (Proposed Remaining Business)	CHAKAN TOTAL (Proposed Demerged Undertaking)	CONSOLIDATED
		For the year ended 31 st March 2005	For the year ended 31 st March 2005	For the year ended 31 st March 2005
INCOME				
Operational Income	11	4,972.16	20,333.34	25,305.50
Accretion/(Decretion) to Stocks	12	(1,058.08)	563.55	(494.53)
Other Income.....	13	37.83	58.56	96.39
		3,951.91	20,955.45	24,907.36
EXPENDITURE				
Raw Material and Components Consumed	14	2,554.76	12,733.82	15,288.58
Payments to and Provisions for Employees	15	701.74	659.54	1,361.28
Manufacturing Expenses	16	1,635.44	4,060.68	5,696.12
Administrative, Selling and Other Expenses.....	17	417.58	851.73	1,269.31
		5,309.52	18,305.77	23,615.29
PROFIT BEFORE INTEREST & DEPRECIATION		(1,357.61)	2,649.68	1,292.07
Interest	18	170.78	730.71	901.49
PROFIT BEFORE DEPRECIATION & AMORTISATION		(1,528.39)	1,918.97	390.58
Depreciation	6	150.47	479.20	629.67
Amortisation	19	3.22	15.87	19.09
NET PROFIT/(LOSS)		(1,682.08)	1,423.90	(258.18)
Less : Bad Debts Written Off.....				14.49
Voluntary Retirement Scheme Expenses Written off..		169.02	-	169.02
Old & Obsolete Dies Written Off		78.37	-	78.37
Add : Other Extra Ordinary Gains (Net).....		467.63	-	467.63
PROFIT / (LOSS) FOR THE YEAR		(1,461.84)	1,423.90	(52.43)
Prior Years' Adjustments (Net)	20	(48.16)	12.55	(35.61)
NET PROFIT / (LOSS) BEFORE TAX		(1,510.00)	1,436.45	(88.04)
Provision for Tax - Current Tax		0.32	-	0.32
- Deferred Tax (Refer Note No. 21)		(1,195.62)	-	(1,195.62)
PROFIT/(LOSS) AFTER TAX		(2,705.94)	1,436.45	(1,283.98)
Earlier years (short) /excess provision for tax		-	(3.24)	(3.24)
Profit/(Loss) brought forward from previous year		(3,370.73)	-	(3,370.73)
Provision for Doubtful Debts and Advances		43.34		43.34
BALANCE CARRIED TO BALANCE SHEET		(6,134.50)	1,433.21	(4,701.29)
Basic / Diluted Earning Per Share +/- (Refer Note No. 27) ..		Rs.(10.40)	Rs.9.89	Rs.(0.90)
Notes Forming Part of The Accounts	21			

For **Bansal & Associates**
Chartered Accountants

For **Amforge Industries Limited**

S. K. Bansal
Partner
Membership No. 12288

Fali P. Mama - Director

Ajit P. Walwaikar - Vice President (Legal)
& Company Secretary

Mumbai, 27th June, 2005

AMFORGE INDUSTRIES LIMITED

BALANCE SHEET AS AT 31ST MARCH 2005

(Rs. in Lacs)

	Schedule	NON-CHAKAN TOTAL (Proposed Remaining Business)	CHAKAN TOTAL (Proposed Demerged Under- taking)	CONSOLI- DATED
		For the year ended 31 st March 2005	For the year ended 31 st March 2005	For the year ended 31 st March 2005
SOURCES OF FUNDS				
Shareholders' Funds				
Share Capital.....	1	1,482.02	-	1,482.02
Reserves and Surplus	2	1,449.59	-	1,449.59
		2,931.61	-	2,931.61
Loan Funds				
Secured Loans	3	914.12	5,328.85	6,242.97
Unsecured Loans	4	3,057.69	2,736.72	5,794.41
		3,971.81	8,065.57	12,037.38
		6,903.42	8,065.57	14,968.99
APPLICATION OF FUNDS				
Fixed Assets :	6			
Gross Block		4,269.31	5,781.23	10,050.54
Less : Depreciation.....		2,888.30	2,559.56	5,447.86
Net Block		1,381.01	3,221.67	4,602.68
Add: Capital Work in Progress		7.70	183.73	191.43
		1,388.71	3,405.40	4,794.11
Investments	7	1,586.75	-	1,586.75
Current Assets, Loans and Advances				
Current Assets.....	8	6,612.99	6,186.50	12,799.49
Loans and Advances	9	1,574.18	492.72	2,066.90
		8,187.17	6,679.22	14,866.39
Less : Current Liabilities and Provisions.....	5	2,275.90	4,635.42	6,911.32
Net Current Assets		5,911.27	2,043.80	7,955.07
Deferred Tax Assets (Net) (Refer Note No. 21).....		179.82	-	179.82
Miscellaneous Expenditure (To the extent not written off or adjusted).....	10	453.24	-	453.24
		9,519.79	5,449.20	14,968.99
Notes Forming Part of The Accounts	21			

For **Bansal & Associates**
Chartered Accountants

S. K. Bansal
Partner
Membership No. 12288

Mumbai, 27th June, 2005

For Amforge Industries Limited

Fali P. Mama - Director
Ajit P. Walwaikar - Vice President (Legal)
& Company Secretary

AMFORGE INDUSTRIES LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH 2005

(Rs. in Lacs)

	NON- CHAKAN TOTAL (Proposed Remaining Business)	CHAKAN TOTAL (Proposed Demerged Under- taking)	CONSOLI- DATED
	For the year ended 31 st March 2005	For the year ended 31 st March 2005	For the year ended 31 st March 2005
Schedule 1			
SHARE CAPITAL			
Authorised :			
1,97,50,000 Equity Shares of Rs.10 each	1,975.00	-	1,975.00
25,000 15% Redeemable Cumulative Pref. Shares of Rs.100 each ..	25.00	-	25.00
	2,000.00	-	2,000.00
Issued, Subscribed and Paid up :			
1,48,20,206 (1,23,96,838) Equity Shares of Rs.10 each fully paid up (out of the above, 30,00,000 Equity Shares have been issued as Bonus Shares by capitalisation of General Reserve.....	1,482.02	-	1,482.02
24,68,370 Equity Shares have been issued to the shareholders of amalgamating Companies for consideration other than cash, and 2,80,000 Equity Shares have been allotted at par to one of the Financial Institutions on their exercising conversion option)			
Less : Calls in Arrears (Refer Note No. 6)	-	-	-
	1,482.02	-	1,482.02
Schedule 2			
RESERVES & SURPLUS			
CAPITAL RESERVE : As per last Balance Sheet	16.26	-	16.26
CAPITAL REDEMPTION RESERVE : As per last Balance Sheet.....	15.10	-	15.10
SECURITIES PREMIUM ACCOUNT : As per last Balance Sheet	1,226.11	-	1,226.11
Add : Additions during the year	605.84	-	605.84
Less : Calls in Arrears	0.00	-	-
	1,831.95	-	1,831.95
DEBENTURE REDEMPTION RESERVE : As per last Balance Sheet....	404.86	-	404.86
Less : Transferred to General Reserve	404.86		404.86
	-		-
INVESTMENT ALLOWANCE UTILISED RESERVE :			
As per last Balance Sheet	-	-	-
Less : Transferred to General Reserve	-		-
	-	-	-
GENERAL RESERVE :			
As per last Balance Sheet	3,882.71	-	3,882.71
Add : Transferred from Debenture Redemption Reserve	404.86		404.86
Add : Transferred from Invest. Allow. Util. Reserve.....	-		-
	-	-	4,287.57
Less : Balance in Profit and Loss Account	4,701.29	-	4,701.29
	(4,701.29)	-	(413.72)
	(2,837.98)	-	1,449.59

AMFORGE INDUSTRIES LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH 2005

(Rs. in Lacs)

	NON-CHAKAN TOTAL (Proposed Remaining Business)	CHAKAN TOTAL (Proposed Demerged Under- taking)	CONSOLI- DATED
	For the year ended 31 st March 2005	For the year ended 31 st March 2005	For the year ended 31 st March 2005
Schedule 3			
SECURED LOANS			
DEBENTURES :			
4,00,000, 16% Secured Redeemable Non-Convertible Debentures of face value Rs.100 each fully paid up [Due within one year Rs.Nil {Rs.400 Lacs}]	-	-	-
10,56,925, 14% Secured Redeemable Non Convertible Debentures Part B of face value of Rs.65 each fully paid up	211.97	-	211.97
Less : Calls in arrears	0.63	-	0.63
[Due within one year Rs.Nil {Rs.Nil lacs}]	211.34	-	211.34
	211.34	-	211.34
OTHER BORROWINGS			
Term Loans from Banks [Due within one year Rs.358.36 lacs {Rs.548.36 lacs}]	-	1,967.36	1,967.36
Term Loans from Financial Institutions [Due within one year Rs.115.02 lacs {Rs.131.23 lacs}]	-	1,022.21	1,022.21
Working Capital Loans from Banks	611.28	1,938.00	2,549.28
Interest Accrued and Due	0.03	370.86	370.89
Other Loans	91.47	30.42	121.89
[Due within one year Rs.48.81 lacs {Rs.32.62 lacs}]	702.78	5,328.85	6,031.63
	914.12	5,328.85	6,242.97
Note : For details of nature of security, etc., refer Note no. 2 of Schedule 21			
Schedule 4			
UNSECURED LOANS			
Interest Free Sales Tax Loan [Due within one year Rs.2.96 lacs {Rs.2.30 lacs}]	11.86	1,920.76	1,932.62
From Bank & Financial Institution [Due within one year Rs.Nil (Rs.20 lacs)]	111.83	795.46	907.29
From Companies	2,934.00	20.50	2,954.50
	3,057.69	2,736.72	5,794.41
Schedule 5			
CURRENT LIABILITIES & PROVISIONS			
CURRENT LIABILITIES :			
Sundry Creditors	1,054.89	4,148.45	5,203.34
Advances from Customers	126.45	79.87	206.32
Deposits	8.87	-	8.87
Other Liabilities	860.37	324.29	1,184.66
Interest Accrued But Not Due	-	8.12	8.12
	2,050.58	4,560.73	6,611.31
PROVISIONS :			
Gratuity	174.17	56.99	231.16
Leave Encashment	51.15	17.70	68.85
	225.32	74.69	300.01
	2,275.90	4,635.42	6,911.32

AMFORGE INDUSTRIES LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH 2005

Schedule 6

FIXED ASSETS (Consolidated)

(Rs. In lacs)

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April, 2004	During the year Additions	Deduction / Adjust- ments	As at 31st March, 2005	Upto 31st March, 2004	For the Year	Deduction / Adjust- ments	Upto 31st March, 2005	As at 31st March, 2005	As at 31st March, 2004
Freehold Land	108.01	-	39.45	68.56	-	-	-	-	68.56	108.01
Leasehold Land	13.46	-	-	13.46	4.80	0.80	-	5.60	7.86	8.66
Buildings	1,389.90	265.30	194.95	1,460.25	439.98	42.51	83.31	399.18	1,061.07	949.92
Plant & Machinery and Electrical Installations*	7,162.81	901.03	237.20	7,826.64	4,397.59	542.44	222.94	4,717.09	3,109.55	2,765.22
Furniture Fixtures and Office Equipment	253.84	60.34	0.23	313.95	134.40	16.44	(0.32)	151.16	162.79	119.44
Vehicles **	285.22	85.88	3.41	367.69	148.65	27.48	1.29	174.84	192.85	136.57
Grand Total	9,213.24	1,312.55	475.24	10,050.55	5,125.42	629.67	307.22	5,447.87	4,602.68	4,087.82
<i>Previous Year</i>	<i>9,141.43</i>	<i>677.64</i>	<i>605.83</i>	<i>9,213.24</i>	<i>5,224.80</i>	<i>434.86</i>	<i>534.24</i>	<i>5,125.42</i>	<i>4,087.82</i>	<i>3,916.53</i>

Notes :

1. Freehold Land includes certain land in possession of the Company, for which the execution of Conveyance in its favour is pending.
2. Building include Rs. 0.03 Lacs being cost of shares in Co-operative Housing Societies.
3. Adjustment Includes Rs. 156.91 Lacs which is removed from Gross block as well as accumulated Depreciation on Account of Dies which were transferred from Fixed Assets to Current Assets in FY 1998-99.
4. * Includes Rs. 60.21 lacs (Rs. 84.10 Lacs) on hire purchase.
5. ** Includes Rs. 191.47 Lacs (123.84) Lacs on hire purchase.

AMFORGE INDUSTRIES LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH 2005

Schedule 6

FIXED ASSETS – CHAKAN (Proposed Demerged Undertaking)

(Rs. In lacs)

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK
	<i>As at 1st April, 2004</i>	During the year Additions	Deduction/ Adjust- ments	As at 31st March, 2005	<i>Upto 31st March, 2004</i>	For the Year	Deduction/ Adjust- ments	Upto 31st March, 2005	As at 31st March, 2005
Freehold Land	51.74	-	-	51.74	-	-	-	-	51.74
Leasehold Land	-	-	-	-	-	-	-	-	-
Buildings	681.61	209.96	7.91	883.66	139.79	20.33	1.16	158.96	724.70
Plant & Machinery and Electrical Installations	3942.59	808.29	8.83	4742.05	1942.87	435.36	4.69	2373.54	2368.51
Furniture Fixtures and Office Equipment	65.97	36.16	9.96	92.17	19.82	5.58	1.50	23.90	68.27
Vehicles	77.74	7	73.13	11.61	12.93	6.74	16.51	3.16	8.45
Grand Total	4819.65	1061.41	99.83	5781.23	2115.41	468.01	23.86	2559.56	3221.67

Schedule 6

FIXED ASSETS – NON-CHAKAN (Proposed Remaining Business)

(Rs. In lacs)

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK
	<i>As at 1st April, 2004</i>	During the year Additions	Deduction/ Adjust- ments	As at 31st March, 2005	<i>Upto 31st March, 2004</i>	For the Year	Deduction/ Adjust- ments	Upto 31st March, 2005	As at 31st March, 2005
Freehold Land	56.27	-	39.45	16.82	-	-	-	-	16.82
Leasehold Land	13.46	-	-	13.46	4.80	0.80	-	5.60	7.86
Buildings	708.29	55.34	187.04	576.59	300.19	22.18	82.15	240.22	336.37
Plant & Machinery and Electrical Installations	3,220.22	92.74	228.37	3,084.59	2,454.72	107.08	218.25	2,343.55	741.04
Furniture Fixtures and Office Equipment	187.87	24.18	(9.73)	221.78	114.58	10.86	(1.82)	127.26	94.52
Vehicles	207.48	78.88	(69.72)	356.08	135.72	20.74	(15.22)	171.68	184.40
Grand Total	4,393.59	251.14	375.41	4,269.32	3,010.01	161.66	283.36	2,888.30	1,381.01

AMFORGE INDUSTRIES LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH 2005

(Rs. in Lacs)

	NON-CHAKAN TOTAL (Proposed Remaining Business)	CHAKAN TOTAL (Proposed Demerged Under- taking)	CONSOLI- DATED
	For the year ended 31 st March 2005	For the year ended 31 st March 2005	For the year ended 31 st March 2005
Schedule 7			
INVESTMENTS			
Non-Trade :			
Long Term (Quoted) (At Cost)			
Equity Shares (Fully paid up)			
2,250 (2,250) Shares of Rs.10 each in Gajra Bevel Gears Limited	0.31	-	0.31
800 (800) Shares of Rs.10 each in Firth (India) Steel Co Limited....	0.12	-	0.12
0 (1,000) Shares of Rs.10 each in Eicher Limited.....	-	-	-
400 (Nil) Shares of Rs.10 each in Eicher Motors Limited.....	0.32	-	0.32
0 (8,240) Shares of Rs.10 each in Industrial Development Bank of India.....	-	-	-
0 (4,061) Shares of The South Indian Bank Limited	-	-	-
	0.75	-	0.75
Current (Unquoted) (Fully paid up)			
13265394.563 (Nil) Units of Rs.10 each of Templeton Floating Rate Income Fund - Short Term Growth	1,586.00	-	1,586.00
	1,586.75	-	1,586.75
1. Aggregate of quoted investments - Cost	0.75	-	0.75
- Market Value	1.24	-	1.24
2. Aggregate cost of unquoted investments	1,586.00	-	1,586.00

AMFORGE INDUSTRIES LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH 2005

(Rs. in Lacs)

	NON-CHAKAN TOTAL (Proposed Remaining Business)	CHAKAN TOTAL (Proposed Demerged Under- taking)	CONSOLI- DATED
	For the year ended 31 st March 2005	For the year ended 31 st March 2005	For the year ended 31 st March 2005
Schedule 8			
CURRENT ASSETS			
INVENTORIES (as certified by a Director) :			
Raw Materials & Components (Including in transit) (at cost)	225.12	1,546.22	1,771.34
Work in Progress(at estimated cost)	159.74	573.51	733.25
Finished Goods (lower of cost or net realisable value)	817.73	661.09	1,478.82
Stores and Spares (at cost)	319.19	164.00	483.19
Die Room Inventory : Die Steel Blocks (at cost)	28.35	38.39	66.74
: Dies (at cost, less amortisation/write offs)	1,305.95	1,282.36	2,588.31
	2,856.08	4,265.57	7,121.65
SUNDRY DEBTORS (Unsecured)			
Over six months - Considered Good	1,306.84	337.17	1,644.01
- Considered Doubtful	91.68	-	91.68
	1,398.52	337.17	1,735.69
Other Debts - Considered Good	683.43	1,432.60	2,116.03
	2,081.95	1,769.77	3,851.72
Less : Provision for Doubtful Debts	91.68	-	91.68
	1,990.27	1,769.77	3,760.04
CASH AND BANK BALANCES			
Cash on hand	19.37	3.57	22.94
Balance with Scheduled Banks - In Current Account	416.58	16.03	432.61
- In Fixed Deposit Account	1,300.00		1,300.00
- In Margin Money Deposit Account	30.69	131.56	162.25
	1,766.64	151.16	1,917.80
	6,612.99	6,186.50	12,799.49
Schedule 9			
LOANS & ADVANCES (Unsecured, considered good)			
Due from Employees	33.82	14.15	47.97
Advances recoverable in cash or in kind or for value to be received	1,353.29	190.05	1,543.34
Balances with Central Excise Department	50.26	52.97	103.23
Deposits	127.07	235.55	362.62
Advance payment against taxes (net)	9.74	-	9.74
	1,574.18	492.72	2,066.90
Schedule 10			
MISCELLANEOUS EXPENDITURE			
Preliminary Expenses	16.31	-	16.31
Deferred Revenue Expenditure	436.93	-	436.93
	453.24	-	453.24

AMFORGE INDUSTRIES LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH 2005

(Rs. in Lacs)

	NON-CHAKAN TOTAL (Proposed Remaining Business)	CHAKAN TOTAL (Proposed Demerged Under- taking)	CONSOLI- DATED
	For the year ended 31 st March 2005	For the year ended 31 st March 2005	For the year ended 31 st March 2005
Schedule 11			
OPERATIONAL INCOME			
Domestic Sales	4,333.92	18,380.01	23,389.59
Export Sales	126.40	39.07	165.47
Export Incentives	17.04	-	17.04
Job Work	88.37	40.08	128.45
Scrap Sales	320.36	1,161.65	1,482.01
Sales Tax Set off	86.07	36.87	122.94
	4,972.16	19,657.68	25,305.50
Schedule 12			
ACCRETION/(DECRETION) TO STOCKS			
OPENING STOCK - Work in Progress	130.92	66.65	197.57
- Finished Goods	1,904.63	604.40	2,509.03
	2,035.55	671.05	2,706.60
CLOSING STOCK - Work in Progress	159.74	573.51	733.25
- Finished Goods	817.73	661.09	1,478.82
	977.47	1,234.60	2,212.07
ACCRETION / (DECRETION)	(1,058.08)	563.55	(494.53)
Schedule 13			
OTHER INCOME			
Dividend (Gross) [T.D.S. Rs.Nil (Rs.Nil)]	-	0.12	0.12
Interest (Gross) [T.D.S. Rs.2.84 Lacs (Rs.1.78 Lacs)]	1.99	42.12	44.11
Profit on Sale of Assets	6.51	0.25	6.76
Profit on Sale of Investments - Long Term	2.39	-	2.39
Miscellaneous Sale	11.96	0.12	12.08
Miscellaneous Income	14.98	15.95	30.93
	37.83	58.56	96.39
Schedule 14			
RAW MATERIALS & COMPONENTS CONSUMED			
Opening stock	125.10	573.13	698.23
Add: Purchases	2,654.78	13,706.91	16,361.69
	2,779.88	14,280.04	17,059.92
Less : Closing stock (Including in Transit)	225.12	1,546.22	1,771.34
	2,554.76	12,733.82	15,288.58

AMFORGE INDUSTRIES LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH 2005

(Rs. in Lacs)

	NON-CHAKAN TOTAL (Proposed Remaining Business)	CHAKAN TOTAL (Proposed Demerged Under- taking)	CONSOLI- DATED
	For the year ended 31 st March 2005	For the year ended 31 st March 2005	For the year ended 31 st March 2005
Schedule 15			
PAYMENTS TO AND PROVISIONS FOR EMPLOYEES			
Salaries, Wages, Bonus, etc.	497.93	516.27	1,014.20
Contribution to Provident and other Funds	162.69	56.49	219.18
Workers & Staff Welfare expenses.....	41.12	86.78	127.90
	701.74	659.54	1,361.28
Schedule 16			
MANUFACTURING EXPENSES			
Sub Contract Work	294.89	426.58	721.47
Power, Fuel and Oil.....	698.81	1,472.72	2,171.53
Dies Consumed / Amortized.....	131.40	231.17	362.57
Stores and Tools Consumed	176.84	242.26	419.10
Excise duty	265.43	1,372.45	1,637.88
Lease Rentals	1.30	3.74	5.04
Technical Fees	0.31	3.97	4.28
Machinery Repairs	55.37	304.87	360.24
Building Repairs	11.09	2.92	14.01
	1,635.44	4,060.68	5,696.12
Schedule 17			
ADMINISTRATIVE, SELLING & OTHER EXPENSES			
Rent, Rates & taxes	10.03	19.56	29.59
Insurance.....	7.70	5.70	13.40
Commission on sales	2.10	0.72	2.82
Freight and packing.....	77.33	363.15	440.48
General Repairs	13.83	13.42	27.25
Loss on Sale of Assets	69.54	3.44	72.98
Loss on sale of investments - Long term	0.41	-	0.41
Printing & Stationery.....	5.07	15.17	20.24
Telephone Expenses.....	11.07	13.06	24.13
Travelling & Conveyance.....	25.72	118.85	144.57
Cash Discounts	19.68	32.41	52.09
Exchange Rate Fluctuation (Net)	0.47	0.46	0.93
Other expenses	174.63	265.79	440.42
	417.58	851.73	1,269.31

AMFORGE INDUSTRIES LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH 2005

(Rs. in Lacs)

	NON- CHAKAN TOTAL (Proposed Remaining Business)	CHAKAN TOTAL (Proposed Demerged Under- taking)	CONSOLI- DATED
	For the year ended 31 st March 2005	For the year ended 31 st March 2005	For the year ended 31 st March 2005
Schedule 18			
INTEREST			
Debentures.....	-	45.10	45.10
Fixed Loans.....	-	351.04	351.04
Others.....	32.80	472.55	505.35
Allocation.....	137.98	(137.98)	-
	170.78	730.71	901.49
Schedule 19			
AMORTISATION			
Preliminary Expenses.....	3.22	9.58	12.80
Deferred Revenue Expenditure	-	6.29	6.29
	3.22	15.87	19.09
Schedule 20			
PRIOR YEAR ADJUSTMENTS			
Others (Net).....	(48.16)	12.55	(35.61)
	(48.16)	12.55	(35.61)

AMFORGE INDUSTRIES LIMITED

Schedule 21

NOTES FORMING PART OF THE DIVISIONAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2005

1. The Board of Directors of the Company at its meeting held on 30th May, 2005 has proposed the Demerger of the Chakan division subject to all necessary approvals.
2. Further to Note No. 1 to Note No. 30 of the Notes to the Accounts of the Audited Annual Accounts for the year ended 31st March, 2005, approved by the Board of Directors of the Company on 30th May, 2005, Notes pertaining to the proposed Demerged Undertaking are given herein below.
3. This Divisional Accounts and the Proposed Demerged Balance Sheet have been prepared for the purpose of the Scheme and the Capitalised terms used in this Divisional Accounts shall have same meaning as ascribed to them in the Scheme. For the preparation of these Accounts some of the definitions in the Scheme have been briefly reproduced below.
 - (a) The Demerged Undertaking would be Chakan Division of the Company. "Demerged Undertaking" means the forging and other businesses carried out at Company's unit located at Gut No. 856-860, Chakan Ambethan Road, Taluka – Khed, District Pune, Maharashtra – 410 501, on a going concern basis and consisting inter alia all assets and all liabilities relating thereto, but excluding those pertaining to the Remaining Business.
 - (b) Assets and Liabilities of the Chakan undertaking and / or unit shall mean and include:

All assets pertaining to Demerged Undertaking as on 31st March, 2005 as stated at Book Value in the Demerged Balance Sheet.
 - (c) "Remaining Business" means all the business, units, divisions, and their respective assets and liabilities including that portion of general common and multipurpose borrowings of the Company, other than those being transferred to the Demerged Undertaking as per the scheme.
 - (d) Liabilities / Borrowings arising out of the activities or operations of the Demerged Undertaking are retained there so.
 - (e) General Common and Multipurpose borrowings of the Company have been allocated in the same proportion, which the Book Value of the Assets transferred in a Demerger bears to the total Book Value of the assets of the Company immediately before Demerger. Effectively Rs.3303.63 lacs being 47.46% of the total general purpose borrowings amounting to Rs.6960.74 lacs has been allocated to the Demerged Undertaking and more particularly described in the Part 3(A) of Schedule 1 of the Scheme of Arrangement (Demerger).
 - (f) The Assets and Liabilities shown in the Column titled as "CHAKAN TOTAL(Proposed Demerged Undertaking)" represents the assets and liabilities in relation to operations of the Demerged Undertaking as at the close of business hours on 31st March, 2005. Inter unit balance of Rs.2,616.37 Lacs stands nullified in the Audited Annual Accounts for the year ended 31st March, 2005.

4. In Note No. 7 of the Audited Annual Accounts for the year ended 31st March, 2005 regarding Contingent Liabilities, following amounts are pertaining to the Demerged Undertaking.

(Rs. in Lacs)

Contingent Liabilities not provided for	As at 31st March'2005
(i) Bank Guarantees outstanding in favour of the Government and other parties	23.73
(ii) Letters of Credit issued by banks on behalf of the Company and outstanding	911.42
(iii) Towards Excise Duty demands against which the Company has preferred appeal.....	59.46
(iv) Towards Custom Duty demands against which the Company has preferred appeal.....	30.40
(v) Others	165.78

In addition to the above, the Demerged Undertaking has availed Bill Discounting Facilities and the balance outstanding as at 31st March, 2005 is Rs.2077.21 Lacs.

5. In Note No. 8 of the Audited Annual Accounts for the year ended 31st March, 2005 regarding Estimated Contracts remaining to be executed on Capital Account, Rs.419.50 lacs pertains to the Demerged Undertaking.
6. In Note No. 10 of the Audited Annual Accounts for the year ended 31st March, 2005 regarding Exclusion of Inter unit transfers, Rs.675.66 lacs pertains to the Demerged Undertaking.
7. In Note No. 12 of the Audited Annual Accounts for the year ended 31st March, 2005 regarding Other Expenses, Donations of Rs.9 lacs & Directors Sitting Fees of Rs.0.41 lacs pertain to the Demerged Undertaking.
8. In Note No. 14 of the Audited Annual Accounts for the year ended 31st March, 2005 regarding Installed Capacity & Production, the following figures pertain to the Demerged Undertaking.

Capacity and Production	Unit	Installed Capacity (3 shifts basis)	Production
Forging.....	M.T.	29,000	22,463
(i) Installed Capacity being a technical matter, is as certified by a Director and relied upon by the Auditors.			
(ii) Production of Forgings includes production on job-work for others 143 M.T.			
(iii) Heat Treatment facilities are utilized mainly for Internal processing / captive consumption.			

9. In Note No. 15 of the Audited Annual Accounts for the year ended 31st March, 2005, regarding Turnover, Opening and Closing Stocks, the following figures are pertaining to the Demerged Undertaking.

Turnover, Opening and Closing Stocks :

(value in Rs.Lacs)							
Unit	Turnover		Opening Stock		Closing Stock		
	Qty	Value	Qty	Value	Qty	Value	
Forging M.T.	22,853	*18,419.08	970	661.09	436	604.40	
* Excludes Rs.675.66 lacs being inter unit transfers							

10. In Note No. 16 of the Audited Annual Accounts for the year ended 31st March, 2005, regarding Raw Materials & Components Consumed, the following figures are pertaining to the Demerged Undertaking.

Raw Materials & Components Consumed :		M.T.	Rs. in Lacs
Steel		32,305	*12,733.82
Total			12,733.82
* Excludes Rs.675.66 lacs being inter unit transfers			

11. In Note No. 17 of the Audited Annual Accounts for the year ended 31st March, 2005 regarding Value of Raw Materials & Components Consumed, the following figures are pertaining to the Demerged Undertaking.

Value of Raw Material and Components Consumed		Raw Material Steel	
		Rs. in Lacs	%
Indigenous		12,733.82	100

12. In Note No. 18 of the Audited Annual Accounts for the year ended 31st March, 2005, regarding C.I.F. Value of Imports, the following figures are pertaining to the Demerged Undertaking.

Value of Imports (C.I.F.)		Rs. in Lacs
i) Stores and Spares		24.07
ii) Capital Goods		92.51

13. In Note No. 19 of the Audited Annual Accounts for the year ended 31st March, 2005 regarding Earnings in Foreign Exchange, Rs.31.51 lacs pertains to the Demerged Undertaking.

14. In Note No. 20 of the Audited Annual Accounts for the year ended 31st March, 2005 regarding expenditure in Foreign currency, the following amounts are pertaining to the Demerged Undertaking.

Expenditure in Foreign Currency		Rs. in Lacs
i)	Foreign Travel.....	10.63
ii)	Subscription / Membership.....	1.04

15. In Note No. 21 of the Audited Annual Accounts for the year ended 31st March, 2005 regarding Deferred Tax Assets, the following explanation pertains to the Demerged Undertaking.

In terms of Accounting Standard – 22, issued by the Institute of Chartered Accountants of India (Accounting for Taxes on Income), for the current year, Deferred Tax Asset has been recognized only to the extent of Deferred Tax Liability determined for the year. Accordingly, net charge on this account is Rs.NIL.

The major components of the Deferred Tax Assets as on 31st March, 2005, based on the tax effects of the timing differences, are as follows:

		Rs. in Lacs
		Current Year
a)	Timing Difference of Depreciation between Taxation & Books of Accounts...	(448.29)
b)	Unabsorbed Depreciation	* 297.64
c)	Others	150.65
Total.....		Nil

* Considered to the extent, as there are compensatory timing differences, the reversal of which will result in sufficient future taxable income against which this can be realized.

16. In Note No. 26 of the Audited Annual Accounts for the year ended 31st March, 2005 regarding Related Party Disclosures the following amounts pertain to the Demerged Undertaking.

		Rs. in Lacs
i)	Payment of Remuneration / Fees	34.72
ii)	Payment of Interest	2.62
iii)	Payment of Rent	11.88
iv)	Inter Corporate Deposit Borrowed	53.50
v)	Inter Corporate Deposit Redeemed	64.75

Signatures to Schedules 1 To 21

For **Bansal & Associates**
Chartered Accountants

S. K. Bansal
Partner
Membership No. 12288

For **Amforge Industries Limited**

Fali P. Mama
Director

Ajit P. Walwaikar
Vice President (Legal) & Company Secretary

Mumbai, 27th June, 2005.

HIGH COURT
O O C J
COMPANY PETITION NO. 112 OF 2006
CONNECTED WITH
COMPANY APPLICATION NO. 872 OF 2005

In the matter of Companies Act, 1956
And

In the matter of Section 391 to 394 of the
Companies Act, 1956

And

In the matter of Scheme of Arrangement between

Amforge Industries Limited

And

Mahindra Automotive Steels Private Limited.

Mahindra Automotive Steels Private Limited

....Petitioner



AUTHENTICATED COPY OF THE MINUTES
OF ORDER DATED 21ST MARCH, 2006
ALONG WITH SCHEME

Dated this day of March, 2006

Applied on 23.3.2006
Engrossed on
Scriber Water
Filed
By Whitel
On 28.3.06
Ready on
Delivered on 28-3-06

Khaitan & Co.,
Advocates for the Petitioner
Meher Chamber, 4th & 5th Floor,
R.K. Marg, Ballard Estate,
Mumbai - 400 038

SCHEME OF ARRANGEMENT
OF
MAHINDRA STOKES HOLDING COMPANY LIMITED
AND
MAHINDRA FORGINGS OVERSEAS LIMITED
AND
MAHINDRA FORGINGS MAURITIUS LIMITED
WITH
MAHINDRA FORGINGS LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS



TRUE COPY
[Signature]
For M/s. KHAITAN & CO.

INDEX

RATIONALE.....	1
1. DEFINITIONS AND INTERPRETATIONS	2
2. GENERAL.....	5
3. AMALGAMATION OF THE TRANSFEROR COMPANIES WITH THE TRANSFEREE COMPANY	9
4. TRANSFER OF LIABILITY	10
5. LEGAL PROCEEDINGS.....	11
6. EMPLOYEES.....	11
7. CONTRACTS, DEEDS	11
8. PERMITS, CONSENTS AND LICENSES.....	12
9. SAVING OF CONCLUDED TRANSACTIONS	12
10. TRANSACTIONS UP TO THE EFFECTIVE DATE.....	13
11. CAPITAL.....	
12. CONSIDERATION.....	
13. ACCOUNTING TREATMENT IN THE BOOKS AND FINANCIAL STATEMENTS OF TRANSFEREE COMPANY.....	18
14. DISSOLUTION OF THE TRANSFEROR COMPANIES.....	18
15. APPLICATION TO BOMBAY HIGH COURT.....	19
16. APPROVALS AND MODIFICATIONS.....	19
17. CONDITIONALITY OF THE SCHEME.....	20
18. FILINGS WITH THE MAURITIUS AUTHORITIES.....	22
19. COSTS, CHARGES AND EXPENSES.....	22





SCHEME OF ARRANGEMENT
Of
MAHINDRA STOKES HOLDING COMPANY LIMITED
And
MAHINDRA FORGINGS OVERSEAS LIMITED
And
MAHINDRA FORGINGS MAURITIUS LIMITED
With
MAHINDRA FORGINGS LIMITED
And
THEIR RESPECTIVE SHAREHOLDERS

This Scheme of Arrangement provides for the amalgamation of Mahindra Stokes Holding Company Limited, Mahindra Forgings Overseas Limited and Mahindra Forgings Mauritius Limited as going concern with Mahindra Forgings Limited pursuant to Section 391 to 394 and other applicable provisions of the Companies Act, 1956, and Section 246 to 248 and Part II Section 4 of the Fourteenth Schedule of the Mauritius Companies Act, 2001. This Scheme also makes provisions for various other matters consequential or related thereto and otherwise integrally connected therewith.

RATIONALE

- (a) Mahindra Stokes Holding Company Limited ("MSHCL") (more particularly described herein after), holds an investment in Stokes Group Limited ("Stokes"), a United Kingdom Company having its principal place of business at Walsall, Birmingham. Stokes along with its subsidiaries namely, Stokes Forgings Dudley, Jernand Limited and Stokes Forgings Limited carries on forging business in the United Kingdom and having their manufacturing facilities at Walsall and Dudley.
- (b) Mahindra Forgings Overseas Limited ("MFOL") (more particularly described herein after), holds an investment through Mahindra Forgings International Limited ("MFIL"), a wholly owned Mauritian company, in Jeco Holdings AG ("Jeco") a company organized under the laws of Germany having its principal place of business at Aalen, Germany. Jeco Holding AG along with its subsidiaries namely Gesenkschmiede Schneider GmbH, JECO Jellinghaus GmbH, Falkenroth Umformtechnik GmbH and Falkenroth Grundstücksgesellschaft mbH carries on forging business in Germany and has manufacturing facilities at Aalen, Gevelsberg and Schalksmühle, Germany.
- (c) Mahindra Forgings Mauritius Limited ("MFML") (more particularly described herein after), holds an investment through Mahindra Forgings Global Limited ("MFGL") a wholly owned Mauritian company, in Schoeneweiss & Co. GmbH ("Schoeneweiss") a company organized under the laws of Germany having its principal place of business at Hagen, Germany. Schoeneweiss & Co. GmbH, along with its subsidiaries namely Fried Hueninghaus GmbH & Co. KG and Fried Hueninghaus GmbH carries on forging business in Germany and has manufacturing facilities at Hagen and Gevelsberg, Germany.

- (d) Mahindra Forgings Limited ("MFL") (more particularly described herein after), carries on forging business in India.
- (e) All the Transferor Companies are subsidiaries of Mahindra & Mahindra Limited ("M&M").
- (f) In order to consolidate these forging businesses and in order to reap the benefits of operational synergy and enhance shareholder value, it is proposed to merge MSHCL, MFOL and MFML with MFL.

1. DEFINITIONS AND INTERPRETATIONS

- 1.1 In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings.

"Act" means the Companies Act, 1956, or any statutory modification or re-enactment thereof for the time being in force.

"Appropriate Authority" means any governmental, statutory, regulatory, departmental or public body or authority, including Securities and Exchange Board of India, Stock Exchanges, Registrar of Companies, Company Law Board and Courts of Relevant Jurisdiction.

"Appointed Date" means opening business hours of April 1, 2007.

"Applicable Laws" shall mean any statute, notification, bye laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or instructions having the force of law enacted or issued by any Appropriate Authority including any statutory modification or re-enactment thereof for the time being in force.

"BSE" shall mean the Bombay Stock Exchange Limited.

"The Effective Date" means the date on which all the conditions and matters referred to in Clause 17 hereof have been fulfilled, including a certified copy of the Order of the High Court of Judicature at Bombay sanctioning the Scheme of Arrangement being filed with the Registrar of Companies, Maharashtra, Mumbai and being filed with the Registrar of Companies of Mauritius.

"The Indian Transferor Company" means Mahindra Stokes Holding Company Limited, a company incorporated on March 21, 2007, under the provisions of





the Companies Act, 1956 and having its registered office at Mahindra Towers, P K Kurne Chowk, Worli, Mumbai 400018.

"Mauritius Act" means The Mauritius Companies Act, 2001, or any statutory modification or re-enactment thereof for the time being in force.

"The Mauritius Transferor Companies" means Mahindra Forgings Overseas Limited, a private company limited by shares incorporated on August 11, 2006 under the laws of Mauritius, holding a Category 2 Global Business Licence and having its registered office at c/o International Financial Services Limited, IFS Court, Twenty Eight, Cybercity, Ebene, Mauritius, and, Mahindra Forgings Mauritius Limited, a private company limited by shares incorporated on December 5, 2006 under the laws of Mauritius, holding a Category 2 Global Business Licence and having its registered office at c/o International Financial Services Limited, IFS Court, Twenty Eight, Cybercity, Ebene, Mauritius.

"Relevant Jurisdiction" means the territories of the Republic of India, Mauritius, United Kingdom and Germany.

"Scheme", "the Scheme", "this Scheme" shall mean this Scheme of Arrangement in its present form submitted to the High Court of Judicature at Bombay or any other Appropriate Authority in the Relevant Jurisdictions with any modification thereof as the High Court or any other Appropriate Authority may direct.

"Subsidiaries" shall mean (a) as regards MFOL its subsidiaries Mahindra Forgings International Limited, Jeco Holding AG, Gesenkschmiede Schneider GmbH, JECO Jellinghaus GmbH, Falkenroth Umformtechnik GmbH and Falkenroth Grundstücksgesellschaft mbH (b) as regards MFML its subsidiaries Mahindra Forgings Global Limited, Schoeneweiss & Co. GmbH, Fried. Hueninghaus GmbH & Co. KG and Fried Hueninghaus GmbH and (c) as regards MSHCL its subsidiaries Stokes Group Limited, Stokes Forgings Dudley, Jansand Limited and Stokes Forgings Limited.

"Transferee Company" means Mahindra Forgings Limited, a company incorporated on August 13, 1999 under the provisions of the Companies Act, 1956 and having its registered office at Mahindra Towers, P K Kurne Chowk, Worli, Mumbai- 400018.

"Transferor Companies" means the Indian Transferor Company and the Mauritius Transferor Companies.

"The Undertaking" shall mean and include:

- (a) All the assets, investments and properties of the Transferor Companies as on the Appointed Date (hereinafter referred to as "the said assets");
- (b) All the debts, liabilities, duties and obligations of the Transferor Companies including contingent liabilities as on the Appointed Date (hereinafter referred to as "the said liabilities");
- (c) Without prejudice to the generality of sub-clause (a) above, the Undertakings of the Transferor Companies shall include the reserves, balances in the Profit and Loss Account, the movable and immovable properties including plant and machinery, equipments, furnitures, fixtures, vehicles, stocks and inventory, leasehold assets and other properties, real corporeal and incorporeal, in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, assets including cash in hand, amounts lying in the banks to the credit of the Transferor Companies, investments, claims, powers, authorities, allotments, approvals, consents, letters of intent, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, club memberships, advantages, leasehold rights, brands, sub-letting tenancy rights, with or without the consent of the landlord as may be required by law, goodwill, other intangibles, industrial and other licenses, permits, authorisations, trade marks, trade names, patents, patent rights, copyrights, and other industrial and intellectual properties and rights of any nature whatsoever including know-how, domain names, or any applications for the above, assignments and grants in respect thereof, import quotas and other quota rights, right to use and avail of telephones, telex, facsimile and other communication facilities, connections, installations and equipment, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds, and benefits of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from government, semi-government, local authorities or any other person including customers, contractors or other counter parties, etc. all earnest monies and/or deposits, privileges, liberties, easements, advantages, benefits, exemptions and approvals of whatsoever nature (including but not limited to benefits of all tax holiday, tax relief including under the Income Tax Act, 1961 such as credit for advance tax, taxes



deducted at source, brought forward accumulated tax losses, unabsorbed depreciation etc.) and wheresoever situate, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Transferor Companies as on the Appointed Date.

1.2 In this Scheme, unless the context otherwise requires:

- 1.2.1 words denoting the singular shall include the plural and vice versa;
- 1.2.2 reference in the Scheme to "coming into effect of the Scheme" or "effectiveness of the Scheme" shall mean the Effective Date;
- 1.2.3 headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;
- 1.2.4 references to the word "include" or "including" shall be construed without limitation;
- 1.2.5 a reference to an article, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, section, paragraph or schedule of this Scheme;
- 1.2.6 unless otherwise defined, the reference to the word "days" shall mean calendar days;
- 1.2.7 references to dates and times shall be construed to be references to Indian dates and times;
- 1.2.8 reference to a document includes an amendment or supplement to, or replacement or novation of, that document;
- 1.2.9 Word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them.



2. GENERAL

(A) The Transferee Company (i.e. Mahindra Forgings Limited)

(i) The Transferee Company was incorporated on August 13, 1999. The Transferee Company is a listed company and its shares are listed on the Bombay Stock Exchange.

- (ii) As on June 5, 2007 the share capital of the Transferee Company is as under:

Authorised Rs.	Amount in Rs.
3,30,00,000 Equity shares of Rs.10/- each and	78,94,26,385/-
1,48,20,206 4% non cumulative, redeemable, non convertible preference shares of Rs.31/- each.	
Issued, Subscribed and Paid-up Rs.	Amount in Rs.
2,80,20,586 Equity shares of Rs.10/- each	28,02,05,860/-

- (iii) The main objects of the Transferee Company are as follows:

- (a) To carry on business as manufacturers of dealers in and marketing, selling of special steel rolled and forged long products, heavy castings, forgings and assembled components, all grades, types qualities, shapes, categories, and descriptions of mild and tool, alloy and special steels including, inter alia, alloy constructional steel, case hardening steel, nitriding steel, high speed steel, ball bearing steel, fast cutting steel, hot die steel, die steel, alloy spring steel, stainless and heat resisting steel, carbon tool steel, polished drill rods, silver steel, mining drill steel, high silicon and electrical steel, creep-resisting steel, valve steel, magnet steel, silicon manganese steel, and free cutting quality steel, faggot steel, armour steel, shell steel and high tensile steel.
- (b) To carry on business as manufacturers of, dealers in and sellers of cold drawn and ground bars and sections, polished steel, silver steel, bright bars and shafting, ball and roller races, wheels, tyres and axles of all kinds, types and descriptions whatsoever, welded, seamless and extruded ferrous and non-ferrous tubes, including, inter alia, mechanical tubing, stainless steel tubing, boiler tubing, fin tubing, ball bearing steel tubes, extruded ferrous and non-ferrous sections and profiles of all types and shapes including hollow and solid sections, steel castings of all types and varieties, forgings, including, inter alia, die blocks, rings, discs, hubs, sleeves, shafts, crown wheels, cups, shanks, bolts, nuts, screws, stamping, rivets, wire ropes, standard wire, signal wire, piano wire blanks, manganese





alloys, pig iron, wrought iron, ferro-manganese, ferro-chromium, ferro-silicon, silico-manganese, ferro-tungsten, ferro-vanadium, ferro-titanium, ferro-molybdenum, Spiegel iron, graphite electrodes, carbon electrodes, carbon blocks, calcium carbide, carborundum tungsten carbide tips, refractory bricks of any kind, type and description of whatsoever, permanent magnet and to carry on the manufacture, preparation, selling and distribution of any electro metallurgical, electro chemical products which may be usefully or conveniently combined with the business of the Company or otherwise calculated, directly or indirectly, to enhance the value of any of the Company's properties and rights for the time being.

- (u) To carry on the business of mechanical, electrical, railway, marine, aeronautical, agricultural, sanitary, civil and structural engineers, aluminum founders, iron founders, brass founders, casters, spinners, rollers and workers of metals and their alloys, founders of metals whether ferrous or non-ferrous welded by any process whatsoever of ferrous and non-ferrous metals and metal compounds, manufactures of welding appliances, tool makers, metal workers, boiler makers, mill wrights, machinists, manufactures of aluminum, magnesium, calcium, sodium, copper, brass, bronze, cobalt, titanium, zirconium, nickel and other metals and their alloys of all kinds and descriptions, tools and implements, sheets, that could be manufactured out of aluminum, iron, steel, brass, zinc, copper or any other kind of metals, converters of iron and steel and other metals, smiths, tin manufactures and tinkers, wheel wrights, wood workers, builders, painters, metallurgists, water supply engineers, gas makers, framers, nailers, brushers, electro-platers, silver-platers, nickel-platers, aluminum-platers, importers, exporters and distributors of all kinds of plant and machinery, apparatus, tools, component parts, accessories, and to buy, sell, manufacture, repair, convert, alter, let on hire and deal in any kind of metals, machinery, implements, tools, accessories, hardware of all kinds and things necessary or convenient for carrying on the business.

- (B) The Mauritius Transferor Companies (i.e. Mahindra Forgings Overseas Limited ("MFOL") and Mahindra Forgings Mauritius Limited ("MFML"))

- (i) The Mauritius Transferor Company ("MFOL") was incorporated on August 11, 2006.

- (ii) As on June 5, 2007 the stated capital of MPOL is as under:

Issued, Subscribed and Paid-up Capital	Amount in Euros
72,000,001 ordinary shares of Euro 1 each	72,000,001

- (iii) MPOL holds a Category 2 Global Business License issued by the Financial Services Commission of Mauritius (the "FSC") in accordance with the laws of Mauritius. Under the Mauritius Act, a company holding a Category 2 Global Business License can merge with one or more companies incorporated under the laws of jurisdictions other than that of Mauritius.

- (iv) The Mauritius Transferor Company ("MFML") was incorporated on December 5, 2006.

- (v) As on June 5, 2007 the stated capital of the Mauritius Transferor Company ("MFML") is as under:

Issued, Subscribed and Paid-up Capital	Amount in Euros
3,29,73,334 ordinary shares of Euro 1 each	3,29,73,334

- (vi) MFML holds Category 2 Global Business License issued by the FSC in accordance with the laws of Mauritius. Under the Mauritius Act, a company holding a Category 2 Global Business License can merge with one or more companies incorporated under the laws of jurisdictions other than that of Mauritius.

- (C) The Indian Transferor Company (i.e. Mahindra Stokes Holding Company Limited.)

- (i) The Indian Transferor Company, incorporated on March 21, 2007.

- (ii) As on June 5, 2007 the share capital of the Indian Transferor Company is as under:

Authorised	Amount in Rs.
1,10,00,000 Equity shares of Rs.10/- each	11,00,00,000/-

Issued, Subscribed and Paid-up Rs.	Amount in Rs.
1,09,46,880 Equity shares of Rs.10/- each	10,94,68,800/-





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- (iii) The main objects of the Indian Transferor Company is to invest money of the Indian Transferor Company in securities or in the acquisition of any stock, shares, bonds, debentures stock obligation, mortgages or securities of any Government, State or Municipality or of any Company or Corporation and generally to subscribe for, secure and hold, sell, exchange and deal in shares, stocks, bonds or debentures or securities of any Government or Public authority or Company.

3. **AMALGAMATION OF THE TRANSFEROR COMPANIES WITH THE TRANSFeree COMPANY**

- (a) Upon the coming into effect of the Scheme, the Undertakings of the Transferor Companies shall without any further act, instrument or deed be merged and transferred to and vested in or be deemed to have been transferred to and vested as a going concern in the Transferee Company pursuant to the applicable provisions of the Act and the Mauritius Act on and from the Appointed Date.
- (b) Notwithstanding what is stated in clause (a) above, it is expressly provided that such of the assets forming part of the Undertakings as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery of the same shall be so transferred by the Transferor Companies to the Transferee Company without any further act or execution of an instrument as on the Appointed Date.
- (c) Accordingly, in respect of such of the estates, assets, rights, titles, and interest including benefits, entitlements, provisions, concessions, remissions, accretions and appurtenances of the Transferor Companies prior to the Appointed Date and/ or thereafter up to the Effective Date, including cash and bank balances, as are movable in nature or are otherwise capable of transfer by manual delivery, payment or by endorsement and delivery, shall be so transferred, without any further act or execution of an instrument by the Transferor Companies, and shall become the property as an integral part of the Transferee Company.
- (d) The Transferee Company may, at any time after the coming into effect of the Scheme in accordance with the provision thereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of secured creditors of the Transferor Companies or in favour of any other party to any contract or arrangement to which the Transferor Companies are parties or any writings that may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company, shall under the provisions of the

Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Companies and to implement or carry out all such formalities or compliance referred to above, or part of the Transferor Companies to be carried out or performed.

- (e) With effect from the Appointed Date, subject to any corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company, be required and except to the extent otherwise by law required, the reserves of the Transferor Companies will be merged with the corresponding reserves or general reserves of the Transferee Company. To the extent, if any, that any reserves of the Transferor Companies are required to be separately maintained/ designated in, the books of the Transferee Company, the Transferee Company shall credit the same in its books identifying and designating such reserves.
- (f) All assets acquired by the Transferor Companies after the Appointed Date and prior to the Effective Date shall also stand transferred to and vested in the Transferee Company.

4. TRANSFER OF LIABILITY

- (a) On and from the Appointed Date, all debts, liabilities, duties and obligations of every kind, nature and description of the Transferor Companies shall also be and stand transferred to and be deemed to stand transferred to the Transferee Company without any further act, instrument or deed under the provisions of Section 394 of the Act so as to become the debts, liabilities, duties and obligations of the Transferee Company. To the extent that there are any loans, outstandings or balances due from the Transferor Companies to the Transferee Company or vice versa, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of the Transferee Company.
- (b) The transfer and vesting as per clause 3 and 4 (a) aforesaid, shall be subject to the existing charges and mortgages/ encumbrances, if any, over or in respect of any of the assets or any part thereof created by the Transferor Companies. Provided, however, that such charges/ mortgages/ encumbrances shall be confined only to the relative assets or part thereof as encumbered by the Transferor Companies and transferred to and vested in the Transferee Company on and from the Appointed Date and no such charges / mortgages / encumbrances shall extend over or apply to any other asset(s) or property(ies) of the Transferee Company. Any reference in any security documents or arrangements (to which the Transferor Companies are party) to any assets or property(ies) of the Transferor



Companies shall be so construed to the end and intent that such security, shall not extend or be deemed to extend to any of the other asset(s) or property(ies) of the Transferee Company.

5. LEGAL PROCEEDINGS

All legal proceedings of whatsoever nature by or against any of the Transferor Companies pending and / or arising at the Appointed Date or its properties, assets, debts, liabilities, duties and obligations referred to in clause 3, shall be continued and / or enforced until the Effective Date as desired by MFL and as and from the Effective Date shall be continued and enforced by or against MFL in the manner and to the same extent as would or might have been continued and enforced by or against that respective Transferor Company.

6. EMPLOYEES

- (a) The Transferee Company undertakes to engage, on and from the Effective Date, all employees of the Transferor Companies as on the Effective Date (the "Transferred Employees"), without any interruption of service, on the terms and conditions not less favorable than those on which they are engaged by the Transferor Companies prior to the Effective Date. The Transferee Company undertakes to continue to abide by any agreement/settlement entered into by the Transferor Companies with Transferred Employees. The Transferee Company agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of the Transferred Employees with the Transferor Companies shall also be taken into account, and agrees and undertakes to pay the same as and when payable.
- (b) In so far as the existing statutory and other funds and benefits including but not limited to provident fund and pension fund, maintained by the Transferor Companies as on the Effective Date, for its employees (including the Transferred Employees) shall be transferred, as and from the Effective Date, to the new accounts of such funds set up by the Transferee Company for the benefits of the Transferred Employees.

7. CONTRACTS, DEEDS

- (a) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to which the Transferor Companies are a party or to the benefits of which the Transferor Companies may be eligible, and which are subsisting or having effect immediately before

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the Effective Date, shall without any further act on part of the Transferor Company or the Transferee Company be in full force and effect on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or obligor thereto.

- (b) Without prejudice to the other provisions of the Scheme and notwithstanding that the vesting of the Transferor Companies with the Transferee Company occurs by virtue of this Scheme itself, the Transferee Company may, at its own costs 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, execute deeds, confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Companies are a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Transferor Companies will, if necessary, also be a party to the above but shall not be required to incur any cost in this behalf. 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 Companies and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Companies to be carried out or performed

8. PERMITS, CONSENTS AND LICENSES

For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances (including those under the Urban Land Ceiling Act), authorities (including those for the operation of bank accounts), power of attorneys all in respect of the Transferor Companies shall stand transferred to the extent they are capable of being transferred under the Applicable Laws to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the rights and benefits under the same shall be available to the Transferee Company.

9. SAVING OF CONCLUDED TRANSACTIONS

The transfer of assets under Clause 3 above and/or the continuance of proceedings by or against the Transferee Company under Clause 5 above shall not affect any transaction or proceedings already concluded by the Transferor Companies on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto.



10. TRANSACTIONS UP TO THE EFFECTIVE DATE

10.1 (a) With effect from the date of the approval of the Scheme by the respective Boards of Transferor and Transferee Companies and up to the Effective Date:

- (i) The Transferor Companies shall carry on and shall be deemed to have carried on its business and activities and shall stand possessed of and shall be deemed to have held and stood possessed of the assets referred to in Clause 3 above, on account of and in trust for the Transferee Company.
- (ii) The Transferor Companies shall carry on its business and activities with due business prudence and diligence and shall not without the prior written consent of the Board of Directors of the Transferee Company or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage or encumber or otherwise deal with the said assets referred to in Clause 3 above nor incur or accept or acknowledge any debt, obligation or liability except as is necessary in the ordinary course of its business.
- (iii) The Transferor Companies shall not alter their respective capital structure, either by fresh issue of shares or convertible securities (on a rights basis or by way of bonus shares or otherwise) or by any decrease, reduction, re-classification, sub-division, consolidation, reorganization or in any other manner except by and with the consent of the Board of Directors of the Transferee Company.
- (iv) The Transferor Companies shall not declare any dividend after the Appointed Date except with the concurrence of the Transferee Company.
- (v) The holders of the shares of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under the constitutive documents of the respective Companies including right to receive dividends from the respective companies of which they are members till the date this Scheme finally takes effect i.e. the Effective Date.

(vi) It is clarified, however, that the provisions herein in respect of declaration of dividend are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Transferor Companies or Transferee Company to demand or claim or be entitled to any dividend, which subject to the provisions of the said Act, shall be entirely in the discretion of their respective Board of Directors and, if required, the approval of the shareholders of the respective companies.

(b) All the profits or income accruing or arising to the Transferor Companies or expenditure or losses arising or incurred by the Transferor Companies shall, for all purposes, be treated as and shall be deemed to accrue as the profits or income or expenditure or losses, as the case may be, of the Transferee Company.

10.2 The Transferee Company should be entitled, pending the sanction of the Scheme, to apply to the concerned authorities and all other agencies, departments and authorities concerned as may be necessary under any law for such consents, approvals and sanctions, which the Transferee Company may require to carry on the business of the Transferor companies.

10.3 For the purposes of this clause the word Transferor Company shall mean to include the respective Subsidiaries of the Transferor Companies.

11. CAPITAL

11.1 In view of the amalgamation and as an integral part of the Scheme, the capital of the Transferee Company shall be increased in the manner set out in 11.2 below:

11.2 Upon the Scheme coming into Effect:

(a) the Authorised share capital of the Transferee Company shall, without any further act on part of its shareholders or the Board of Directors, be deemed to have been increased from 3,30,00,000 equity shares of Rs 10/- each aggregating to Rs 33,00,00,000/- (Rupees Thirty Three crores) and 1,48,20,206 - 4% non cumulative, redeemable non convertible preference shares of Rs 31/- each aggregating to Rs 45,94,26,386/- (Rupees forty five crores ninety-four lakhs twenty-six thousand three hundred and eighty-six only) to 7,20,00,000 equity shares of Rs. 10/- each aggregating to Rs. 72,00,00,000 (Rupees Seventy Two crores only) and 1,48,20,206 - 4% non cumulative, redeemable non convertible preference shares of Rs 31/- each aggregating to



Rs 45,94,26,386/- (Rupees forty five crores ninety-four lakhs twenty-six thousand three hundred and eighty-six only).

- (b) Clause V of the Memorandum of Association and Article 3 of the Articles of Association of the Transferee Company (relating to the authorised share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 16, 31, 94, and 394 and other applicable provisions of the Act, as the case may be and be replaced by the following clause:

"The Authorised share capital of the Company is Rs 115,94,26,386/- comprising 7,20,00,000 equity shares of Rs 10/- each aggregating to Rs 72,00,00,000/- (Rupees Seventy Two crores) and 1,48,20,206 - 4% non cumulative, redeemable, non convertible preference shares of Rs 31/- each aggregating to Rs 45,94,26,386/- (Rupees forty five crores ninety-four lakhs twenty-six thousand three hundred and eighty-six only) each with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or condition as may be determined by or in accordance with the Articles of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of the Company and the legislative provisions for the time being in force."

- 11.3 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/ approval also to the alteration of the Memorandum and Articles of Association of the Resulting Company as required under section 17 and other applicable provisions of the Act.

12. CONSIDERATION

- 12.1 Upon the Scheme coming into effect:

- (a) in consideration for the merger and vesting of the Undertaking of the MFOL the shareholders, whose name is recorded in the register of shareholders of MFOL on the Effective Date, shall without any further payment be issued and allotted equity shares of the Transferee Company in the ratio of 20 equity shares of Rs. 10 each credited as fully paid up for every 49 equity shares of ₹ 1 each held by such shareholder in the MFOL.



- (b) in consideration for the merger and vesting of the Undertaking of the MFML the shareholders, whose name is recorded in the register of shareholders of MFML on the Effective Date, shall without any further payment be issued and allotted equity shares of the Transferee Company in the ratio of 20 equity shares of Rs. 10 each credited as fully paid up for every 73 equity shares of ₹ 1 each held by such shareholder in the MFML.
- (c) in consideration for the merger and vesting of the Undertaking of the MSHCL the shareholders, whose name is recorded in the register of shareholders of MSHCL on the Effective Date, shall without any further payment be issued and allotted equity shares of the Transferee Company in the ratio of 20 equity shares of Rs 10 each credited as fully paid up for every 103 equity shares of Rs 10 each held by such shareholder in the MSHCL.

The share capital structure of the Transferee Company post the allotment of shares under clause 12.1 (a), (b) and (c) above shall be as follows:-

	Rs. in Lakhs
AUTHORISED SHARE CAPITAL	
7,20,00,000 Equity shares of Rs. 10 each (aggregating to Rs. 72,00,00,000)	Rs 7200
1,48,20,206 - 4% non cumulative, redeemable, non convertible preference shares of Rs 31/- each aggregating to Rs 45,94,26,386/-	Rs 4594.26
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	
Issued Allotted and Paid up Share Capital: 6,85,67,739 Equity shares of Rs. 10 each;	Rs 6,856.77
Share Premium Account	Rs 11,480.99

- 12.2 In case any shareholder's holding in the Transferor Companies is such that the shareholder becomes entitled to a fraction of an Equity Share of the Transferee Company, the Transferor Company shall not issue fractional shares.
- 12.3 Such equity shares to be issued and allotted by the Transferee Company in terms of clauses 12.1 (a), (b) and (c) above shall stand *pari passu* in all respects with the existing equity shares of the Transferee Company.



- 12.4 Equity shares of the Transferee Company issued in terms of clauses 12.1 (a), (b) and (c) above, shall be listed on the relevant Stock Exchange/s, where the existing equity shares of the Transferor Companies are listed and the Transferee Company shall pay the appropriate fee and incur all costs for the same.
- 12.5 The new equity shares issued pursuant to clauses 12.1 (a), (b) and (c) above shall be issued in the dematerialized form by the Transferee Company unless otherwise notified in writing by the shareholders of the Transferor Companies to the Transferee Company on or before such date as may be determined by the Board of Directors of the Transferee Company or a committee thereof. In the event that such notice has not been received by the Transferee Company in respect of any of the members of the Transferor Companies, the new Equity shares shall be issued to such shareholders in dematerialized form provided that the members of the Transferor Companies shall be required to have an account with a depository participant and shall provide details thereof and such other confirmations as may be required. It is only thereupon the Transferee Company shall issue and directly credit the demat/ dematerialized securities account of such members of the Transferor Companies. In the event that the Transferee Company has received the notice from any of the shareholders of the Transferor Companies that the new Equity shares are to be issued in certificate form or if any shareholder has not provided the requisite details regarding the account with a depository participant or other confirmations as may be required, then the Transferee Company shall issue the new Equity shares in certificate form in such number.
- 12.6 Unless otherwise determined by the Board of Directors or any Committee thereof of the Transferor Companies and the Board of Directors or any Committee thereof of the Transferee Company, allotment of Shares in terms of Clause 12.1 (a), (b) and (c) shall be done within the prescribed statutory period from the Effective Date.
- 12.7 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Companies, the Board of Directors or any Committee thereof, of the Transferor Companies at the sole discretion shall be empowered in appropriate cases, even subsequent to the Effective Date as the case may be effectuate such a transfer in the Transferor Companies as if such changes in registered holder were operative as on the Effective Date in order to remove any difficulties in relation to the new shares after the Scheme becomes effective and the Board of Directors of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of

implementation of the Scheme and registration of new members in the Transferee Company on account of difficulties faced in the transition period.

13. ACCOUNTING TREATMENT IN THE BOOKS AND FINANCIAL STATEMENTS OF TRANSFEEE COMPANY

13.1 On the Scheme becoming effective, Transferee Company shall account for the merger in its books as under:

- (a) All the assets and liabilities recorded in the books of the Transferor Companies shall stand transferred to and vested in Transferee Company pursuant to the Scheme and shall be recorded by Transferee Company at their book values as appearing in the books of the Transferor Companies.
- (b) All reserves and surplus, including but not limited to Special Reserve under Reserve Bank of India Act, 1934, Capital Redemption Reserve, General Reserve, Profit and Loss Account, of the Transferor Companies shall be transferred to and vested in Transferee Company in the same form in which they appear in the books of the Transferor Companies.
- (c) The difference, between the amount recorded as share capital on issue of the Equity shares in terms of Clause 12.1 above, and the amount of share capital of the Transferor Companies shall be credited or debited as the case may be to the General Reserve Account which account shall be deemed to be general reserve for all purposes under the provisions of the Act.

13.2 In case of any difference in accounting policy between the Transferor Companies and Transferee Company, the impact of the same till the amalgamation will be quantified and adjusted in the reserves of Transferee Company to ensure that the financial statements of Transferee Company reflect the financial position on the basis of consistent accounting policy.

14. DISSOLUTION OF THE TRANSFEROR COMPANIES

On the Scheme becoming operative, the Indian Transferor Company shall be dissolved without winding up and the Mauritius Transferor Companies shall be removed from the Register of Companies maintained by the Mauritian Registrar of Companies in accordance with the Mauritius Act, and dissolved without winding up.



15. APPLICATION TO BOMBAY HIGH COURT

- (a) The Indian Transferor Company and the Transferee Company shall, make applications to the Bombay High Court under Section 391 and Section 394 and other applicable provisions, if any, of the Act, for an order sanctioning this Scheme of Arrangement between the Transferor Companies and the Transferee Company.
- (b) The Mauritius Transferor Companies shall initiate and pursue all actions necessary under the Applicable Laws of Mauritius including filing of a certified copy of the Order of the Bombay High Court with the Registrar of Companies in Mauritius, to enable him to strike off the name of the Mauritius Transferor Companies from the Register.
- (c) The Transferor Companies shall take all necessary steps for sanctioning of this Scheme and for their dissolution without winding up, and apply for and obtain such other approvals, if any, required under the Applicable Laws.



16. APPROVALS AND MODIFICATIONS

- (a) The Transferor Companies and the Transferee Company may assent from time to time on behalf of all the persons concerned to any modifications or amendments or additions to this Scheme or to any conditions or limitations which the Bombay High Court and/or the Mauritius authorities and/or any other competent authorities, if any, under the law, may deem fit and approve of or impose.
- (b) the Transferor Companies and the Transferee Company may in their discretion deem fit and may resolve all doubts or difficulties that may arise for carrying out this Scheme to settle any question or difficulty arising under the Scheme or in regard to and of the meaning or interpretation of the Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders, depositors or debenture-holders of the respective companies), or to review the position relating to the satisfaction of various conditions of the Scheme and if necessary, to waive any of those to the extent permissible under Law and do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect.
- (c) The aforesaid powers, under clauses (a) and (b) above, of the Transferor Companies and the Transferee Company may be exercised by their respective Board of

Directors, a committee of the concerned Board or any director, authorities in that behalf by the concerned Board of Directors (hereinafter referred to as the "delegate").

- (d) For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate of the Transferee Company may give and is hereby authorised to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties in the same manner as if the same were specifically incorporated in this Scheme.

17. CONDITIONALITY OF THE SCHEME

This Scheme is conditional upon and subject to:

- (a) The requisite sanction or approval of the Appropriate Authorities being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required.
- (b) Approval by the requisite majority of the shareholders of each of the Transferor Companies and the Transferee Company, as directed by the Hon'ble High Court of Bombay under the Act, and as required under the Mauritius Act.
- (c) In the event of any such consents, approvals, permissions, resolutions, agreements, sanctions or orders not being so obtained or passed or, obtained, being subject to any conditions, restrictions not reasonably acceptable to the Board of Directors of the Transferor Companies or the Transferee Company, this Scheme shall become null and void, and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter-se by either of the Transferor Companies and the Transferee Company or their respective shareholders or creditors or employees or any other persons save and except in respect of any act or deed done prior thereto, as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each company shall bear its own cost unless otherwise mutually agreed.
- (d) The Transferee Company shall have entered into the following agreements under Section 4(2)(b) of Part II of the Fourteenth Schedule of the Mauritius Act:





- (i) an agreement that a service of process may be effected on it in Mauritius in respect of proceedings for the enforcement of any claim, debt, liability or obligation of a constituent company incorporated under the Mauritius Act (the Mauritius Transferor Companies) or in respect of proceedings for the enforcement of the rights of a dissenting member of a Mauritius Transferor Company;
 - (ii) an irrevocable appointment of the Mauritius Registrar of Companies as its agent to accept service of process in proceedings referred to in sub clause (i) above;
 - (iii) Based on this the Transferee Company will appoint such person as is acceptable to the Mauritius Registrar of Companies, as its agent to accept service of process in respect of proceedings, as set out in sub clause (i) above;
 - (iv) an agreement that it shall promptly pay to the dissenting members of a Mauritius Transferor Company the amount, if any, to which they are entitled under the Mauritius Act with respect to the rights of dissenting members;
- (e) The Certified copies of the Orders of High Court of Judicature at Bombay or any other Appropriate Authority under Section 391 and 394 of the Act sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra at Mumbai.
- (f) All other sanctions and approvals as may be required by law including registration of the order of the High Court at Bombay or any other Appropriate Authority, by the Registrar of Companies, Maharashtra, under Section 103 of the Act in respect of this Scheme being sanctioned.
- (g) In the event of this Scheme failing to take effect finally by December 31, 2007 or by such later date as may be agreed by the respective Boards of Directors or Committee thereof of the Transferor Companies and the Transferee Company, this Scheme shall become null and void in that event no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case the Transferor Companies shall bear its own and all related costs.
- (h) In the event of non-fulfillment of any or all obligations under the Scheme by any Company towards the other Company, inter-se or to third parties and non-performance of which will put the other Company under any obligation, then such Company will indemnify all costs/interest, etc. to the other Company.

- (i) If any part of this Scheme is found to be unworkable for any reason whatsoever, in the sole discretion of the Transferor Companies and the Transferee Company either by the Board of Directors or through Committee appointed by them in this behalf, the same shall not, subject to the decision of the Transferor Companies and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

18. FILINGS WITH THE MAURITIUS AUTHORITIES

The Mauritius Transferor Companies shall cause to file with the Mauritius Registrar of Companies: (a) their respective Board and Shareholder Resolutions approving this Scheme, (b) this Scheme, (c) the agreements referred to in Clause 17(d) above, and (d) the Certified copy of the Order passed by the Bombay High Court, with the Mauritius Registrar of Companies accepting this as sufficient evidence of the Scheme being sanctioned, and thus constituting a certificate of merger or consolidation issued by the Appropriate Authority of India.

Upon the filing of the above documents the Mauritius Registrar of Companies will remove the Mauritius Transferor Companies from the Register of Companies that it maintains.

19. COSTS, CHARGES AND EXPENSES

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



TRUE-COPY
[Signature]
D. NARVEKAR
COMPANY REGISTRAR
HIGH COURT (C.S.)
BOMBAY
3/12/02

TRUE COPY
[Signature]
M/S. KHAITAN & CO.

CERTIFIED TO BE A TRUE COPY
this 19th day of May 2008

[Signature]
For Prothonotary and Master



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C-3784
2007

**IN THE HIGH COURT OF JUDICATURE AT
BOMBAY
ORDINARY ORIGINAL CIVIL
JURISDICTION
COMPANY PETITION NO.794 OF 2007
CONNECTED WITH
COMPANY APPLICATION NO.876 OF 2007**

In the matter of the Companies Act, 1956
And
In the matter of Sections 391 to 394 of the
Companies Act, 1956.
And
In the matter of Scheme of Arrangement between
Mahindra Stokes Holding Co. Ltd.
And
Mahindra Forgings Overseas Ltd.
And
Mahindra Forgings Mauritius Ltd.
With
Mahindra Forgings Ltd.
And
Their Respective Shareholders.

Mahindra Forgings Ltd.

.....Petitioner



**AUTHENTICATED COPY OF THE ORDER
DATED 23RD NOVEMBER, 2007 ALONG
WITH SCHEME**

Applied on 24-2-2007
Engrossed on 28-2-2007
Section Writer
Folios
Examined by [Signature]
Compared with [Signature]
Ready on
Delivered on

Applied on 13/2/2008
Engrossed on 17/3/2008
Section Writer [Signature]
Folios 92 Pages
Examined by [Signature]
Compared with [Signature]
Ready on 19 MAR 2008
Delivered on 19/3/08

KHATTAN & CO.,
Advocates for the Petitioner Company
4th & 5th Floor, Meher Chamber,
Ballard Estate, Mumbai - 38.

18 MAR 2008

HIGH COURT, BOMBAY

217714

CSP nos. 483, 484, 485 and 486 of 2014

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 483 OF 2014

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 266 OF 2014

Mahindra Hindray Industries Limited [CIN: U27100MH2007PLC173636] ...Petitioner

AND

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 484 OF 2014

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 267 OF 2014

Mahindra Ugine Steel Company Limited [CIN: 199999MH1962PLC012542] ...Petitioner

AND

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 485 OF 2014

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 268 OF 2014

Mahindra Investments (India) Private Limited
[CIN: U93000MH2013PTC242473]

...Petitioner

AND

1

"Disclaimer Clause : Authenticated copy is not a Certified Copy"

HIGH COURT, BOMBAY

217713

CSP nos. 483, 484, 485 and 486 of 2014

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 486 OF 2014

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 269 OF 2014

Mahindra CIE Automotive Limited [CIN: L27100MH1999PLC121285] ... Petitioner

In the matter of the Companies Act, 1956;

-And-

In the matter of Petition under Sections 391 to 394 read with other relevant provisions of the Companies Act, 1956;

-And-

In the matter of Scheme of Amalgamation of
Mahindra Hindray Industries Limited (Transferor Company 1)
and
Mahindra UGINE Steel Company Limited (Transferor Company 2)
and
Mahindra Gears International Limited (Transferor Company 3)
and
Mahindra Investments (India) Private Limited (Transferor Company 4)
and
Participaciones Internacionales Autometal TRES, S.L. (Transferor Company 5)
with
Mahindra CIE Automotive Limited (formerly known as Mahindra Forgings Limited) (Transferee Company).

HIGH COURT, BOMBAY

217712

CSP nos. 483, 484, 485 and 486 of 2014

Called for Hearing:

Mr. Zal Andhyarajna along with Mr. Simil Purohit and Mr. Tapan Deshpande, Advocates instructed by Amarchand & Mangaldas & Suresh A. Shroff & Co., Advocates for Petitioner Companies.

Ms. S.L. Shah and Ms. Purnima Awasthi, Advocates i/b. Mr. H.P. Chaturvedi, for Regional Director in all Petitions

Mr.S. Ramakanta, Official Liquidator present in CSP nos. 483, 484 and 485 of 2014

Coram : S. J. Kathawalla, J.

Date: 31st October, 2014

PC

1. Heard Counsel for parties.
2. M/s. Astute Engineering Services Private Limited being creditor of Transferor Company 1 has filed their objection to the proposed Scheme which is arising out of certain transactions. The counsel for the Petitioner Company submits that by an order dated 30th September, 2014, passed by this Court in the said Petition, the dispute between the said Objector and the Transferor Company 1 has been directed to be referred to an Arbitrator and on the basis thereof, the winding up Petition has been disposed off. Counsel for the Petitioner Company further states that the liability, if any, arising out of the said dispute in the said arbitration proceedings will be binding on the Transferee Company. Moreover as per the Scheme liabilities, if any of the Transferor Companies will continue to be borne by the Transferee Company. Hence it is submitted that the interest of the said Objector is not any way affected by sanctioning the Scheme.
3. Learned Advocate for the Petitioner Company states that the Petitions have been filed to seek sanction to the Scheme of Amalgamation of Mahindra Hindray Industries Limited (Transferor Company 1) and Mahindra Uglue Steel Company Limited (Transferor Company 2) and Mahindra Gears International Limited (Transferor

Company 3) and Mahindra Investments (India) Private Limited (Transferor Company 4) and Participaciones Internacionales Autometal TRES, S.L. (Transferor Company 5) with Mahindra CIE Automotive Limited (formerly known as Mahindra Forgings Limited) (Transferee Company) (Scheme), pursuant to the provisions of Section 391 to 394 of the Companies Act, 1956.

4. The Transferor Company 1 is engaged, *inter alia*, in the business of manufacture and sale of parts, including but not limited to parts used in automotive industry, using castings (ductile iron and CG iron grades). The Transferor Company 2 is engaged, *inter alia*, in the business of manufacture and sale of parts, including but not limited to parts used in automotive industry, using stampings (cold stamped HR/ CR steel grades). The Transferor Company 4 is engaged, *inter alia*, in the business of acting as an investment holding company. The Transferee Company is engaged *inter alia* in the business of manufacture and sale of parts, including but not limited to parts used in the automotive industry, using machining and forgings (hot forged ferrous grades excluding stainless steel), manufacturer of forged and machined products, manufactures a variety of auto components in India, primarily being crankshafts, stub axles, steering knuckles, links, knuckles, spindles, shafts, pistons and ball joints that are used in various industries and produces steering components for commercial vehicles.

5. The learned Advocate for the Petitioner Companies says that the rationale and significant benefits of the Scheme are that, The Transferor Companies and the Transferee Company, amongst others, have entered into an agreement dated 15th June, 2013, pursuant to which it has been agreed to amalgamate the Transferor Companies into the Transferee Company, on the terms and conditions as set out in the Scheme of

Amalgamation and in compliance with the provisions of Sections 2(B) of the Income Tax Act, 1961, and (ii) The Transferor Company 1, Transferor Company 2, Transferor Company 3 and the Transferee Company are engaged in complementary businesses. CIE Automotive S.A., a company incorporated under the laws of Spain, having its registered office at Iparraguirre n° 34, 2º planta, 48011 Bilbao (Spain), being in control of Petitioner Company, Transferor Company 5 and the Transferee Company, believes that combining the businesses of the Transferor Companies and the Transferee Company will result in enhancing shareholder value for the shareholders of each of the Transferor Companies and the Transferee Company.

6. The Board of Directors of the Transferor Companies and the Transferee Company, have approved said Scheme by passing their respective board resolutions which are annexed to the respective Petitions.

7. The Learned Advocate for the Petitioner Companies states that the Petitioner Companies have complied with all the directions passed in the respective Company Summons for Direction and that the respective Company Scheme Petitions have been filed in consonance with the orders passed in respective Company Summons for Direction.

8. The Learned Advocate appearing on behalf of the Petitioner Companies has stated that the Petitioner Companies have complied with all requirements as per directions of this Court and they have filed necessary Affidavit of compliance in the Court. Moreover the Petitioner Companies undertake to comply with all statutory requirements if any, as required under the Companies Act, 1956/2013 and the Rules made thereunder whichever is applicable. The said undertakings are accepted.

9. The Regional Director has filed an Affidavit dated 1st October, 2014 stating therein that save and except as stated in paragraph 6, of the said Affidavit, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph 6 of the said affidavit it is stated that -

"6 That the Deponent further submits that:-

- (a) With reference to clause 17(a) of Part III of the scheme it is submitted that the reserve, if any, arising out of the scheme may be transferred to Capital Reserve of the Transferee Company.
- (b) As provided in clause 18 of the scheme, the 3rd Transferor Company and 5th Transferor Company shall take appropriate steps for dissolution of those companies as per the Law of Mauritius and Spain respectively.
- (c) Shareholders of 3rd and 5th Transferor Companies are foreign body corporate and for allotment of shares to other foreign body corporate/NRI of other Transferor Companies, the Transferee Company may be directed to comply with FEMA/RBI regulations as applicable in this regard.
- (d) With reference to clause (g) and (h) of section 3 of Part II of the scheme, it is submitted that as the 3rd and 5th Transferor Companies are situated outside the territorial jurisdiction of Republic of India, authorized capital of such Transferor Companies shall not be merged with the authorized capital of the Transferee Company.
- (e) That the Deponent further submits that the Tax issue if any arising out of this scheme shall be subject to final decision of Income Tax Authority and approval of the scheme by Hon'ble High Court may not deter the Income Tax Authority to scrutinize the tax returns filed by the petitioner company after giving effect to the amalgamation. The decision of the Income Tax Authority is binding on the petitioner company."

10. As far as observation in paragraph 6 (a) of the said Affidavit is concerned, the Transferee Company undertakes that the surplus, if any, arising out of the Scheme shall be transferred to Capital Reserve Account of the Transferee Company.
11. As far as observation in paragraph 6 (b) of the said Affidavit is concerned, the Counsel for the Petitioner Companies states that as mentioned in paragraph 18 of the Scheme, the dissolution of the 3rd Transferor Company and 5th Transferor Company shall be in accordance with the law of Mauritius and Spain respectively.
12. As far as observation in paragraph 6(c) of the said Affidavit is concerned, the Counsel for the Petitioner Companies state that shareholders of the Transferor Company 3 are not foreign body corporate but are Indian companies, thus the question of compliance with FEMA/RBI regulations as applicable for allotment of shares to the shareholders of Transferor Company 3 will not arise. The Transferee Company through its Counsel undertakes to comply with FEMA/RBI regulation as applicable in regard to allotment of new shares by the Transferee Company to the shareholders of the Transferor Company 3.
13. As far as observation in paragraph 6 (d) of the said Affidavit is concerned, The Transferee Company through its counsels states that the authorized capital of such Transferor Company 3 and Transferor Company 5 shall not be merged with the authorized capital of the Transferee Company.
14. As far as observation in paragraph 6(e) of the said Affidavit is concerned, the Transferee Company through its counsel submits that the Transferee Company is bound to comply with all applicable provisions of the Income Tax Act and all tax issues arising out of the Scheme will be answered in accordance with law.

15. The Learned Counsel for the Regional Director on instructions of Mr. M. Chandanamuthu, Joint Director Legal, in the office of the Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai states that they are satisfied with the submissions made by Transferee Company on behalf of 3rd Transferor Company and 5th Transferor Company and undertakings given hereinabove by the Petitioner Companies through its Advocate. The undertakings given by the Petitioner Companies hereinabove are accepted.
16. The Official Liquidator has filed his Report on 25th September, 2014 stating that the affairs of the Transferor Companies have been conducted in a proper manner and that the Transferor Companies may be ordered to be dissolved.
17. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
18. Since all requisite statutory compliance have been fulfilled, Company Scheme Petition No. 483 of 2014 filed by the Transferor Company 1, Company Scheme Petition No. 484 of 2014 filed by the Transferor Company 2, Company Scheme Petition No. 485 of 2014 filed by the Transferor Company 4 are made absolute in terms of prayer clauses (a) and (b) respectively and Company Scheme Petition No. 486 of 2014 filed by the Transferee Company is made absolute in terms of prayer clauses (a).
19. The Transferee Company to lodge a copy of this order along with a copy the Scheme, duly authenticated by the Company Registrar, High Court [O.S.], Bombay, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, within 60 days from the date of the order.

HIGH COURT, BOMBAY

217706

CSP nos. 483, 484, 485 and 486 of 2014

20. The Petitioner Companies are directed to file a copy of this order along with a copy of the Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay, with the concerned Registrar of Companies, electronically, along with e-form 21/ INC 28 in addition to physical copy as per the provisions of Companies Act, 1956/2013, whichever is applicable.
21. The Petitioner Companies in the respective Company Scheme Petitions to pay costs of Rs. 10,000/- each to the Regional Director, Western Region, Mumbai and the Petitioner Companies in Company Scheme Petition Nos. 483, 484 and 485 of 2014 to pay a sum of Rs. 10,000/- each to the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from today.
22. Filing and issuance of the respective drawn up orders are dispensed with.
23. All concerned authorities to act on a copy of this order along with the Scheme, duly authenticated by the Company Registrar, High Court (O.S.), Bombay.

(S. J. Kathawalla, J.)

TRUE COPY

Section Officer

High Court, Appellate Side
Bombay

TRUE-COPY

Mrs. K. M. RANE
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

**INTEGRATED SCHEME OF AMALGAMATION
UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956**

OF

Mahindra Hinoday Industries Limited ... **Transferor Company 1**

AND

Mahindra Ugin Steel Company Limited ... **Transferor Company 2**

AND

Mahindra Gears International Limited ... **Transferor Company 3**

AND

Mahindra Investments (India) Private Limited ... **Transferor Company 4**

AND

Participaciones Internacionales Autometal TRES, S.L. ... **Transferor Company 5**

WITH

**Mahindra CIE Automotive Limited (formerly known
as Mahindra Forgings Limited)** ... **Transferee Company**

- A. **Mahindra Hinoday Industries Limited** is a public limited company incorporated under the Act with its registered office at Mahindra Towers, P.K. Kurne Chowk, Worli, Mumbai - 400018, Maharashtra ("Transferor Company 1"). The Transferor Company 1 is engaged in the business of manufacture and sale of parts, including but not limited to parts used in automotive industry, using castings (ductile iron and CG Iron grades).
- B. **Mahindra Ugin Steel Company Limited** is a public limited company incorporated under the Act with its registered office at 74, Ganesh Apartment, LJ Road, Mahim, Mumbai - 400016, Maharashtra ("Transferor Company 2"). The Transferor Company 2 is engaged in the business of manufacture and sale of parts, including but not limited to parts used in automotive industry, using stampings (cold stamped HR/ CR steel grades). The equity shares of the Transferor Company 2 are listed on the BSE and the NSE.
- C. **Mahindra Gears International Limited** is a company incorporated under the laws of Mauritius with its registered office at IFS Court, Twenty Eight Cybercity, Ebene, Mauritius ("Transferor Company 3"). The principal business of the Transferor Company 3 is to act as an investment holding company.

D. **Mahindra Investment (India) Private Limited** is a private limited company incorporated under the Act with its registered office at Mahindra Towers, near Doordarshan Kendra, Pandurang Budhkar Marg, Worli, Mumbai - 400018, Maharashtra ("Transferor Company 4"). The principal business of the Transferor Company 4 is to act as an investment holding company.

E. **Participaciones Internacionales Autometal Tres, S.L.** is a company incorporated under the laws of Spain with its registered office at Iparraguirre n° 34, 2ª derecha, 48011 Bilbao (Spain) ("Transferor Company 5"). The Transferor Company 5 is a holding company which is engaged in the business of holding companies within the automotive sector.

(Transferor Company 1, Transferor Company 2, Transferor Company 3, Transferor Company 4 and Transferor Company 5 together are hereinafter referred to as the "Transferor Companies").

F. **Mahindra CIE Automotive Limited** (formerly known as Mahindra Forgings Limited) is a public limited company incorporated under the Act with its registered office at Mahindra Towers, P.K. Kurne Chowk, Worli, Mumbai - 400018, Maharashtra, India ("Transferee Company"). The Transferee Company is engaged in the business of manufacture and sale of parts, including but not limited to parts used in the automotive industry, using forgings (hot forged ferrous grades excluding stainless steel). The equity shares of the Transferee Company are listed on the BSE and the NSE.

G. The Transferor Companies and the Transferee Company are engaged in complementary businesses. CIE, being in control of Transferor Company 5, believes that following the acquisition of a controlling stake in the Transferor Company 1 and the Transferee Company, combining the businesses of the Transferor Companies and the Transferee Company will result in enhancing shareholder value for the shareholders of each of the Transferor Companies and the Transferee Company.

H. Accordingly, this Scheme provides for the amalgamation of the Transferor Companies with the Transferee Company and the consequent issue of equity shares of the Transferee Company to the shareholders of the Transferor Companies pursuant to Sections 391 to 394 and other relevant provisions of the Act, and various other matters consequential to or otherwise connected with the above in the manner provided for in this Scheme.

I. The amalgamation of the Transferor Companies with the Transferee Company pursuant to this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of Section 2(1B) of the Income Tax Act, 1961.

J. This Scheme is divided into the following parts:

- (a) **Part I**, which deals with the introduction and definitions, and sets out the share capital of each of the Transferor Companies and the Transferee Company;

- (b) Part II, which deals with the amalgamation of the Transferor Companies with the Transferee Company; and
- (c) Part III, which deals with the dissolution of the Transferor Companies and the general terms and conditions applicable to this Scheme.

PART I - GENERAL

1. Definitions And Interpretation

- (a) In this Scheme, unless the context or meaning otherwise requires (i) terms defined in the introductory paragraphs and recitals shall have the same meanings throughout this Scheme and (ii) the following words and expressions, wherever used (including in the recitals and the introductory paragraphs above), shall have the following meanings:

"Act" means the Companies Act, 1956;

"Affiliate" means in relation to any Person, any Person that directly or indirectly through 1 (one) or more Person(s), Controls, is Controlled by, or is under common Control with, the Person;

"Applicable Law" or "Law" means any applicable statute, law, regulation, ordinance, rule, judgment, order, decree, clearance, approval from the concerned authority, directive, guideline, press note, policy, requirement, or other governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any Government Authority in effect in the Republic of India, Mauritius or Spain;

"Appointed Date" means October 1, 2013;

"Board of Directors" or "Board" in relation to each of the Transferor Companies and the Transferee Company, as the case may be, means the board of directors of such company, and shall include a committee duly constituted and authorised for the purposes of matters pertaining to the amalgamation, this Scheme and/or any other matter relating thereto;

"BSE" means The BSE Limited;

"CIE" means CIE Automotive S.A., a company ("Sociedad Anónima") incorporated under the laws of Spain, having its registered office at Iparraguirre nº 34, 2ª derecha, 48011 Bilbao (Spain) and listed on the Madrid and Bilbao stock exchanges;

"CIE Group" means CIE and Persons that CIE Controls;

"Commencement Date" shall mean June 15, 2013;

"Control" means (i) in relation to a body corporate, the right to exercise, or control the exercise, whether directly or indirectly, acting alone or together with another Person, of more than 50% (fifty percent) of the total voting rights at a general meeting of that body corporate, or the right or power to direct, whether directly or

indirectly, acting alone or together with another Person, the policy decisions of that body corporate, including the composition of any board of directors (or equivalent body) of that body corporate, or (ii) in relation to any Person which is not a body corporate, the right or power to direct, whether directly or indirectly, acting alone or together with another Person, the policy decisions of that Person;

"EUR" means an unit of currency that is used by the member countries of the European Union which have joined the European monetary union;

"Effective Date" means the last of the dates on which all the conditions and matters referred to in Clause 18 occur or have been fulfilled or waived in accordance with this Scheme. References in this Scheme to date of 'coming into effect of this Scheme' or 'effectiveness of this Scheme' or 'Scheme coming into effect' shall mean the Effective Date;

"Eligible Employees" means the Employees and the employees of any holding or subsidiary company of the Transferor Company 2 who are entitled to employee stock options under the Transferor Company 2 Stock Option Scheme, and to whom, as on the Record Date, options of the Transferor Company 2 have been granted, irrespective of whether the same are vested or not;

"Employees" mean all the permanent employees of each of the Transferor Companies, as the case may be, as on the Effective Date;

"Encumbrance" means any mortgage, pledge, equitable interest, assignment by way of security, conditional sales contract, hypothecation, right of other persons, claim, security interest, encumbrance, title defect, title retention agreement, voting trust agreement, interest, option, lien, charge, commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off, any arrangement (for the purpose of, or which has the effect of, granting security), or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same and the term "Encumbered" shall be construed accordingly;

"Existing Stock Option Scheme" means the Employees' Stock Option Scheme, 2007 of the Transferor Company;

"Funds" shall have the meaning assigned to it in Clause 8(c);

"Gears India OpCo" means Mahindra Gears and Transmission Private Limited, a company incorporated under the Act, having its registered office at Mahindra Towers, P.K. Kurne Chowk, Worli, Mumbai 400018, Maharashtra, India;

"Gears India OpCo SPA" means the share purchase agreement entered into on or about even date between M&M, the Transferor Company 4, Gears India OpCo and the Transferee Company, for



the purchase by the Transferor Company 4 of all of the shares of Gears India OpCo held by M&M;

"Governmental Authority" means (i) a national government, political subdivision thereof; (ii) an instrumentality, board, commission, court, or agency, whether civilian or military, of any of the above, however constituted; and (iii) a government-owned/ government-controlled association, organization in the Republic of India, Mauritius or Spain;

"High Court" means the High Court of Judicature at Mumbai and shall include the National Company Law Tribunal, as applicable or such other forum or authority as may be vested with any of the powers of a High Court under Sections 391 to 394 of the Act;

"INR" or "Rupees" means the lawful currency of Republic of India;

"Implementation Period" means the period intervening the Commencement Date and the Effective Date;

"Integration Committee" shall have the meaning assigned to it in Clause 14;

"Liabilities" shall have the meaning assigned to it in Clause 6(a);

"Mahindra Composites Limited" means a company incorporated under the Act, having its registered office at 145, Mumbai-Pune Road, Pimpri, Pune 411018, Maharashtra, India and listed on the BSE;

"Mahindra Systech Companies" mean the Transferor Companies (other than the Transferor Company 5) and Mahindra Composites Limited;

"M&M" means Mahindra & Mahindra Limited, a public limited company incorporated under the Act, having its registered office at Gateway Building, Apollo Bunder, Mumbai - 400001, Maharashtra, India and listed on the Stock Exchanges;

"M&M Group" means M&M and Persons that M&M Controls;

"MOICML" means Mahindra Overseas Investment Company (Mauritius) Limited, a company incorporated under the laws of Mauritius, having its registered office at IFS Court, Twenty Eight Cybercity, Ebene, Mauritius;

"MUSCO Investments" means all the shares held by the Transferor Company 2 in (a) Mahindra Sanyo Special Steel Private Limited (b) Mahindra Hotels & Resorts Limited; (c) Indian & Eastern Engineer Company Limited; (d) Mahindra & Mahindra Contech Limited; (e) Mahindra Construction Limited; (f) Orissa Sponge Iron Limited; (g) Dena Bank Limited; and (h) Kotak Mahindra Bank Limited;

"MUSCO Real Estate" means the colony land admeasuring approx 76 (seventy six) acres owned by the Transferor Company 2 and situated at Khopoli, Maharashtra;

"Net Financial Debt" means all financial debt less cash, cash equivalents and liquid assets on a consolidated basis;

"NSE" means the National Stock Exchange of India Limited;

"Person" means any individual (including in his capacity as trustee), entity, joint venture, company, corporation, partnership (whether limited or unlimited), proprietorship or other enterprise (whether incorporated or not), Hindu undivided family, union, association of persons, government (central, state or otherwise), or any agency, department, authority or political subdivision thereof, and shall include their respective successors and in case of an individual shall include his/her legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees and the beneficiary or beneficiaries from time to time;

"Record Date" means the date to be fixed by the Board of Directors of the Transferee Company for the purpose of determining the equity shareholders of each of the Transferor Companies, to whom shares of the Transferee Company will be allotted pursuant to this Scheme;

"Registrar of Companies" means the Registrar of Companies, Maharashtra, Mumbai;

"Scheme" means this integrated scheme of amalgamation, as amended or modified in accordance with the provisions hereof;

"SEBI" means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;

"SEBI Circulars" mean Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 and Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, each issued by the SEBI;

"Stock Exchanges" mean each of the BSE and the NSE;

"Transferor Company 1 Undertaking" means all the undertakings and entire business of the Transferor Company 1 as a going concern, including, without limitation:

- (i) all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature) of the Transferor Company 1, whether situated in India or abroad, including, without limitation, all manufacturing units and facilities, all land, buildings and structures, offices, residential and other premises, capital work-in-progress, machines and equipments, furniture, fixtures, office equipment,



computers, appliances, accessories, power lines, stocks, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, earnest monies, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company 1, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, tenancies in relation to the office and/or residential properties, guest houses, godowns, warehouses, vehicles, D.G. sets, share of any joint assets, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company 1 or in connection with or relating to the Transferor Company 1 and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company 1, whether in India or abroad;

- (ii) all permits, quotas, rights, entitlements, industrial and other licences, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), municipal permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions in respect of the profits of the undertaking for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the benefit or exemption is available in law if the amalgamation pursuant to this Scheme does not take place, all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company 1;
- (iii) all debts, borrowings, obligations, duties and liabilities, both present and future (including deferred tax liabilities, contingent liabilities and the Liabilities and obligations under any licences or permits or schemes) of every kind,

nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Rupees or foreign currency, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company 1; and

- (iv) all trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programmes, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company 1.

"Transferor Company 2 Undertaking" means all the undertakings and entire business of the Transferor Company 2 as a going concern, including, without limitation:

- (i) all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature) of the Transferor Company 2, whether situated in India or abroad, including, without limitation, all manufacturing units and facilities, all lands, buildings and structures, offices, residential and other premises, capital work-in-progress, machines and equipments, furniture, fixtures, office equipment, computers, appliances, accessories, power lines, stocks, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, earnest monies, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company 2, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, tenancies in relation to the office and/or residential properties, guest houses, godowns, warehouses, vehicles, D.G. sets, share of any joint assets, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages



of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company 2 or in connection with or relating to the Transferor Company 2 and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company 2, whether in India or abroad;

- (ii) all permits, quotas, rights, entitlements, industrial and other licences, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), municipal permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions in respect of the profits of the undertaking for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the benefit or exemption is available in law if the amalgamation pursuant to this Scheme does not take place, all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related therein, licenses, powers and facilities of every kind, nature and description whatsoever provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company 2;
- (iii) all debts, borrowings, obligations, duties and liabilities, both present and future (including deferred tax liabilities, contingent liabilities and the liabilities and obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Rupees or foreign currency, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company 2; and
- (iv) all trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programmes, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company 2.

"Transferor Company 3 Undertaking" means all the undertakings and entire business of the Transferor Company 3 as a going concern, including, without limitation:

- (i) all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature) of the Transferor Company 3, whether situated in Mauritius or abroad, including, without limitation, all manufacturing units and facilities, all land, buildings and structures, offices, residential and other premises, capital work-in-progress, machines and equipments, furniture, fixtures, office equipment, computers, appliances, accessories, power lines, stocks, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, earnest monies, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company 3, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, tenancies in relation to the office and/or residential properties, guest houses, godowns, warehouses, vehicles, D.G. sets, share of any joint assets, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company 3 or in connection with or relating to the Transferor Company 3 and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company 3, whether in Mauritius or abroad;
- (ii) all permits, quotas, rights, entitlements, industrial and other licences, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), municipal permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions in respect of the profits of the undertaking for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the benefit or exemption is available in law if the amalgamation pursuant to this Scheme does not take place, all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities



related thereto, licenses, powers and facilities of every kind, nature and description whatsoever provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company 3;

- (iii) all debts, borrowings, obligations, duties and liabilities, both present and future (including deferred tax liabilities, contingent liabilities and the Liabilities and obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Rupees or foreign currency, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company 3; and
- (iv) all trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programmes, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company 3.

"Transferor Company 4 Undertaking" means all the undertakings and entire business of the Transferor Company 4 as a going concern, including, without limitation:

- (i) all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature) of the Transferor Company 4, whether situated in India or abroad, including, without limitation, all manufacturing units and facilities, all land, buildings and structures, offices, residential and other premises, capital work-in-progress, machines and equipments, furniture, fixtures, office equipment, computers, appliances, accessories, power lines, stocks, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, earnest monies, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company 4, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements

or under any guarantees, reversions, powers, tenancies in relation to the office and/or residential properties, guest houses, godowns, warehouses, vehicles, D.G. sets, share of any joint assets, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company 4 or in connection with or relating to the Transferor Company 4 and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company 4, whether in India or abroad;

- (ii) all permits, quotas, rights, entitlements, industrial and other licences, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), municipal permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions in respect of the profits of the undertaking for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the benefit or exemption is available in law if the amalgamation pursuant to this Scheme does not take place, all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company 4;
- (iii) all debts, borrowings, obligations, duties and liabilities, both present and future (including deferred tax liabilities, contingent liabilities and the Liabilities and obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Rupees or foreign currency, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company 4; and
- (iv) all trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programmes, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other



customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company 4.

"Transferor Company 5 Undertaking" means all the undertakings and entire business of the Transferor Company 5 as a going concern, including, without limitation:

- (i) all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature) of the Transferor Company 5, whether situated in Spain or abroad, including, without limitation, all manufacturing units and facilities, all land, buildings and structures, offices, residential and other premises, capital work-in-progress, machines and equipments, furniture, fixtures, office equipment, computers, appliances, accessories, power lines, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, earnest monies, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company 5, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, tenancies in relation to the office and/or residential properties, guest houses, godowns, warehouses, vehicles, D.G. sets, share of any joint assets, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company 5 or in connection with or relating to the Transferor Company 5 and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company 5, whether in Spain or abroad;
- (ii) all permits, quotas, rights, entitlements, industrial and other licences, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential

and whether under agreements or otherwise), municipal permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions in respect of the profits of the undertaking for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the benefit or exemption is available in law if the amalgamation pursuant to this Scheme does not take place, all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company 5;

- (iii) all debts, borrowings, obligations, duties and liabilities, both present and future (including deferred tax liabilities, contingent liabilities and the Liabilities and obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Rupees or foreign currency, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company 5; and
- (iv) all trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programmes, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company 5.

"Transferee Company Representatives" shall be any of the following sets of people:

- (a) Mr. Jesus Maria Herrera Brandiaran, Mr. Pedro Echegaray, Mr. Ignacio Artazcoz Barrena, Mr. Roberto Alonso Ruiz or Mr. Jose Ramon Derecibar; and
- (b) Mr. K. Ramaswami or Mr. Sanjay Joglekar;

"Transferor Company 2 Stock Option Scheme" shall have the meaning assigned to it in Clause 8(e);

"Transferee Company Stock Option Scheme" shall have the meaning assigned to it in Clause 8(e); and

"Undertakings" means the Transferor Company 1 Undertaking, the Transferor Company 2 Undertaking, the Transferor Company 3



Undertaking, the Transferor Company 4 Undertaking and the Transferor Company 5 Undertaking collectively.

- (b) All terms used but not defined in this Scheme shall, unless contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act or any statutory modification or re-enactment thereof for the time being in force or any legislation which replaces the Act.
- (c) References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.
- (d) The headings herein shall not affect the construction of this Scheme.
- (e) Unless the context otherwise requires:
 - (i) the singular shall include the plural and *vice versa*, and references to one gender include all genders.
 - (ii) references to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives body (whether or not having separate legal personality).
 - (iii) reference to any law or to any provision thereof or to any rule or regulation promulgated thereunder includes a reference to such law, provision, rule or regulation as it may, from time to time, be amended, supplemented or re-enacted, or to any law, provision, rule or regulation that replaces it.
 - (iv) Without prejudice to generality of (iii) above, references to the Companies Act, 1956 and specific provisions thereof will be deemed to mean or include references to Companies Act, 2013 and corresponding provisions thereof, as and when provisions of the Companies Act, 2013 are made effective.

2. Share Capital

(a) Transferor Company 1

The share capital structure of the Transferor Company 1 as on June 15, 2013 is as under:

A. Authorized Share Capital	
57,000,000 equity shares of INR 10 per equity share	570,000,000
15,000,000 cumulative redeemable preference shares of INR 10 per share	150,000,000
Total	720,000,000

B. Issued and Subscribed Share Capital	Amount in INR
46,576,717 equity shares of INR 10 per equity share	465,767,170
Total	465,767,170

C. Paid-up Share Capital	Amount in INR
46,576,717 equity shares of INR 10 per equity share fully paid up	465,767,170
Total	465,767,170

The equity shares of the Transferor Company 1 are not listed on any stock exchange.

(b) Transferor Company 2

The share capital structure of the Transferor Company 2 as on June 15, 2013 is as under:

A. Authorised Share Capital	Amount in INR
119,000,000 equity shares of INR 10 per equity share	1,190,000,000
3,100,000 cumulative redeemable preference shares of INR 100 per share	310,000,000
Total	1,500,000,000

B. Issued and Subscribed Share Capital	Amount in INR
32,482,529 equity shares of INR 10 per equity share	324,825,290
Total	324,825,290

C. Paid-up Share Capital	Amount in INR
32,482,529 equity shares of INR 10 per equity share fully paid up	324,825,290
Total	324,825,290

The equity shares of the Transferor Company 2 are listed on the Stock Exchanges.

(c) Transferor Company 3

The share capital structure of the Transferor Company 3 as on June 15, 2013 is as under:

A. Issued and Subscribed Share Capital	Amount in EUR
23,000,001 equity shares of EUR 1 per equity share	23,000,001
Total	23,000,001

B. Paid-up Share Capital	Amount in EUR
23,000,001 equity shares of EUR 1 per equity share fully paid up	23,000,001
Total	23,000,001

The equity shares of the Transferor Company 3 are not listed on any stock exchange.

(d) Transferor Company 4

The share capital structure of the Transferor Company 4 as on June 15, 2013 is as under:

A. Authorized Share Capital	
82,000,000 equity shares of INR 10 per equity share	820,000,000
Total	820,000,000

B. Issued and Subscribed Share Capital	
80,056,580 equity shares of INR 10 per equity share	800,565,800
Total	800,565,800

C. Paid-up Share Capital	
80,056,580 equity shares of INR 10 per equity share fully paid up	800,565,800
Total	800,565,800

The equity shares of the Transferor Company 4 are not listed on any stock exchange.

(e) Transferor Company 5

The share capital structure of the Transferor Company 5 as on June 15, 2013 is as under:

A. Authorized Share Capital	
60,003,000 equity shares of EUR 1 per equity share	60,003,000
Total	60,003,000

B. Issued and Subscribed Share Capital	
60,003,000 equity shares of EUR 1 per equity share	60,003,000
Total	60,003,000

C. Paid-up Share Capital	
60,003,000 equity shares of EUR 1 per equity share fully paid up	60,003,000
Total	60,003,000

The equity shares of the Transferor Company 5 are not listed on any stock exchange.

(f) Transferee Company

The share capital structure of Transferee Company as on June 15, 2013 is as under:

A. Authorised Share Capital	Amount in INR
122,000,000 equity shares of INR 10 per share	1,220,000,000
14,820,206 non cumulative non convertible redeemable preference shares of INR 31 each	459,426,386
Total	1,679,426,386

B. Issued and Subscribed Share Capital	Amount in INR
92,173,306 equity shares of INR 10 per equity share	921,733,060
Total	921,733,060

C. Paid-up Share Capital	Amount in INR
92,173,306 equity shares of INR 10 per equity share fully paid up	921,733,060
Total	921,733,060

The equity shares of the Transferee Company are listed on the Stock Exchanges.

PART II - AMALGAMATION OF THE TRANSFEROR COMPANIES WITH THE TRANSFEE COMPANY

Section 1 - Transfer

3. Upon the coming into effect of this Scheme and with effect from the Appointed Date, pursuant to the sanction of this Scheme by the High Court and pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, the Undertakings shall be and stand vested in or be deemed to have been vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.
4. Vesting of Assets
 - (a) Without prejudice to the generality of Clause 3 above, upon the coming into effect of this Scheme and with effect from the Appointed Date, all the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Undertakings of whatsoever nature and where so ever situate shall, under the provisions of Sections 391 to 394 of the Act and all other applicable provisions of Applicable Law, if any, without any further act or deed, be and stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the estate, assets, properties, rights, claims, title, interest and authorities of the Transferee Company.
 - (b) Without prejudice to the provisions of Clause 4(a) above, in respect of such of the assets and properties of the Transferor Companies as are movable in nature or incorporeal property or are otherwise capable of vesting or transfer by delivery or possession, or by endorsement and/or delivery, the same shall stand so

transferred or vested by each of the Transferor Companies upon the coming into effect of this Scheme, and shall, become the assets and property of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act, without requiring any deed or instrument of conveyance for transfer or vesting of the same.

- (c) In respect of such of the assets and properties belonging to the Transferor Companies (other than those referred to in Clause 4(b) above) including sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any government, quasi government, local or other authority or body or with any company or other person, the same shall stand transferred to and vested in the Transferee Company and/or be deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act.
- (d) All assets, rights, title, interest, investments and properties of the Transferor Companies as on the Appointed Date, whether or not included in the books of each of the Transferor Companies, and all assets, rights, title, interest, investments and properties, which are acquired by the Transferor Companies on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets, rights, title, interest, investments and properties of the Transferee Company, and shall under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act.
- (e) All the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Companies and all rights and benefits that have accrued or which may accrue to the Transferor Companies, whether on, before or after the Appointed Date, including income tax benefits and exemptions, shall, under the provisions of Sections 391 to 394 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in and/or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other

benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

5. Contracts, Deeds etc.

- (a) Upon the coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which each of the Transferor Companies may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company concerned, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder.
- (b) Without prejudice to the other provisions of this Scheme and notwithstanding that vesting of the Undertakings occurs by virtue of this Scheme itself, the Transferee Company 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, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, after the Effective Date, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of each of the Transferor Companies and to carry out or perform all such formalities or compliances referred to above on the part of each of the Transferor Companies to be carried out or performed.
- (c) Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme and with effect from the Appointed Date, all consents, permissions, licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Companies shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

6. Transfer of Liabilities

- (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date all debts and liabilities of each of the Transferor Companies including all secured and unsecured debts (in whatsoever currency), liabilities (including contingent liabilities), duties and obligations of each of the Transferor Companies of every kind, nature and description whatsoever whether present or future, and howsoever arising, along with any



charge, encumbrance, lien or security thereon (herein referred to as the "Liabilities") shall, pursuant to the sanction of this Scheme by the High Court and under the provisions of Sections 391 to 394 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company, to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Companies, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause 6.

- (b) Where any such debts, liabilities, duties and obligations of each of the Transferor Companies as on the Appointed Date have been discharged by such Transferor Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.
- (c) All loans raised and utilised and all liabilities, duties and obligations incurred or undertaken by each of the Transferor Companies on or after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 391 to 394 of the Act, without any further act, instrument or deed be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- (d) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time from the Appointed Date to the Effective Date become due between each of the Transferor Companies and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.

7. Encumbrances

- (a) The transfer and vesting of the assets comprised in the Undertakings to the Transferee Company under Clause 4 and Clause 5 of this Scheme shall be subject to the Encumbrances, if any, affecting the same as hereinafter provided.

- (b) All Encumbrances, if any, existing prior to the Effective Date over the assets of each of the Transferor Companies shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date, provided that if any of the assets of the Transferor Companies have not been Encumbered, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.
- (c) The existing Encumbrances over the other assets and properties of the Transferee Company or any part thereof which relate to the Liabilities of the Transferee Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Companies transferred to and vested in the Transferee Company by virtue of this Scheme.
- (d) Any reference in any security documents or arrangements (to which any of the Transferor Companies is a party) to any of the Transferor Companies and their respective assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Companies transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.
- (e) Upon the coming into effect of this Scheme, the Transferee Company shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of this Scheme.
- (f) It is expressly provided that, save as herein provided, no other term or condition of the Liabilities transferred to the Transferee Company is amended by virtue of this Scheme except to the extent that such amendment is required statutorily.
- (g) The provisions of this Clause 7 shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings or the terms of sanction or issue or any security document shall stand modified and/or superseded by the foregoing provisions.

8. Employees

- (a) Upon the coming into effect of this Scheme, all Employees of each of the Transferor Companies shall, become the employees of the

Transferee Company, on terms and conditions not less favourable than those on which they are engaged by the Transferor Companies and without any interruption of or break in service as a result of the amalgamation of the Transferor Companies with the Transferee Company. For the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such Employees with the respective Transferor Company and such benefits to which the Employees are entitled in the respective Transferor Company shall also be taken into account, and paid (as and when payable) by the Transferee Company.

- (b) It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits (including employee stock options) that may be applicable and available to any of the other employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other employees of the Transferee Company), unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into or deemed to have been entered into by any of the Transferor Companies with any union/employee of the respective Transferor Company.

- (c) Insofar as the provident fund, gratuity fund, superannuation fund, retirement fund and any other funds or benefits created by any of the Transferor Companies for its Employees or to which any of the Transferor Companies is contributing for the benefit of its Employees (collectively referred to as the "Funds") are concerned, the Funds or such part thereof as relates to the Employees (including the aggregate of all the contributions made to such Funds for the benefit of the Employees, accretions thereto and the investments made by the Funds in relation to the Employees) shall be transferred to the Transferee Company and shall be held for the benefit of the concerned Employees. In the event the Transferee Company has its own funds in respect of any of the employee benefits referred to above, the Funds shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, be merged with the relevant funds of the Transferee Company. In the event that the Transferee Company does not have its own funds in respect of any of the above or if deemed appropriate by the Transferee Company, the Transferee Company may, subject to necessary approvals and permissions, maintain the existing funds separately and contribute thereto until such time that the Transferee Company creates its own funds, at which time the Funds and the investments and contributions pertaining to the Employees shall be merged with the funds created by the Transferee Company.

- (d) In relation to those Employees for whom any of the Transferor Companies is making contributions to the government provident fund or other employee benefit fund, the Transferee Company shall stand substituted for the relevant Transferor Company, for all

purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such Employees, such that all the rights, duties, powers and obligations of the Transferor Companies as the case may be in relation to such schemes/ Funds shall become those of the Transferee Company.

- (e) (i) In respect of the stock options of the Transferor Company 2 granted by the Transferor Company 2 under the Employees Stock Option Scheme, 2006 (ESOS-2006) ("Transferor Company 2 Stock Option Scheme"), upon the effectiveness of the Scheme, the Transferee Company shall issue stock options to the Eligible Employees taking into account the share exchange ratio set out in Clause 16(b), on terms and conditions not less favourable than those provided under the Transferor Company 2 Stock Option Scheme. Such stock options may be issued by the Transferee Company either under the Existing Stock Option Scheme or under a separate employee stock option scheme created by the Transferee Company *inter alia* for the purpose of granting stock options to the Eligible Employees pursuant to this Scheme ("Transferee Stock Option Scheme").
- (ii) It is hereby clarified that the options granted by the Transferee Company to the Eligible Employees pursuant to this Clause 8 (e), in lieu of options granted to them under the Transferor Company 2 Stock Option Scheme would be granted on the basis of the share exchange ratio set out in Clause 16(b), i.e., for every 100 (one hundred) options held by an Eligible Employee which entitle such Eligible Employee to acquire 100 (one hundred) equity shares in the Transferor Company 2, such Eligible Employee will be conferred 284 (two hundred and eight four) options in the Transferee Company which shall entitle him to acquire 284 (two hundred and eight four) equity shares in the Transferee Company. Fractional entitlements, if any, arising pursuant to the applicability of the share exchange ratio as above shall be rounded off to the nearest higher integer.
- (iii) The total exercise price payable for options granted by the Transferee Company to the Eligible Employees shall be equivalent to the total exercise price payable by such Eligible Employees under the Transferor Company 2 Stock Option Scheme, for such options.
- (iv) The grant of options to the Eligible Employees pursuant to this Clause 8 (e) of this Scheme shall be effected as an integral part of the Scheme and the consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be their consent in relation to all matters pertaining to the Transferee Stock Option Scheme and the Existing Stock Option Scheme, including without limitation, for the purposes of creating the Transferee Stock



Option Scheme and/or modifying the Transferee Stock Option Scheme and/or the Existing Stock Option Scheme (including increasing the maximum number of equity shares that can be issued consequent to the exercise of the stock options granted under the Existing Stock Option Scheme, and/or modifying the exercise price of the stock options under the Transferee Stock Option Scheme and/or the Existing Stock Option Scheme), and all related matters. No further approval of the shareholders of the Transferee Company would be required in this connection under Section 81(1A) of the Act and/or any other Applicable Law.

- (v) It is hereby clarified that in relation to the options granted by the Transferee Company to the Eligible Employees pursuant to this Scheme, in lieu of options granted to them under the Transferor Company 2 Stock Option Scheme, the period during which the options granted by the Transferor Company 2 were held by or deemed to have been held by the Eligible Employees shall be taken into account for determining the minimum vesting period required under applicable law for stock options granted under the Transferee Stock Option Scheme or the Existing Stock Option Scheme, as the case may be. Subject to Applicable Law, the adjustments to the exercise price per option and option entitlement of the Eligible Employees proposed under this Clause 8 (e) shall be appropriately reflected in the accounts of the Transferee Company.
- (vi) The Boards of Directors of the Transferor Company 2 and the Transferee Company shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause 8(e).

9. Legal, Taxation and other Proceedings


Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against each of the Transferor Companies pending on the Effective Date shall be continued and/ or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted by or against the Transferee Company.

10. Without prejudice to the provisions of Clauses 3 to 8, with effect from the Appointed Date, all inter-party transactions between each of the Transferor Companies and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.

Section 2 – Conduct of Business

11. With effect from the Appointed Date and up to and including the Effective Date:

- (a) each of the Transferor Companies shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts and investments for and on account of, and in trust for, the Transferee Company;
 - (b) all profits and income accruing or arising to the Transferor Companies, and losses and expenditure arising or incurred by them (including taxes, if any, accruing or paid in relation to any profits or income) for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including taxes), as the case may be, of the Transferee Company;
 - (c) any of the rights, powers, authorities or privileges exercised by the Transferor Companies shall be deemed to have been exercised by the Transferor Companies for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Companies shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company; and
 - (d) all taxes (including, without limitation, income tax, sales tax, service tax, VAT, etc.) paid or payable by the Transferor Companies in respect of the operations and/or the profits of the respective Transferor Companies before the Appointed Date, shall be on account of the Transferor Companies and, insofar as it relates to the tax payment (including, without limitation, income tax, sales tax, service tax, VAT, etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of the profits or activities or operation of the Transferor Companies with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly
12. (a) Without prejudice to Clause 11, save as agreed by the Boards of the Transferor Companies and the Transferee Company, during the Implementation Period, none of the Boards of (A) the Transferor Company 1 (till such time as the Transferor Company 1 becomes an Affiliate of Transferor Company 5), (B) the Transferor Company 2, (C) the Transferor Company 3, and (D) the Transferor Company 4, shall take any of the following actions without the prior written consent of each of the Transferee Company Representatives:
- (i) make any amendment to its constitutional documents;
 - (ii) make any change to its share capital whether by way of further issuance of securities, buy-back, reduction of capital, transfer of shares (subject to provisions under Applicable Law in relation to free transferability of shares), or in any other manner subject to the issuance of shares under any existing employees stock option schemes;

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- (iii) incur capital expenditure in excess of INR 35,000,000 (Rupees thirty five million only) in a single transaction and INR 70,000,000 (Rupees seventy million only) in the aggregate, except as approved by the Board of the company whilst authorizing such capital expenditure;
 - (iv) make any divestments, sale, acquisition of business (whether by way of the purchase of shares, assets or properties), or the creation of any subsidiary, joint venture or partnership where an aggregate value involved/ consideration being in excess of INR 700,000,000 (Rupees seven hundred million only) in a financial year;
 - (v) incur any borrowings, loans or guarantees or undertake any other indebtedness or providing any security or guarantee in excess of INR 70,000,000 (Rupees seventy million only) other than to finance current facilities and other than those agreed between the concerned Transferor Company and the Transferee Company in writing;
 - (vi) undertake any merger, reorganization, spin-off, consolidation or any other similar form of corporate or debt restructuring;
 - (vii) waive (A) any rights that it may have against any debtors or third parties; or (B) any obligations or debts or duties owed by any debtors or third parties to it (including, any accounts receivable), where such rights or obligations involve amounts in excess of INR 7,000,000 (Rupees seven million only);
 - (viii) enter into any agreement, transaction or arrangement that has the effect of terminating, cancelling, releasing, assigning or novating any contract where the sum involved is in excess of INR 21,000,000 (Rupees twenty one million only) except for sale agreements and agreements for the purchase of raw material, where the threshold shall be INR 70,000,000 (Rupees seventy million only) or except in the ordinary course of business consistent with past practices;
 - (ix) settle any litigation or disputes or claims where the amount involved is in excess of INR 21,000,000 (Rupees twenty one million only);
 - (x) change the accounting or tax policies or practices used for preparation of the accounts other than as required pursuant to any change or amendment under the accounting standards or Applicable Law;
 - (xi) enter into any agreement or transaction which has the effect of assigning or transferring the intellectual property rights owned by it;

- (xii) enter into, amend or terminate any related party transaction which are not carried out at arm's length and not in the ordinary course of business; and
 - (xiii) enter into any commitment or agreement or undertake any action to do any of the foregoing or which has the effect of resulting in any of the foregoing.
- (b) Without prejudice to Clause 11, save as agreed by the Boards of the Transferor Companies and the Transferee Company, during the Implementation Period, the respective Boards of the Transferor Company 1 (once it becomes an Affiliate of Transferor Company 5) and Transferor Company 5 shall not take any of the following actions without the prior written consent of each of the Transferee Company Representatives:
- (i) any commencement of any business line different from the business currently carried out by such company;
 - (ii) any action for dissolution and/or winding-up and/or insolvency of such company;
 - (iii) merger or demerger, spin-off, consolidation or any other similar form of corporate restructuring of such company;
 - (iv) any divestments, or sale/acquisition of business (whether by way of the purchase of shares, assets or properties), or the creation of any subsidiary, joint venture or partnership where the aggregate value involved/ consideration is in excess of EUR 50,000,000 (Euro fifty million only) in any given financial year (provided that this threshold shall be € 10,000,000 (Euro ten million only) with respect to Transferor Company 1, except if the proceeds of such divestment or sale are reinvested within 6 (six) months in equivalent assets necessary for the ordinary course of business;
 - (v) amendments to the constitutional documents of such company;
 - (vi) any change to the share capital of such company whether by way of (i) further issuance of securities (including convertible instruments or options) other than on rights basis, (ii) buy-back or (iii) reduction of capital or (iv) variation of the rights of any classes of its shares or (v) otherwise;
 - (vii) appointment of a statutory auditor different from one of the Big Four Chartered Accountants;
 - (viii) changing the strength of the board of directors by any corporate action;
 - (ix) enter into, amend or terminate any related party transaction which are not carried out at arm's length and in the ordinary course of business;

- (x) agree to pay corporate charges to the CIE Group for shared services which are in excess of 1% (one percent) of the combined turnover of Transferor Company 5 and its subsidiaries in a financial year computed on a stand alone basis. It is clarified that the actual cost of shared services provided by the M&M Group or the CIE Group (other than to the aforementioned companies) shall not be taken into account whilst determining this cap; and
- (xi) which results in the aggregate Net Financial Debt of the Transferor Company 5 and its subsidiaries exceeding € 60,000,000 (Euro sixty million only), provided that these companies (taken together) shall be entitled to borrow up to € 10,000,000 (Euro ten million only) in a financial year for capital expenditure which is in the ordinary course of business and is consistent with past practices.
- (c) During the Implementation Period, the Transferee Company shall not make any change to its share capital whether by way of further issuance of securities, buy-back, reduction of capital or in any other manner subject to the issuance of shares under any existing employee stock option schemes.

13. Within a period of 7 (seven) days following the receipt of approval from the Competition Commission of India for the merger of the Transferor Companies with the Transferee Company in terms hereof, each of the Transferor Companies shall convene a meeting of its Board at which the Transferee Company Representatives shall be appointed as non-voting observers to the Board till the Effective Date. To the extent permissible under Applicable Law, the observers shall be entitled to attend all meetings of the Board and shareholder meetings of each of the Transferor Companies and each Transferor Company shall ensure that notice is given to the observers, of all such meetings at least 14 (fourteen) days prior to the meeting or a shorter period if agreed by all members of the Board, including the observers, simultaneous to giving notice of the same to its directors.

14. Within a period of 7 (seven) days following the receipt of approval from the Competition Commission of India for the merger of the Transferor Companies with the Transferee Company in terms hereof, each of the Transferor Companies shall put in place an integration committee (hereinafter referred to as "Integration Committee") comprising of 4 (four) persons of whom 2 (two) persons shall be the Transferee Company Representatives and 2 (two) persons shall be nominees of the respective Transferor Company. The Integration Committee shall (i) review the alignment of strategy and ensure harmonization of businesses conducted by each of the Transferor Companies and the Transferee Company; and (ii) from time to time, make non-binding recommendations to the Board of each of the Transferor Companies and the Transferee Company which shall be considered by their respective board of directors in good faith; provided however that, notwithstanding the above, any review by the Integration Committee shall not include any price or revenue setting function, including back office operations.

Section 3: Issue of shares of the Transferee Company

15. The provisions of this Section 3 of this Scheme shall operate notwithstanding anything to the contrary in this Scheme or in any other instrument, deed or writing.

16. **Issue of new equity shares**

- (a) Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Transferor Company 1 Undertaking in the Transferee Company in terms of this Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to each member of the Transferor Company 1, whose name is registered in the Register of Members of the Transferor Company 1 on the Record Date or his/her/its legal heirs, executors or successors as the case may be, equity shares in the Transferee Company, in the ratio of 110 (one hundred and ten) equity shares of the face value of INR 10 (ten) each (credited as fully paid up) of the Transferee Company for every 100 (one hundred) equity shares of the face value of INR 10 (ten) each (credited as fully paid-up) held by such member in the Transferor Company 1. No fractional shares shall be issued by the Transferee Company.
- (b) Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Transferor Company 2 Undertaking in the Transferee Company in terms of this Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to each member of the Transferor Company 2, whose name is registered in the Register of Members of the Transferor Company 2 on the Record Date or his/her/its legal heirs, executors or successors as the case may be, equity shares in the Transferee Company, in the ratio of 284 (two hundred and eighty four) equity shares of the face value of INR 10 (ten) each (credited as fully paid up) of the Transferee Company for every 100 (one hundred) equity shares of the face value of INR 10 (ten) each (credited as fully paid-up) held by such member in the Transferor Company 2. No fractional shares shall be issued by the Transferee Company.
- (c) Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Transferor Company 3 Undertaking in the Transferee Company in terms of this Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to each member of the Transferor Company 3, whose name is registered in the Register of Members of the Transferor Company 3 on the Record Date or his/her/its legal heirs, executors or successors as the case may be, equity shares in the Transferee Company, in the ratio of 20 (twenty) equity shares of the face value of INR 10 (ten) each (credited as fully paid up) of the Transferee Company for every 100 (hundred) equity shares of the face value of EUR 1 (one) each (credited as fully paid-up) held by such member in the Transferor Company 3. No fractional shares shall be issued by the Transferee Company.

- (d) Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Transferor Company 4 Undertaking in the Transferee Company in terms of this Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to each member of the Transferor Company 4, whose name is registered in the Register of Members of the Transferor Company 4 on the Record Date or his/her/its legal heirs, executors or successors as the case may be, equity shares in the Transferee Company, in the ratio of 17 (seventeen) equity shares of the face value of INR 10 (ten) each (credited as fully paid up) of the Transferee Company for every 100 (one hundred) equity shares of the face value of INR 10 (ten) each (credited as fully paid-up) held by such member in the Transferor Company 4. No fractional shares shall be issued by the Transferee Company.
- (e) Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Transferor Company 5 Undertaking in the Transferee Company in terms of this Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to each member of the Transferor Company 5, whose name is registered in the Register of Members of the Transferor Company 5 on the Record Date or his/her/its legal heirs, executors or successors as the case may be, equity shares in the Transferee Company, in the ratio of 105 (one hundred and five) equity shares of the face value of INR 10 (ten) each (credited as fully paid up) of the Transferee Company for every 100 (one hundred) equity shares of the face value of EUR 1 (one) each (credited as fully paid-up) held by such member in the Transferor Company 5. No fractional shares shall be issued by the Transferee Company.
- (f) Upon this Scheme becoming effective, the issued, subscribed and paid-up share capital of the Transferee Company shall stand suitably increased consequent upon the issuance of new equity shares in accordance with Clause 16(a) to 16(e) above. It is clarified that no special resolution under Section 81(1A) of the Act shall be required to be passed by the Transferee Company separately in a general meeting for issue of shares to the members of the Transferor Companies under this Scheme and on the shareholders of the Transferee Company approving this Scheme, it shall be deemed that they have given their consent to the issue of equity shares of the Transferee Company to the members of the Transferor Companies in accordance with Clause 16(a) to 16(e) above.
- (g) As a part of this Scheme, and, upon the coming into effect of this Scheme, the authorised share capital of the Transferee Company shall automatically stand increased, without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to Registrar of Companies, by the aggregate authorised share capital of the Transferor Companies.
- (h) The capital clause of the Memorandum of Association and the Articles of Association of the Transferee Company shall, as a part

of and, upon the coming into effect of this Scheme and without any further act or deed, be replaced by the following clause:

MEMORANDUM OF ASSOCIATION

"V. The Authorised Share Capital of the Company is INR 4,719,426,386 (Rupees four billion seven hundred nineteen million four hundred twenty six thousand three hundred eighty six only) divided into 380,000,000 (three hundred eighty million) Equity Shares of INR 10 (Rupees ten only) each aggregating INR 3,800,000,000 (Rupees three billion eight hundred million only) and 29,658,916 (twenty nine million six hundred fifty eight thousand nine hundred sixteen) 4% (four percent) Non Cumulative Redeemable Non Convertible Preference Shares of INR 31 (Rupees thirty one only) each aggregating INR 919,426,386 (Rupees nine hundred nineteen million four hundred twenty six thousand three hundred eighty six only), with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company and the legislative provisions for the time being in force."

ARTICLES OF ASSOCIATION

"3. The Authorised Share Capital of the Company is INR 4,719,426,386 (Rupees four billion seven hundred nineteen million four hundred twenty six thousand three hundred eighty six only) divided into 380,000,000 (three hundred eighty million) Equity Shares of INR 10 (Rupees ten only) each aggregating INR 3,800,000,000 (Rupees three billion eight hundred million only) and 29,658,916 (twenty nine million six hundred fifty eight thousand nine hundred sixteen) 4% (four percent) Non Cumulative Redeemable Non Convertible Preference Shares of INR 31 (Rupees thirty one only) each aggregating INR 919,426,386 (Rupees nine hundred nineteen million four hundred twenty six thousand three hundred eighty six only) with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company and the legislative provisions for the time being in force."

- (i) It is clarified that for the purposes of Clause 16(g) and 16(h) above, the consent of the shareholders of the Transferee Company to this Scheme shall be sufficient for the purposes of effecting the above amendment or increase in the authorised share capital of the



Transferee Company, and no further resolution under Section 16, Section 31, Section 94 or any other applicable provisions of the Act, would be required to be separately passed. The stamp duties and fees (including registration fee) paid on the authorised share capital of the Transferor Companies shall be utilized and applied to the increased authorised share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee (including registration fee) by the Transferee Company for increase in the authorised share capital to that extent.

- (j) The shares issued to the members of the Transferor Companies by the Transferee Company pursuant to Clauses 16(a) to 16(c) above shall be credited to the depository account of the members, unless otherwise notified in writing by any member of any of the Transferor Companies to the Transferee Company on or before such date as may be determined by the Board of Directors of the Transferee Company or a committee thereof. In the event that such notice has not been received by the Transferee Company in respect of any of the members of any Transferor Company, the shares shall be credited to the depository account of the members provided that the members of the Transferor Companies 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. It is only thereupon that the Transferee Company shall issue and directly credit to the account of such member the relevant shares of the Transferee Company. In the event that the Transferee Company has received notice from any member that shares are to be issued in certificate 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, then the Transferee Company shall issue shares in certificate form to such member.
- (k) In the event of there being any pending share transfers, whether lodged or outstanding, of any member of any of the Transferor Companies, the Board of Directors of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor/transferee of the shares in the Transferor Companies and in relation to the shares issued by the Transferee Company after the effectiveness of this Scheme. The Board of Directors of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Transferee Company.
- (l) Equity shares to be issued by the Transferee Company pursuant to Clauses 16(a) to 16(e) above in respect of such of the equity shares of the Transferor Companies 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, also be kept in abeyance by the Transferee Company.

- (m) The equity shares issued and allotted by the Transferee Company in terms of this Scheme shall rank *pari passu* in all respects with the then existing equity shares of the Transferee Company.
- (n) The equity shares of the Transferee Company issued in terms of this Scheme will be listed and/or admitted to trading on the Stock Exchanges. The shares allotted pursuant to this Scheme shall remain frozen in the depositories system till relevant directions in relation to listing/trading are given by the Stock Exchanges.
- (o) In case any shareholder's holding in any Transferor Company is such that the shareholder becomes entitled to a fraction of an equity share of the Transferee Company, the Transferee Company shall not issue fractional shares to such shareholder but shall consolidate such fractions and issue consolidated equity shares to a trustee nominated by the Transferee Company in that behalf, who shall sell such shares and distribute the net sale proceeds (after deduction of applicable taxes and other expenses incurred) to the shareholders respectively entitled to the same in proportion to their fractional entitlements.

PART III – DISSOLUTION OF TRANSFEROR COMPANIES AND OTHER GENERAL TERMS AND CONDITIONS

17. Accounting and Tax Treatment

(a) Accounting

Save as hereinafter provided, the reserves of the Transferor Companies shall be accounted for, while incorporating the assets and liabilities of the Transferor Companies in the accounts of the Transferee Company, in accordance with Accounting Standard 14 (Accounting for Amalgamations) issued by the Institute of Chartered Accountants of India in consultation with the National Advisory Committee on Accounting Standards as per Section 211(3C) of the Act Upon the Scheme becoming effective and with effect from the Appointed Date:

- (i) The Transferee Company shall record the assets and liabilities of the Transferor Companies pursuant to this Scheme at their respective book values as appearing in the books of the Transferor Companies. In case of conflicting accounting policies between the entities, a uniform policy will be adopted on merger and effect on the financial statements of such change in policy will be reported as per Accounting Standard 5 (Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies) and the same shall be dealt with in accordance with prevailing accounting standards and Generally Accepted Accounting Principles in India;
- (ii) The Transferee Company shall credit its issued and paid up share capital account with the aggregate face value of the shares issued pursuant to Clause 16 of this Scheme.



- (iii) All the reserves relating to and reflecting in the books of the Transferor Companies shall appear in the books of the Transferee Company in the same form in which they appeared in the books of the Transferor Companies after giving effect to 17(a)(i) above;
- (iv) The balance in the Statement of Profit and loss appearing in the books of the Transferor Companies shall be dealt with in the books of the Transferee Company in accordance with Accounting Standard 14 (Accounting for Amalgamations);
- (v) The difference between the amount recorded as share capital issued (plus any additional consideration in the form of cash or other assets) and the amount of share capital of the Transferor Companies is adjusted in reserves in the financial statements of the Transferee Company;
- (vi) To the extent that there are inter-corporate loans, debentures, debt securities or balances between the Transferor Companies and the Transferee Company inter se, or the Transferor Companies inter se, the obligation in respect thereof shall come to an end and the corresponding effect shall be given in the books of account and the records of the Transferee Company for the reduction of any assets or liabilities, as the case may be. The difference, if any, arising upon such cancellation, shall be credited or debited, as the case may be, to the General Reserve of the Transferee Company. For the removal of doubts, there would be no accrual of interest or other charges in respect of any such inter-company loans, debentures, debt securities or balances with effect from the Appointed Date;
- (vii) Notwithstanding the above, the Board of the Transferee Company is authorized to account any of these balances in any manner whatsoever, as may be deemed fit in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India in consultation with the National Advisory Committee on Accounting Standards as per Section 211(3C) of the Act and Generally Accepted Accounting Principles in India.

(b) Tax

- (i) Upon the Scheme coming into effect, all taxes (direct and/or indirect)/ cess/ duties payable by or on behalf of the Transferor Companies from the Appointed Date onwards including all or any refunds and claims, including refunds or claims pending with any Governmental Authority and including the right to claim credit for minimum alternate tax and carry forward of accumulated losses, and unutilized CENVAT credit, VAT credit etc shall, for all purposes, be treated as the tax/ cess/ duty, liabilities or refunds, claims, accumulated losses and unutilized CENVAT credits, VAT credit and rights to claim credit or refund etc of the Transferee Company. Accordingly, upon the Scheme becoming effective, the Transferee Company shall be




permitted to revise, if it becomes necessary, its income tax returns, wealth tax returns, sales tax returns, excise and CENVAT returns, service tax returns, other statutory returns, and to claim refunds/ credits, pursuant to the provisions of this Scheme

- (ii) The Transferee Company shall also be permitted to claim refunds / credits in respect of any transaction between or amongst the Transferor Companies inter se and the Transferor Companies and the Transferee Company. Without prejudice to the generality of Clause 17(b)(i) above, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its income tax returns and related withholding tax certificates, including withholding tax certificates relating to transactions between or amongst the Transferor Companies inter se and the Transferor Companies and the Transferee Company, and to claim refunds, advance tax and withholding tax credits, benefit of credit for minimum alternate tax and carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.
- (iii) The withholding tax/ advance tax/ minimum alternate tax, if any, paid by the Transferor Companies under the Income Tax Act, 1961 or any other statute in respect of income of the Transferor Companies assessable for the period commencing from the Appointed Date shall be deemed to be the tax deducted from/advance tax paid by the Transferee Company and credit for such withholding tax/advance tax/minimum alternate tax shall be allowed to the Transferee Company notwithstanding that certificates or challans for withholding tax/advance tax are in the name of the Transferor Companies and not in the name of the Transferee Company.
- (iv) The service tax paid by the Transferor Companies under the Finance Act, 1994 in respect of services provided by the Transferor Companies for the period commencing from the Appointed Date shall be deemed to be the service tax paid by the Transferee Company and credit for such service tax shall be allowed to the Transferee Company notwithstanding that challans for service tax payments are in the name of the Transferor Companies and not in the name of the Transferee Company.

18. Conditions Precedent

- (a) The effectiveness of the Scheme is conditional upon and subject to:
 - (i) receipt of approval from the Competition Commission of India for this Scheme in form and substance reasonably satisfactory to the Transferor Companies and the Transferee Company or on the expiry of any statutory time period pursuant to which such approval is deemed to have been granted;



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- (ii) receipt of approval from the Bundeskartellamt for this Scheme in form and substance reasonably satisfactory to the Transferor Companies and the Transferee Company or the expiry of any statutory time period pursuant to which such approval is deemed to have been granted;
 - (iii) receipt of approval of Foreign Investment Promotion Board/ Reserve Bank of India for the issue of shares by the Transferee Company to the non-resident shareholders of the Transferor Company 5 in consideration of the merger of the Transferor Company 5 into the Transferee Company;
 - (iv) receipt of approval of the Reserve Bank of India for the divestment of shares of the Transferor Company 3 by the resident shareholder(s) of Transferor Company 3 pursuant to the merger;
 - (v) this Scheme being approved by the respective requisite majorities of the various classes of shareholders and/or creditors (where applicable) of each of the Transferor Companies and the Transferee Company as required under the Act and the requisite orders of the High Court being obtained;
 - (vi) transfer of the MUSCO Real Estate and the MUSCO Investments by M&M or its subsidiary (not being a Mahindra Systech Company or a subsidiary of such company) together with all liabilities thereto;
 - (vii) approval of the Scheme by the public shareholders of the Transferor Company 2 and the Transferee Company in accordance with the provisions of the SEBI Circulars;
 - (viii) receipt of pre-filing and post sanction approvals of the relevant Stock Exchange and the SEBI in terms of the SEBI Circulars, as applicable;
 - (ix) receipt of such lender approvals, as may be required, for the release of all corporate guarantees, comfort letters and repayment of loans (outstanding as of the Effective Date) provided by the M&M Group to the Transferor Company 3 or its subsidiaries, such release or repayment to occur on the Effective Date;
 - (x) the certified copies of the court orders approving the Scheme being filed with the Registrar of Companies;
 - (xi) the certificate of merger for dissolution without winding up of the Transferor Company 3 having been registered with the relevant Governmental Authority of Mauritius according to the relevant Mauritian law in force;
 - (xii) the dissolution without winding up of the Transferor Company 5 having been registered with the Commercial Registry of Bizkaia (Spain) according to the relevant Spanish law in force;

(xiii) purchase of the shares of Gears India OpCo by the Transferor Company 4 from M&M in terms of the Gears India OpCo SPA; and

(xiv) such other approvals and sanctions as may be required by Applicable Law in respect of this Scheme being obtained.

(b) On the approval of this Scheme by the shareholders of each of the Transferor Companies and the Transferee Company such shareholders shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the amalgamation set out in this Scheme, related matters and this Scheme itself.

(c) In the event of the Scheme failing to take effect by June 30, 2015 or such later date as may be agreed by the respective Boards of Directors of the Transferor Companies and the Transferee Company, this Scheme shall stand cancelled and be of no effect and become null and void, and in that event, no rights and liabilities shall accrue to or be incurred inter-se the Transferor Companies and the Transferee Company or their shareholders or creditors or employees or any other person. In such case, each of the Transferor Company and the Transferee Company shall bear its own costs and expenses or as may be mutually agreed.

19. Applications

The Transferor Companies and the Transferee Company shall with all reasonable dispatch make application(s) under Sections 391 and 394 and other applicable provisions of the Act to the High Court for sanctioning this Scheme and for dissolution of the Transferor Companies without winding up, as applicable.

The Transferor Company 3 shall undertake such acts as are necessary for the purpose of giving effect to the Scheme (including applying for the registration of its dissolution without winding-up with the relevant Governmental Authority of Mauritius according to the relevant Mauritian law in force).

The Transferor Company 5 shall undertake such acts as are necessary for the purpose of giving effect to the Scheme (including applying for the registration of its dissolution without winding-up with the Commercial Registry of Bizkaia (Spain) according to the relevant Spanish law in force).

20. Dissolution of the Transferor Companies

Upon the coming into effect of this Scheme, each of the Transferor Companies shall stand dissolved without winding-up without any further act or deed.

21. Dividends


(a) The Transferor Companies and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to



their respective shareholders in respect of the accounting period prior to the Effective Date, provided that the shareholders of the Transferor Companies shall not be entitled to dividend, if any, declared and paid by the Transferee Company to its shareholders for the accounting period prior to the Effective Date.

- (b) The shareholders of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
- (c) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Transferor Companies and/or the Transferee Company 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 the Transferor Companies and the Transferee Company respectively, and subject to the approval, if required, of the shareholders of the Transferor Companies and the Transferee Company respectively.

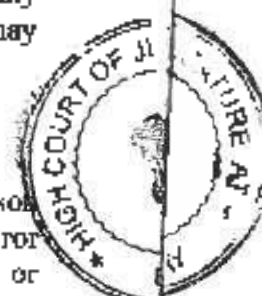
22. Resolutions

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- (a) Upon the coming into effect of this Scheme, the resolutions, if any, of the Transferor Companies, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.
 - (b) Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company in terms of Section 293 (1) (d) of the Act shall be deemed, without any further act or deed, to have been enhanced by the aggregate limits of the Transferor Companies which are being transferred to the Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company, with effect from the Appointed Date.

23. Modifications to the Scheme

- (a) Each of the Transferor Companies (by its respective Board of Directors) and the Transferee Company (by its Board of Directors), may, in their full and absolute discretion, assent to any alteration or modification to this Scheme which the respective Boards of Directors of each of the Transferor Companies or the Board of Directors of the Transferee Company, as the case may be, deem fit, or which the High Court and/or any other Governmental Authority may deem fit to approve or impose.

- (b) Each of the Transferor Companies (by its respective Board of Directors) and the Transferee Company (by its Board of Directors), may give such directions as they may consider necessary to settle any question or difficulty arising under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation hereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent security holders of the respective companies), or to review the position relating to the satisfaction of various conditions to this Scheme and if necessary, to waive any of those (to the extent permissible under law).
- (c) The Transferor Companies (by its respective Board of Directors) and the Transferee Company (by its Board of Directors) may in any manner at any time, determine jointly whether any asset, liability, employee, legal or other proceedings pertains to the Transferor Companies or not, on the basis of any evidence that they may deem relevant for this purpose.
24. The Transferee Company shall be entitled, pending the sanction of this Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to carry on the business of the Transferor Companies.
25. Severability
- If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Companies and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.
26. Upon this Scheme becoming effective, the accounts of the Transferor Companies and the Transferee Company (as applicable), as on the Appointed Date, shall be reconstructed in accordance with the terms of this Scheme.
27. The Transferee Company shall be entitled to file/revise its income tax returns, TDS certificates, TDS returns, wealth tax returns and other statutory returns, if required, and shall have the right to claim refunds, advance tax credits, credit of all taxes paid/withheld (whether Indian or foreign), if any, as may be required consequent to implementation of this Scheme.
28. Costs
- Subject to the provisions of Clause 18(c) of this Scheme, all costs, charges and expenses (including, but not limited to, any taxes and duties, stamp duty, registration charges, etc.) of /payable by the Transferor Companies and the Transferee Company in relation to or in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company in pursuance of this Scheme shall be borne and paid by the Transferee Company.



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AMARCHAND & MANGALDAS &
SURESH A. SHROFF & CO.
Advocates & Solicitors

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TRUE COPY

Mrs. K. M. RANE
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

IN THE HIGH COURT OF JUDICATURE AT
BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 486 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 269
OF 2014

In the matter of Petition under Sections 391 to
394 and other relevant provisions of the
Companies Act, 1956 or re-enactment thereof,

And

In the matter of Scheme of Amalgamation of
Mahindra Minoday Industries Limited (Transferor
Company 1) and Mahindra Ugin Steel Company
Limited (Transferor Company 2) and Mahindra
Gears International Limited (Transferor Company
3) and Mahindra Investments (India) Private
Limited (Transferor Company 4) and
Participaciones Internacionales Autometal TRES,
S.L. (Transferor Company 5) with Mahindra CIE
Automotive Limited (formerly known as
Mahindra Forgings Limited) (Transferor
Company).

Mahindra CIE
Automotive Limited ... Petitioner Company

Authenticated copy of the Minutes of the Order dated
31st October, 2014 alongwith Sanctioned Scheme

Dated this ___ day of November, 2014

Approved on 21/10/2014
Proposed on 25/11/2014
Secretaries' Office
Followed by 15/11/2014
Reviewed by 10/11/2014
Recapitulated with 11/11/2014
Ready to 11/11/2014
Filed on 11/11/2014

Amarchand & Mangaldas & Suresh A. Shroff & Co.
Peninsula Chambers, Peninsula Corporate Park,
Ganpatrao Kadam Marg, Lower Parel,
Mumbai 400 013
Advocates for the Petitioner Company

HIGH COURT, BOMBAY

217748

CSP nos. 481 and 482 of 2014

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 481 OF 2014

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 264 OF 2014

Mahindra Composites Limited [CIN: L24117PN1982PLC028040]

Petitioner

AND

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 482 OF 2014

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 265 OF 2014

Mahindra CIE Automotive Limited [CIN: L27100MH1999PLC121285]

Petitioner

In the matter of the Companies Act, 1956;

-And-

In the matter of Petition under Sections 391 to 394 read with other relevant provisions of the Companies Act, 1956;

-And-

In the matter of Scheme of Amalgamation of Mahindra Composites Limited (Transferor Company) with Mahindra CIE Automotive Limited (formerly known as Mahindra Forgings Limited) (Transferee Company).

217747

Called for Hearing:

Ms. S. I. Shah along with Ms. Purnima Awasthi, Advocates i/b. Mr. H. P. Chaturvedi,
Regional Director in both Petitions

Coram : S. J. Kathawalla, J.

Date: 31st October, 2014

PC

1. Heard Counsel for the parties. No objection has come before the court to oppose the Scheme nor has any party controverted averments made in the Petition.
2. Learned Advocate for the Petitioner Company states that the Petitions have been filed to seek sanction to the Scheme of Amalgamation of Mahindra Composites Limited (Transferor Company) with Mahindra CIE Automotive Limited (formerly known as Mahindra Forgings Limited) (Transferee Company) (Scheme), pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956.
3. The Transferor Company is engaged *inter alia* in the business of composites for automotive and electrical switchgear applications (SMC/DMC composites) made from glass fibre in an unsaturated polyester resin matrix. The Transferee Company is engaged *inter alia* in the business of (a) manufacture and sale of parts, including but not limited to parts used in the automotive industry, using machining and forgings (hot forged ferrous grades excluding stainless steel); (b.) manufacturer of forged and machined products; (c.) manufactures a variety of auto components in India, primarily being crankshafts, stub axles, steering knuckles, links, knuckles, spindles, shafts, pistons and ball joints that are used in various industries and (d.) produces steering

components for commercial vehicles. The learned Advocate for the Petitioner Companies says that the rationale and significant benefits of the Scheme are that, (a) the Transferor Company and the Transferee Company, amongst others, have entered into an agreement dated 15th June, 2013, pursuant to which it has been agreed to amalgamate the Transferor Company into the Transferee Company, on the terms and conditions as set out in the Scheme of Amalgamation and in compliance with the provisions of Sections 2(B) of the Income Tax Act, 1961; and (b) the Transferor Company and the Transferee Company are engaged in complementary businesses. CIE Automotive S.A., a company incorporated under the laws of Spain, having its registered office at Iparraguirre n° 34, 2ª derecha, 48011 Bilbao (Spain), being in control of Transferor Company and the Transferee Company, believes that combining the business of the Transferor Company and the Transferee Company will result in enhancing shareholder value for the shareholders of the Transferor Company and the Transferee Company. The Board of Directors of the Transferor Company and the Transferee Company have approved said Scheme by passing their respective board resolutions which are annexed to the respective Petitions.

4. The Learned Advocate for the Petitioner Companies states that the Petitioner Companies have complied with all the directions passed in the respective Company Summons for Direction and that the respective Company Scheme Petitions have been filed in consonance with the orders passed in respective Company Summons for Direction.
5. The Learned Advocate appearing on behalf of the Petitioner Companies has stated that the Petitioner Companies have complied with all requirements as per directions of this Court and they have filed necessary Affidavit of compliance in the Court.

Moreover the Petitioner Companies undertake to comply with all statutory requirements if any, as required under the Companies Act, 1956/2013 and the Rules made thereunder whichever is applicable. The said undertakings are accepted.

6. The Regional Director has filed an Affidavit on 7th October, 2014 stating therein that, save and except as stated in paragraph 6, of the said Affidavit, it appears that the Scheme is not prejudicial to the interest of the shareholders and public. In paragraph 6 of the said affidavit it is stated that :

"6 That the Deponent further submits that,

- (a) With reference to clause 14(v) of the Scheme, it is submitted that the surplus, if any, arising out of the scheme shall be transferred to Capital Reserve Account of the Transferee Company and if any deficit is arising the same shall be debited to goodwill account of the Transferee Company.
- (b) That the Deponent further submits that the Tax Issue if any arising out of this scheme shall be subject to final decision of Income Tax Authority and approval of the scheme by Hon'ble High Court may not defer the Income Tax Authority to scrutinize the tax returns filed by the petitioner company after giving effect to the amalgamation. The decision of the Income Tax Authority is binding on the petitioner company.
- (c) Clause 13(d) of the scheme provides for merging of the authorized share capital of the Transferor Company with that of the Transferee Company. The proposed amendment to the clause V of the Memorandum of Association and Article 3 of the Article of Association of the Transferee Company reveals that the authorized capital of the Transferee Company would be INR 4,869,426,386. In this regard, it is observed that such figure has been arrived at taking into consideration of the authorized share capital of the Transferor Company involved in

HIGH COURT, BOMBAY

217744

CSP nos. 481 and 482 of 2014

the connected composite scheme petition filed in CSP 483 to 486 of 2014, before this Hon'ble Court. Hence, it is suggested that clause 13(d) of the scheme be suitably corrected by inserting the following words after the words "further act or deed" appearing in the last line of the said clause

"However, after giving effect to the connected integrated scheme filed by the Transferee company herein".

7. As far as observation in paragraph 6 (a) of the said Affidavit is concerned, the Transferee Company undertakes that the surplus, if any, arising out of the Scheme shall be transferred to Capital Reserve Account of the Transferee Company and if any deficit is arising, the same shall be debited to goodwill account of the Transferee Company.
8. As far as observation in paragraph 6 (b) of the said Affidavit is concerned, the Transferee Company through its counsel submits that the Transferee Company is bound to comply with all applicable provisions of the Income Tax Act and all tax issues arising out of the Scheme will be answered in accordance with law.
9. As far as observation in paragraph 6(c) of the said Affidavit is concerned, the counsel for the Transferee Company states that in terms of clause 15 (a) (i) of the Scheme, sanction to the Scheme is subject to the sanction to the connected Integrated Scheme filed by the Transferee Company in this Court in CSP Nos. 483, 484, 485 and 486 of 2014, thus the correction as suggested by the Regional Director in para 13 (d) of the Scheme need not be carried out as not required.
10. The Learned Counsel for the Regional Director on instructions of Mr. M. Chandanamuthu, Joint Director Legal, in the office of the Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai states that they are satisfied with the

undertakings given hereinabove by the Petitioner Companies through its Advocate and also agrees that corrections to para 13 (d) of Scheme is not required. The undertakings given by the Petitioner Companies hereinabove are accepted.

11. The Official Liquidator has filed his Report on 22nd September, 2014 stating that the affairs of the Transferor Company have been conducted in a proper manner and that the Transferor Company may be ordered to be dissolved by this Court.
12. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
13. Since all requisite statutory compliance have been fulfilled, Company Scheme Petition No. 481 of 2014 filed by the Transferor Company is made absolute in terms of prayer clauses (a) and (b) and Company Scheme Petition No. 482 of 2014 filed by the Transferee Company is made absolute in terms of prayer clause (a).
14. The Transferee Company to file/lodge a copy of this order along with a copy of the Scheme, duly authenticated by the Company Registrar, High Court (O.S.), Bombay, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, within 60 days from the date of the order.
15. The Petitioner Companies are directed to file a copy of this order along with a copy of the Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay, with the concerned Registrar of Companies, electronically, along with e-form 21/ INC 28 in addition to physical copy as per the provisions of Companies Act, 1956/2013, whichever is applicable.

HIGH COURT, BOMBAY

217742

CSP nos. 481 and 482 of 2014

16. The Petitioner Companies In the respective Company Scheme Petitions to pay costs of Rs. 10,000/- each to the Regional Director, Western Region, Mumbai and the Petitioner Company in Company Scheme Petition No. 481 of 2014 to pay a sum of Rs. 10,000/- to the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from today.
17. Filing and issuance of the respective drawn up orders are dispensed with.
18. All concerned authorities to act on a copy of this order along with the Scheme, duly authenticated by the Company Registrar, High Court (Q.S.), Bombay.

(S. J. Kathawalla, J.)

TRUE COPY
[Signature]
S-11-2014
Section Officer
High Court, Appellate Side
Bombay

[Signature]
10/11/2014
Sd/-
10/11/2014

SCHEME OF AMALGAMATION
UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956
OF

Mahindra Composites Limited ... **Transferor Company**

WITH

Mahindra CIE Automotive Limited
(formerly known as Mahindra Forgings Limited) ... **Transferee Company**

- A. Mahindra Composites Limited is a public limited company incorporated under the Companies Act, 1956 with its registered office at 145, Mumbai-Pune Road, Pimpri, Pune 411018, Maharashtra, India ("Transferor Company"). The Transferor Company is engaged in the business of composites for automotive and electrical switchgear applications (SMC/DMC composites made from glass fibre in an unsaturated polyester resin matrix. The equity shares of the Transferor Company are listed on the BSE.
- B. Mahindra CIE Automotive Limited (formerly known as Mahindra Forgings Limited) is a public limited company incorporated under the Act with its registered office at Mahindra Towers, P.K. Kurne Chowk, Worli, Mumbai - 400018, Maharashtra, India ("Transferee Company"). The Transferee Company is engaged in the business of manufacture and sale of parts, including but not limited to parts used in automotive industry, using forgings (hot forged ferrous grades excluding stainless steel). The equity shares of the Transferee Company are listed on the BSE and the NSE.
- C. The Transferor Company and the Transferee Company are engaged in complementary businesses. CIE believes that following the acquisition of a controlling stake in the Transferor Company and the Transferee Company, combining the businesses of the Transferor Company and the Transferee Company will result in enhancing shareholder value for the shareholders of the Transferor Company and the Transferee Company..
- D. Accordingly, this Scheme provides for the amalgamation of the Transferor Company with the Transferee Company and the consequent issue of equity shares of the Transferee Company to the shareholders of the Transferor Company pursuant to Sections 391 to 394 and other relevant provisions of the Act, and various other matters consequential to or otherwise connected with the above in the manner provided for in this Scheme.
- E. The amalgamation of the Transferor Company with the Transferee Company pursuant to this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of Section 2(1B) of the Income Tax Act, 1961.
- F. This Scheme is divided into the following parts:
- (a) Part I, which deals with the introduction and definitions, and sets out the share capital of the Transferor Company and the Transferee Company;

- (b) **Part II**, which deals with the amalgamation of the Transferor Company with the Transferee Company; and
- (c) **Part III**, which deals with the dissolution of the Transferor Company and the general terms and conditions applicable to this Scheme.

PART I – GENERAL

1. Definitions And Interpretation

- (a) In this Scheme, unless the context or meaning otherwise requires (i) terms defined in the introductory paragraphs and recitals shall have the same meanings throughout this Scheme and (ii) the following words and expressions, wherever used (including in the recitals and the introductory paragraphs above), shall have the following meanings:

"Act" means the Companies Act, 1956;

"Applicable Law" or "Law" means any applicable statute, law, regulation, ordinance, rule, judgment, order, decree, clearance, approval from the concerned authority, directive, guideline, press note, policy, requirement, or other governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any Government Authority in effect in the Republic of India;

"Appointed Date" means October 1, 2013;

"Board of Directors" or "Board" in relation to each of the Transferor Company and the Transferee Company, as the case may be, means the board of directors of such company, and shall include a committee duly constituted and authorised for the purposes of matters pertaining to the amalgamation, this Scheme and/or any other matter relating thereto;

"BSE" means The BSE Limited;

"Castlugs" means Mahindra Hinoday Industries Limited, a public limited company incorporated under the Act, having its registered office at Mahindra Towers, P.K. Kurne Chowk, Worli, Mumbai – 400018, Maharashtra, India;

"CIE" means CIE Automotive S.A., a company ("*Sociedad Anónima*") incorporated under the laws of Spain, having its registered office at Iparraguirre nº 34, 2ª planta, 48011 Bilbao (Spain) and listed on the Madrid and Bilbao stock exchanges;

"Commencement Date" shall mean June 15, 2013;

"Control" means (i) in relation to a body corporate, the right to exercise, or control the exercise, whether directly or indirectly, acting alone or together with another Person, of more than 50% (fifty percent) of the total voting rights at a general meeting of that body corporate, or the right or power to direct, whether directly or indirectly, acting alone or together with another Person, the policy



decisions of that body corporate, including the composition of any board of directors (or equivalent body) of that body corporate, or (ii) in relation to any Person which is not a body corporate, the right or power to direct, whether directly or indirectly, acting alone or together with another Person, the policy decisions of that Person;

"Effective Date" means the last of the dates on which all the conditions and matters referred to in Clause 15 occur or have been fulfilled or waived in accordance with this Scheme. References in this Scheme to date of 'coming into effect of this Scheme' or 'effectiveness of this Scheme' or 'Scheme coming into effect' shall mean the Effective Date;

"Eligible Employees" means the Employees and the employees of any holding or subsidiary company of the Transferor Company who are entitled to employee stock options under the Transferor Company Stock Option Scheme, and to whom, as on the Record Date, options of the Transferor Company have been granted, irrespective of whether the same are vested or not;

"Employees" mean all the permanent employees of the Transferor Company, as the case may be, as on the Effective Date;

"Encumbrance" means any mortgage, pledge, equitable interest, assignment by way of security, conditional sales contract, hypothecation, right of other persons, claim, security interest, encumbrance, title defect, title retention agreement, voting trust agreement, interest, option, lien, charge, commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off, any arrangement (for the purpose of, or which has the effect of, granting security), or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same and the term "Encumbered" shall be construed accordingly;

"Existing Stock Option Scheme" means the Employees' Stock Option Scheme, 2007 of the Transferee Company;

"Funds" shall have the meaning assigned to it in Clause 8(c);

"Gears Europe HoldCo" means Mahindra Gears International Limited, a company incorporated under the laws of Mauritius, having its registered office at IFS Court, 28, Cyber City, Ebene, Mauritius;

"Gears India HoldCo" means Mahindra Investments (India) Private Limited, a company incorporated under the Act and having its registered office at Mahindra Towers, near Doordarshan Kendra, Pandurang Budhkar Marg, Worli, Mumbai - 400018, Maharashtra, India;

"Governmental Authority" means (i) a national government, political subdivision thereof; (ii) an instrumentality, board, commission, court, or agency, whether civilian or military, of any

of the above, however constituted; and (ii) a government-owned/ government-controlled association, organization in the Republic of India;

"High Court" means the High Court of Judicature at Mumbai and shall include the National Company Law Tribunal, as applicable or such other forum or authority as may be vested with any of the powers of a High Court under Sections 391 to 394 of the Act;

"INR" or "Rupees" means the lawful currency of Republic of India;

"Implementation Period" means the period intervening the Commencement Date and the Effective Date;

"Integrated Scheme" means the scheme of arrangement under Sections 391 to 394 of the Act, providing for the amalgamation of Castings, Gears Europe HoldCo, Gears India HoldCo, MUSCO and PIA 3 into the Transferee Company;

"Liabilities" shall have the meaning assigned to it in Clause 6(a);

"MUSCO" means Mahindra UGINE Steel Company Limited, a company incorporated under the Act, having its registered office at 74, Ganesh Apartment, LJ Road, Mahim, Mumbai - 400016, Maharashtra, India and listed on the Stock Exchanges;

"NSE" means the National Stock Exchange of India Limited;

"Person" means any individual (including in his capacity as trustee), entity, joint venture, company, corporation, partnership (whether limited or unlimited), proprietorship or other enterprise (whether incorporated or not), Hindu undivided family, union, association of persons, government (central, state or otherwise), or any agency, department, authority or political subdivision thereof, and shall include their respective successors and in case of an individual shall include his/her legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees and the beneficiary or beneficiaries from time to time;

"PIA 3" means Participaciones Internacionales Autometal Tres, S.L., a company ("*Sociedad de responsabilidad limitada*") incorporated under the laws of Spain, having its registered office at Iparraguirre n° 34, 2ª derecha, 48011, Bilbao, Spain;

"Record Date" means the date to be fixed by the Board of Directors of the Transferee Company for the purpose of determining the equity shareholders of the Transferor Company, to whom shares of the Transferee Company will be allotted pursuant to this Scheme;

"Registrar of Companies" means the Registrar of Companies, Maharashtra, Mumbai and Registrar of Companies, Maharashtra, Pune;



"Scheme" means this scheme of amalgamation, as amended or modified in accordance with the provisions hereof;

"SEBI" means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;

"SEBI Circulars" mean Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 and Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, each issued by the SEBI;

"Stock Exchanges" mean each of the BSE and the NSE;

"Transferor Company Stock Option Scheme" shall have the meaning assigned to it in Clause 8(e);

"Transferee Stock Option Scheme" shall have the meaning assigned to it in Clause 8(e); and

"Undertaking" means all the undertakings and entire business of the Transferor Company as a going concern, including, without limitation:

- (i) all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature) of the Transferor Company, whether situated in India or abroad, including, without limitation, all manufacturing units and facilities, all land, buildings and structures, offices, residential and other premises, capital work-in-progress, machines and equipments, furniture, fixtures, office equipment, computers, appliances, accessories, power lines, stocks, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, earnest monies, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, tenancies in relation to the office and/or residential properties, guest houses, godowns, warehouses, vehicles, D.G. sets, share of any joint assets, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to

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or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;

- (ii) all permits, quotas, rights, entitlements, industrial and other licences, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), municipal permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions in respect of the profits of the undertaking for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the benefit or exemption is available in law if the amalgamation pursuant to this Scheme does not take place, all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company;
 - (iii) all debts, borrowings, obligations, duties and liabilities, both present and future (including deferred tax liabilities, contingent liabilities and the liabilities and obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Rupees or foreign currency, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company; and
 - (iv) all trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programmes, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company.
- (b) All terms used but not defined in this Scheme shall, unless contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act or any statutory modification or re-enactment thereof for the time being in force or any legislation which replaces the Act.



- (c) References in clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.
- (d) The headings herein shall not affect the construction of this Scheme.
- (e) Unless the context otherwise requires:
- (i) the singular shall include the plural and *vice versa*; and references to one gender include all genders.
 - (ii) references to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives body (whether or not having separate legal personality).
 - (iii) reference to any law or to any provision thereof or to any rule or regulation promulgated thereunder includes a reference to such law, provision, rule or regulation as it may, from time to time, be amended, supplemented or re-enacted, or to any law, provision, rule or regulation that replaces it.
 - (iv) Without prejudice to generality of (iii) above, references to the Companies Act, 1956 and specific provisions thereof will be deemed to mean or include references to Companies Act, 2013 and corresponding provisions thereof, as and when provisions of the Companies Act, 2013 are made effective.

2. Share Capital

(a) Transferor Company

The share capital structure of the Transferor Company as on June 15, 2013 is as under:

A. Authorised Share Capital	
15,000,000 equity shares of INR 10 per share	150,000,000
Total	150,000,000
B. Issued and Subscribed Share Capital	
4,414,974 equity shares of INR 10 per share	44,149,740
Total	44,149,740
C. Paid up Share Capital	
4,413,924 equity shares of INR 10 per share fully paid up*	44,139,240
Total	44,139,240

* Excluding 1050 equity shares not allotted but held in abeyance.

The equity shares of the Transferor Company are listed on the BSE.

(b) **Transferee Company**

The share capital structure of Transferee Company as on June 15, 2013 is as under:

Particulars	Amount in INR
122,000,000 equity shares of INR 10 per share	1,220,000,000
14,820,206 non-cumulative non-convertible redeemable preference shares of INR 31 each	459,426,386
Total	1,679,426,386

Particulars	Amount in INR
92,173,306 equity shares of INR 10 per equity share	921,733,060
Total	921,733,060

Particulars	Amount in INR
92,173,306 equity shares of INR 10 per share fully paid up	921,733,060
Total	921,733,060

The equity shares of the Transferee Company are listed on the Stock Exchanges.

PART II - AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEE COMPANY

Section 1 - Transfer

3. Upon the coming into effect of this Scheme and with effect from the Appointed Date, pursuant to the sanction of this Scheme by the High Court and pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, the Undertaking shall be and stand vested in or be deemed to have been vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

4. **Vesting of Assets**

- (a) Without prejudice to the generality of Clause 3 above, upon the coming into effect of this Scheme and with effect from the Appointed Date, all the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Undertaking of whatsoever nature and where so ever situate shall, under the provisions of Sections 391 to 394 of the Act and all other applicable provisions of Applicable Law, if any, without any further act or deed, be and stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the estate, assets, properties, rights, claims, title, interest and authorities of the Transferee Company.



- (b) Without prejudice to the provisions of Clause 4(a) above, in respect of such of the assets and properties of the Transferor Company as are movable in nature or incorporeal property or are otherwise capable of vesting or transfer by delivery or possession, or by endorsement and/or delivery, the same shall stand so transferred or vested by the Transferor Company upon the coming into effect of this Scheme, and shall, become the assets and property of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act, without requiring any deed or instrument of conveyance for transfer or vesting of the same.
- (c) In respect of such of the assets and properties belonging to the Transferor Company (other than those referred to in Clause 4(b) above) including sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any government, quasi government, local or other authority or body or with any company or other person, the same shall stand transferred to and vested in the Transferee Company and/or be deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act.
- (d) All assets, rights, title, interest, investments and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets, rights, title, interest, investments and properties of the Transferee Company, and shall under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act.
- (e) All the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, including income tax benefits and exemptions, shall, under the provisions of Sections 391 to 394 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in and/or be deemed to be transferred

to and vested in and be available to the Transferee Company so as to become the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

5. Contracts, Deeds etc.

- (a) Upon the coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder.
- (b) Without prejudice to the other provisions of this Scheme and notwithstanding that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company 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, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, after the Effective Date, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.
- (c) Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme and with effect from the Appointed Date, all consents, permissions, licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

6. Transfer of Liabilities

- (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date all debts and liabilities of the Transferor Company including all secured and unsecured debts (in whatsoever currency), liabilities (including contingent liabilities), duties and



obligations of the Transferor Company of every kind, nature and description whatsoever whether present or future, and howsoever arising, along with any charge, encumbrance, lien or security thereon (herein referred to as the "Liabilities") shall, pursuant to the sanction of this Scheme by the High Court and under the provisions of Sections 391 to 394 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company, to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause 6.

- (b) Where any such debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date have been discharged by the Transferor Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.
- (c) All loans raised and utilised and all liabilities, duties and obligations incurred or undertaken by the Transferor Company on or after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 391 to 394 of the Act, without any further act, instrument or deed be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- (d) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time from the Appointed Date to the Effective Date become due between the Transferor Company and the Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.

7. Encumbrances

- (a) The transfer and vesting of the assets comprised in the Undertaking to the Transferee Company under Clause 4 and Clause 5 shall be subject to the Encumbrances, if any, affecting the same as hereinafter provided.

- (b) All Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date, provided that if any of the assets of the Transferor Company have not been Encumbered, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.
- (c) The existing Encumbrances over the other assets and properties of the Transferee Company or any part thereof which relate to the Liabilities of the Transferee Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.
- (d) Any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.
- (e) Upon the coming into effect of this Scheme, the Transferee Company shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of this Scheme.
- (f) It is expressly provided that, save as herein provided, no other term or condition of the Liabilities transferred to the Transferee Company is amended by virtue of this Scheme except to the extent that such amendment is required statutorily.
- (g) The provisions of this Clause 7 shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deeds or writings or the terms of sanction or issue or any security document shall stand modified and/or superseded by the foregoing provisions.

8. Employees

- (a) Upon the coming into effect of this Scheme, all Employees of the Transferor Company shall, become the employees of the Transferee Company, on terms and conditions not less favourable



than those on which they are engaged by the Transferor Company and without any interruption of or break in service as a result of the amalgamation of the Transferor Company with the Transferee Company. For the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such Employees with the Transferor Company and such benefits to which the Employees are entitled in the Transferor Company shall also be taken into account, and paid (as and when payable) by the Transferee Company.

- (b) It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits (including employee stock options) that may be applicable and available to any of the other employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other employees of the Transferee Company), unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/ settlement, if any, entered into or deemed to have been entered into by the Transferor Company with any union/ employee of the Transferor Company.
- (c) Insofar as the provident fund, gratuity fund, superannuation fund, retirement fund and any other funds or benefits created by the Transferor Company for its Employees or to which the Transferor Company is contributing for the benefit of its Employees (collectively referred to as the "Funds") are concerned, the Funds or such part thereof as relates to the Employees (including the aggregate of all the contributions made to such Funds for the benefit of the Employees, accretions thereto and the investments made by the Funds in relation to the Employees) shall be transferred to the Transferee Company and shall be held for the benefit of the concerned Employees. In the event the Transferee Company has its own funds in respect of any of the employee benefits referred to above, the Funds shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, be merged with the relevant funds of the Transferee Company. In the event that the Transferee Company does not have its own funds in respect of any of the above or if deemed appropriate by the Transferee Company, the Transferee Company may, subject to necessary approvals and permissions, maintain the existing funds separately and contribute thereto until such time that the Transferee Company creates its own funds, at which time the Funds and the investments and contributions pertaining to the Employees shall be merged with the funds created by the Transferee Company.
- (d) In relation to those Employees for whom any of the Transferor Company is making contributions to the government provident fund or other employee benefit fund, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make

contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such Employees, such that all the rights, duties, powers and obligations of the Transferor Company as the case may be in relation to such schemes/ Funds shall become those of the Transferee Company.

- (e) (i) In respect of the stock options of the Transferor Company granted by the Transferor Company under the Employees Stock Option Scheme, 2009 (ESOS-2009) ("Transferor Company Stock Option Scheme"), upon the effectiveness of the Scheme, the Transferee Company shall issue stock options to the Eligible Employees taking into account the share exchange ratio set out in Clause 13(a), on terms and conditions not less favourable than those provided under the Transferor Company Stock Option Scheme. Such stock options may be issued by the Transferee Company either under the Existing Stock Option Scheme or under a separate employee stock option scheme created by the Transferee Company *inter alia* for the purpose of granting stock options to the Eligible Employees pursuant to this Scheme ("Transferee Stock Option Scheme").
- (ii) It is hereby clarified that the options granted by the Transferee Company to the Eligible Employees pursuant to this Clause 8(e), in lieu of options granted to them under the Transferor Company Stock Option Scheme would be granted on the basis of the share exchange ratio set out in Clause 13(a), i.e., for every 100 (one hundred) options held by an Eligible Employee which entitle such Eligible Employee to acquire 100 (one hundred) equity shares in the Transferor Company, such Eligible Employee will be conferred 90 (ninety) options in the Transferee Company which shall entitle him to acquire 90 (ninety) equity shares in the Transferee Company. Fractional entitlements, if any, arising pursuant to the applicability of the share exchange ratio as above shall be rounded off to the nearest higher integer.
- (iii) The total exercise price payable for options granted by the Transferee Company to the Eligible Employees shall be equivalent to the total exercise price payable by such Eligible Employees under the Transferor Company Stock Option Scheme, for such options.
- (iv) The grant of options to the Eligible Employees pursuant to this Clause 8 (e) of this Scheme shall be effected as an integral part of the Scheme and the consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be their consent in relation to all matters pertaining to the Transferee Stock Option Scheme and the Existing Stock Option Scheme, including without limitation, for the purposes of creating the Transferee Stock Option Scheme and/or modifying the Transferee Stock Option Scheme and/or the Existing Stock Option Scheme (including increasing the maximum number of equity



shares that can be issued consequent to the exercise of the stock options granted under the Existing Stock Option Scheme, and/or modifying the exercise price of the stock options under the Transferee Stock Option Scheme and/or the Existing Stock Option Scheme), and all related matters. No further approval of the shareholders of the Transferor Company would be required in this connection under Section 81(1A) of the Act and/or any other Applicable Law.

- (v) It is hereby clarified that in relation to the options granted by the Transferee Company to the Eligible Employees pursuant to this Scheme, in lieu of options granted to them under the Transferor Company Stock Option Scheme, the period during which the options granted by the Transferor Company were held by or deemed to have been held by the Eligible Employees shall be taken into account for determining the minimum vesting period required under applicable law for stock options granted under the Transferee Stock Option Scheme or the Existing Stock Option Scheme, as the case may be. Subject to Applicable Law, the adjustments to the exercise price per option and option entitlement of the Eligible Employees proposed under this Clause 8(e) shall be appropriately reflected in the accounts of the Transferee Company.

- (vi) The Boards of Directors of the Transferor Company and the Transferee Company shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause 8(e).

9. Legal, Taxation and other Proceedings

Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company pending on the Effective Date shall be continued and/ or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted by or against the Transferee Company.

10. Without prejudice to the provisions of Clauses 2 to 9, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.

Section 2 – Conduct of Business

11. With effect from the Appointed Date and up to and including the Effective Date;
- (a) the Transferor Company shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts and

investments for and on account of, and in trust for, the Transferee Company;

- (b) all profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including taxes), as the case may be, of the Transferee Company;
- (c) any of the rights, powers, authorities or privileges exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company; and
- (d) all taxes (including, without limitation, income tax, sales tax, service tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/ or the profits of the Transferor Company before the Appointed Date, shall be on account of the Transferor Company and, insofar as it relates to the tax payment (including, without limitation, income tax, sales tax, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Transferor Company with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.



Section 3 – Issue of shares of the Transferee Company

- 12. The provisions of this Section 3 of this Scheme shall operate notwithstanding anything to the contrary in this Scheme or in any other instrument, deed or writing.
- 13. Issue of new equity shares
 - (a) Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Undertaking in the Transferee Company in terms of this Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to each member of the Transferor Company, whose name is registered in the Register of Members of the Transferor Company on the Record Date or his/ her/ its legal heirs, executors or successors as the case may be, equity shares in the Transferee Company, in the ratio of 90 (ninety) equity shares of the face value of INR 10 (ten) each (credited as fully paid up) of the Transferee Company for every 100 (one hundred) equity shares of the face value of INR 10 (ten) each (credited as fully paid-up) held by such member in the Transferor Company. No fractional shares shall be issued by the Transferee Company.

- (b) Upon this Scheme becoming effective, the issued, subscribed and paid-up share capital of the Transferee Company shall stand suitably increased consequent upon the issuance of new equity shares in accordance with Clause 13(a) above. It is clarified that no special resolution under Section 81(1A) of the Act shall be required to be passed by the Transferee Company separately in a general meeting for issue of shares to the members of the Transferor Company under this Scheme and on the shareholders of the Transferee Company approving this Scheme, it shall be deemed that they have given their consent to the issue of equity shares of the Transferee Company to the members of the Transferor Company in accordance with Clause 13(a) above.
- (c) As a part of this Scheme, and, upon the coming into effect of this Scheme, the authorised share capital of the Transferee Company shall automatically stand increased, without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to Registrar of Companies, by the aggregate authorised share capital of the Transferor Company.
- (d) The capital clause of the Memorandum of Association and the Articles of Association of the Transferee Company shall, as a part of and, upon the coming into effect of this Scheme and without any further act or deed, be replaced by the following clause:

MEMORANDUM OF ASSOCIATION

"V. The Authorised Share Capital of the Company is INR 4,869,426,386 (Rupees four billion eight hundred sixty nine million four hundred twenty six thousand three hundred eighty six only) divided into 395,000,000 (three hundred ninety five million) Equity Shares of INR 10 (Rupees ten only) each aggregating INR 3,950,000,000 (Rupees three billion nine hundred fifty million only) and 29,658,916 (twenty nine million six hundred fifty eight thousand nine hundred sixteen) 4% (four percent) Non Cumulative Redeemable Non Convertible Preference Shares of INR 31 (Rupees thirty one only) each aggregating INR 919,426,386 (Rupees nine hundred nineteen million four hundred twenty six thousand three hundred eighty six only), with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company and the legislative provisions for the time being in force."

ARTICLES OF ASSOCIATION

"3. The Authorised Share Capital of the Company is INR 4,869,426,386 (Rupees four billion eight hundred sixty nine million four hundred twenty six thousand three hundred eighty six only) divided into 395,000,000 (three hundred ninety five million)

Equity Shares of INR 10 (Rupees ten only) each aggregating INR 3,950,000,000 (Rupees three billion nine hundred fifty million only) and 29,658,916 (twenty nine million six hundred fifty eight thousand nine hundred sixteen) 4% (four percent) Non Cumulative Redeemable Non Convertible Preference Shares of INR 31 (Rupees thirty one only) each aggregating INR 919,426,386 (Rupees nine hundred nineteen million four hundred twenty six thousand three hundred eighty six only), with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company and the legislative provisions for the time being in force."

- (e) It is clarified that for the purposes of Clause 13(c) and 13(d) above, the consent of the shareholders of the Transferee Company to this Scheme shall be sufficient for the purposes of effecting the above amendment or increase in the authorised share capital of the Transferee Company, and no further resolution under Section 16, Section 31, Section 94 or any other applicable provisions of the Act, would be required to be separately passed. The stamp duties and fees (including registration fee) paid on the authorised share capital of the Transferor Company shall be utilized and applied to the increased authorised share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee (including registration fee) by the Transferee Company for increase in the authorised share capital to that extent.
- (f) The shares issued to the members of the Transferor Company by the Transferee Company pursuant to Clauses 13(a) above shall be credited to the depository account of the members, unless otherwise notified in writing by any member of the Transferor Company to the Transferee Company on or before such date as may be determined by the Board of Directors of the Transferee Company or a committee thereof. In the event that such notice has not been received by the Transferee Company in respect of any of the members of the Transferor Company, the shares shall be credited to the depository account of the members provided that the members of the Transferor Company 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. It is only thereupon that the Transferee Company shall issue and directly credit to the account of such member the relevant shares of the Transferee Company. In the event that the Transferee Company has received notice from any member that shares are to be issued in certificate 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, then the Transferee Company shall issue shares in certificate form to such member.



- (g) In the event of there being any pending share transfers, whether lodged or outstanding, of any member of the Transferor Company, the Board of Directors of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor/ transferee of the shares in the Transferor Company and in relation to the shares issued by the Transferee Company after the effectiveness of this Scheme. The Board of Directors of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Transferee Company.
- (h) Equity shares to be issued by the Transferee Company pursuant to Clauses 13(a) above in respect of such of the equity shares of the Transferor Company 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, also be kept in abeyance by the Transferee Company.
- (i) The equity shares issued and allotted by the Transferee Company in terms of this Scheme shall rank *pari passu* in all respects with the then existing equity shares of the Transferee Company.
- (j) The equity shares of the Transferee Company issued in terms of this Scheme will be listed and/or admitted to trading on the Stock Exchanges. The shares allotted pursuant to this Scheme shall remain frozen in the depositories system till relevant directions in relation to listing/trading are given by the Stock Exchanges.
- (k) In case any shareholder's holding in any Transferor Company is such that the shareholder becomes entitled to a fraction of an equity share of the Transferee Company, the Transferee Company shall not issue fractional shares in such shareholder but shall consolidate such fractions and issue consolidated equity shares to a trustee nominated by the Transferee Company in that behalf, who shall sell such shares and distribute the net sale proceeds (after deduction of applicable taxes and other expenses incurred) to the shareholders respectively entitled to the same in proportion to their fractional entitlements.

PART III - DISSOLUTION OF TRANSFEROR COMPANY AND OTHER GENERAL TERMS AND CONDITIONS

14. Accounting and Tax Treatment

(a) Accounting

Save as hereinafter provided, the reserves of the Transferor Company shall be accounted for, while incorporating the assets and liabilities of the Transferor Company in the accounts of the Transferee Company, in accordance with Accounting Standard 14 (Accounting for Amalgamations) issued by the Institute of Chartered Accountants of India in consultation with the National

Advisory Committee on Accounting Standards as per Section 211(3C) of the Act. Upon the Scheme becoming effective and with effect from the Appointed Date:

- (i) The Transferee Company shall record the assets and liabilities of the Transferor Company pursuant to this Scheme at their respective book values as appearing in the books of the Transferor Company. In case of conflicting accounting policies between the entities, a uniform policy will be adopted on merger and effect on the financial statements of such change in policy will be reported as per Accounting Standard 5 (Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies) and the same shall be dealt with in accordance with prevailing accounting standards and Generally Accepted Accounting Principles in India;
- (ii) The Transferee Company shall credit its issued and paid up share capital account with the aggregate face value of the shares issued pursuant to Clause 13 of this Scheme;
- (iii) All the reserves relating to and reflecting in the books of the Transferor Company shall appear in the books of the Transferee Company in the same form in which they appeared in the books of the Transferor Company after giving effect to 14(a)(i) above;
- (iv) The balance in the Statement of Profit and loss appearing in the books of the Transferor Company shall be dealt with in the books of the Transferee Company in accordance with Accounting Standard 14 (Accounting for Amalgamations);
- (v) The difference between the amount recorded as share capital issued (plus any additional consideration in the form of cash or other assets) and the amount of share capital of the Transferor Company is adjusted in reserves in the financial statements of the Transferee Company;
- (vi) To the extent that there are inter-corporate loans, debentures, debt securities or balances between the Transferor Company and the Transferee Company *inter se*, the obligation in respect thereof shall come to an end and the corresponding effect shall be given in the books of account and the records of the Transferee Company for the reduction of any assets or liabilities, as the case may be. The difference, if any, arising upon such cancellation, shall be credited or debited, as the case may be, to the Capital Reserve account of the Transferee Company. For the removal of doubts, there would be no accrual of interest or other charges in respect of any such inter-company loans, debentures, debt securities or balances with effect from the Appointed Date;
- (vii) Notwithstanding the above, the Board of the Transferee Company, is authorized to account any of these balances in any manner whatsoever, as may be deemed fit in



accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India in consultation with the National Advisory Committee on Accounting Standards as per Section 211(3C) of the Act and Generally Accepted Accounting Principles in India.

(b) Tax

- (i) Upon the Scheme coming into effect, all taxes (direct and/or indirect)/ cess/ duties payable by or on behalf of the Transferor Company from the Appointed Date onwards including all or any refunds and claims, including refunds or claims pending with any Governmental Authority and including the right to claim credit for minimum alternate tax and carry forward of accumulated losses, and unutilized CENVAT credit, VAT credit etc shall, for all purposes, be treated as the tax/ cess/ duty, liabilities or refunds, claims, accumulated losses and unutilized CENVAT credits, VAT credit and rights to claim credit or refund etc of the Transferee Company. Accordingly, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its income tax returns, wealth tax returns, sales tax returns, excise and CENVAT returns, service tax returns, other statutory returns, and to claim refunds/ credits, pursuant to the provisions of this Scheme.
- (ii) The Transferee Company shall also be permitted to claim refunds / credits in respect of any transaction between or amongst the Transferor Company and the Transferee Company. Without prejudice to the generality of Clause 14(b)(i) above, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its income tax returns and related withholding tax certificates, including withholding tax certificates relating to transactions between the Transferor Company and the Transferee Company, and to claim refunds, advance tax and withholding tax credits, benefit of credit for minimum alternate tax and carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.
- (iii) The withholding tax/ advance tax/ minimum alternate tax, if any, paid by the Transferor Company under the Income Tax Act, 1961 or any other statute in respect of income of the Transferor Company assessable for the period commencing from Appointed Date shall be deemed to be the tax deducted from/advance tax paid by the Transferee Company and credit for such withholding tax/advance tax/ minimum alternate tax shall be allowed to the Transferee Company notwithstanding that certificates or challans for withholding tax/advance tax are in the name of the Transferor Company and not in the name of the Transferee Company.



- (iv) The service tax paid by the Transferor Company under the Finance Act, 1994 in respect of services provided by the Transferor Company for the period commencing from the Appointed Date shall be deemed to be the service tax paid by the Transferee Company and credit for such service tax shall be allowed to the Transferee Company notwithstanding that challans for service tax payments are in the name of the Transferor Company and not in the name of the Transferee Company.

15. Conditions Precedent

- (a) The effectiveness of the Scheme is conditional upon and subject to:
- (i) the Integrated Scheme having come into effect in accordance with its terms;
 - (ii) receipt of approval from the Competition Commission of India for this Scheme in form and substance reasonably satisfactory to the Transferor Company and the Transferee Company or on the expiry of any statutory time period pursuant to which such approval is deemed to have been granted;
 - (iii) receipt of approval from the Bundeskartellamt for this Scheme in form and substance reasonably satisfactory to the Transferor Company and the Transferee Company or the expiry of any statutory time period pursuant to which such approval is deemed to have been granted;
 - (iv) this Scheme being approved by the respective requisite majorities of the various classes of shareholders and/or creditors (where applicable) of the Transferor Company and the Transferee Company as required under the Act and the requisite orders of the High Court being obtained;
 - (v) approval of the Scheme by the public shareholders of the Transferor Company and the Transferee Company in accordance with the provisions of the SEBI Circulars;
 - (vi) receipt of pre-filing and post sanction approvals of the relevant Stock Exchange and the SEBI in terms of the SEBI Circulars, as applicable;
 - (vii) the certified copies of the court orders approving the Scheme being filed with the Registrar of Companies; and
 - (viii) such other approvals and sanctions as may be required by Applicable Law in respect of this Scheme being obtained.
- (b) On the approval of this Scheme by the shareholders of the Transferor Company and the Transferee Company such shareholders shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the amalgamation set out in this Scheme, related matters and this Scheme itself.



- (c) In the event of the Scheme failing to take effect by June 30, 2015 or such later date as may be agreed by the respective Boards of Directors of the Transferor Company and the Transferee Company, this Scheme shall stand cancelled and be of no effect and become null and void, and in that event, no rights and liabilities shall accrue to or be incurred inter-se the Transferor Company and the Transferee Company or their shareholders or creditors or employees or any other person. In such case, each of the Transferor Company and the Transferee Company shall bear its own costs and expenses or as may be mutually agreed.

16. Applications

The Transferor Company and the Transferee Company shall with all reasonable dispatch make application(s) under Sections 391 and 394 and other applicable provisions of the Act to the High Court for sanctioning this Scheme and for dissolution of the Transferor Company without winding up, as applicable.

17. Dissolution of the Transferor Company

Upon the coming into effect of this Scheme, the Transferor Company shall stand dissolved without winding-up without any further act or deed.

18. Dividends

- (a) The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date, provided that the shareholders of the Transferor Company shall not be entitled to dividend, if any, declared and paid by the Transferee Company to its shareholders for the accounting period prior to the Effective Date.
- (b) The shareholders of the Transferor Company and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
- (c) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Boards of Directors of the Transferor Company and the Transferee Company respectively, and subject to the approval, if required, of the shareholders of the Transferor Company and the Transferee Company respectively.

19. Resolutions

- (a) Upon the coming into effect of this Scheme, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be



considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

- (b) Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company in terms of Section 293 (1) (d) of the Act shall be deemed, without any further act or deed, to have been enhanced by the aggregate limits of the Transferor Company which are being transferred to the Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company, with effect from the Appointed Date.

20. Modifications to the Scheme

- (a) The Transferor Company (by its respective Board of Directors) and the Transferee Company (by its Board of Directors), may, in their full and absolute discretion, assent to any alteration or modification to this Scheme which the Boards of the Transferor Company or the Board of the Transferee Company, as the case may be, deem fit, or which the High Court and/or any other Governmental Authority may deem fit to approve or impose.
- (b) The Transferor Company (by its Board of Directors) and the Transferee Company (by its Board of Directors), may give such directions as they may consider necessary to settle any question or difficulty arising under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation hereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent security holders of the respective companies), or to review the position relating to the satisfaction of various conditions to this Scheme and if necessary, to waive any of those (to the extent permissible under law).
- (c) The Transferor Company (by its Board of Directors) and the Transferee Company (by its Board of Directors) may in any manner at any time, determine jointly whether any asset, liability, employee, legal or other proceedings pertains to the Transferor Company or not, on the basis of any evidence that they may deem relevant for this purpose.

21. The Transferee Company shall be entitled, pending the sanction of this Scheme to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to carry on the business of the Transferor Company.

22. Severability

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.



23. Upon this Scheme becoming effective, the accounts of the Transferor Company and the Transferee Company (as applicable), as on the Appointed Date, shall be reconstructed in accordance with the terms of this Scheme.
24. The Transferee Company shall be entitled to file/ revise its income tax returns, TDS certificates, TDS returns, wealth tax returns and other statutory returns, if required, and shall have the right to claim refunds, advance tax credits, credit of all taxes paid/withheld (whether Indian or foreign), if any, as may be required consequent to implementation of this Scheme.
25. Costs
- Subject to the provisions of Clause 15(c) of this Scheme, all costs, charges and expenses (including, but not limited to, any taxes and duties, stamp duty, registration charges, etc.) of /payable by the Transferor Company and the Transferee Company in relation to or in connection with the Scheme and 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.



TRUE COPY
[Signature]
AMARCHAND & MANGALDAS &
SURESH A. SHROFF & CO.
Advocates & Solicitors

TRUE-COPY
[Signature]
10/11/2014
Mrs. K. S. FANE
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

IN THE HIGH COURT OF JUDICATURE AT
BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 482 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 265
OF 2014

In the matter of Petition under Sections 391 to
394 and other relevant provisions of the
Companies Act, 1956;

And

In the matter of Scheme of Amalgamation of
Mahindra Composites Limited (Transferor
Company) with Mahindra CIE Automotive
Limited (formerly known as Mahindra Forgings
Limited) (Transferee Company).

Mahindra CIE
Automotive Limited ... Petitioner Company



Authenticated copy of the Minutes of the Order dated
31st October, 2014 alongwith Sanctioned Scheme

Dated this ____ day of November, 2014

Approved on 31/10/2014
Registered on 05/11/2014
Section Writer
Folio
Examined by [Signature]
Sanctioned with
Saidy on 10/11/2014
Valuated on 11/11/2014

Amarchand & Mangaldas & Suresh A. Shroff & Co.
Peninsula Chambers, Peninsula Corporate Park,
Ganpatrao Kadam Marg, Lower Parel,
Mumbai 400 013
Advocates for the Petitioner Company

The Companies Act, 2013
COMPANY LIMITED BY SHARES
Articles of Association[#]
of
CIE Automotive India Limited
PRELIMINARY

- 1. Table F not to apply**
- a) The Company is incorporated with Limited Liability in accordance with and subject to the provisions of the Companies Act, 1956. None of the regulations contained in Table 'F' of Schedule I to the Companies Act, 2013, including any amendment(s) made thereto, shall apply to the Company, except in so far as the same are contained or expressly made applicable in these Articles or by the Act.
- b) The regulations for the management of the Company and for the observance by the members thereof and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers by the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by special resolution as prescribed by the Companies Act, 2013.

Interpretation

- 2.** (1) In these Articles, unless repugnant to the subject or context:
- a) "Act"** "Act" or "the Act" means the Companies Act, 2013 or any previous enactment thereof, or any statutory modification thereto or re-enactment thereof and includes any Rules made thereunder.
- b) "Articles"** 'Articles' means the Articles of Association of the Company as originally framed or as altered from time to time.
- c) "Applicable Law" or "Law"** 'Applicable Law' or 'Law' means any applicable statute, law, regulation, ordinance, rule, judgement, order, decree, approval from an authority, directive, guideline, press note, policy, requirement, or restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any Government Authority in effect in the Republic of India.

[#]The regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed through Postal Ballot on 8th September, 2023 in substitution for and to the entire exclusion of, the regulations contained in the extant Articles of Association of the Company.

- d) "Beneficial owner"** "Beneficial owner" means the beneficial owner as defined in the Depositories Act.
- e) "Board" or "Board of Directors"** "Board" or "Board of Directors" means the collective body of the Directors of the Company.
- f) "Capital"** Capital means the Authorised Share Capital of the Company as specified in Clause V of the Memorandum of Association of the Company.
- g) "Company" or "the Company"** "Company" or "the Company" means CIE Automotive India Limited.
- h) "Depositories Act"** "Depositories Act" means the Depositories Act, 1996 or any statutory modification or re-enactment thereof, for the time being in force and includes any Rules and Regulations made thereunder.
- i) "Depository"** "Depository" means a Depository as defined in the Depositories Act.
- j) "Office"** "Office" means the registered office for the time being of the Company.
- k) "Seal"** "Seal" means the common seal for the time being of the Company or any other method of authentication of documents, as specified under the Act or amendment thereto.
- l) "SEBI Act"** "SEBI Act" or "the SEBI Act" means the Securities and Exchange Board of India Act, 1992 or any statutory modification thereto or re-enactment thereof and includes any Rules and Regulations made thereunder.
- m) "Written/in Writing"** "Written" and "in Writing" includes printing, electronic and other modes of representing or reproducing words in a visible form.

(2) In these Articles, words importing singular number include, where the context admits or requires, the plural number and vice versa and words importing masculine gender also include the feminine and the neuter genders.

(3) Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act, the SEBI Act or the Depositories Act as the case may be.

(4) The headings and marginal notes hereto are inserted for convenience only and shall not affect the construction hereof.

Share capital and variation of rights

3. Kinds of Share Capital

The Company may issue the following kinds of shares in accordance with these Articles, the Act, the SEBI Act and other applicable law:

- i. Equity share capital:
 - a. with voting rights; and/or
 - b. with differential rights as to dividend, voting or otherwise; and
- ii. Preference share capital.

4. Shares at Disposal of Board

- a) Subject to the provisions of these Articles and of the Act, the shares in the Capital of the Company shall be under the control of the Board of Directors which may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at premium or at par and at such time as it may from time to time think fit and with full power to give any person the option or right to call for or be allotted shares of any class of the Company at such time and for such consideration as the Board may think fit, provided that the option or right to call for is in accordance with the Applicable Law.
- b) Subject to the provisions of the Applicable Laws and these Articles, the Board may issue and allot shares in the Capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company and any such shares may be issued and allotted as fully paid up or partly paid-up otherwise than for cash, and if so issued and allotted, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.

5. Further issue of share capital

- a) The Board or the Company may in accordance with the Act, SEBI Act, and other Applicable Laws, if any, issue further shares to:
 - i. persons who, at the date of offer, are holders of equity shares of the Company. Such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or
 - ii. employees under a scheme of employees' stock option; or
 - iii. any persons, whether or not those persons include the persons referred to in clause (i) or clause (ii) above.

6. Mode of further issue of shares

A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or

private placement, subject to and in accordance with the Act, the SEBI Act, and other applicable law, if any.

- 7. Powers of issuing sweat equity shares** The Company may exercise the powers of issuing sweat equity shares of a class of shares already issued in accordance with the Act, the SEBI Act and other applicable law, if any.
- 8. Mode of holding the shares**
- a) A member of the Company may hold shares of the Company either in the form of share certificate issued by the Company or in Dematerialized Form in accordance with provisions of the Act, the SEBI Act, the Depositories Act or any other Applicable Law.
 - b) The provisions of the Act, the SEBI Act or, any other Applicable Law including the provisions of Table F of Schedule I to the Act shall be applicable to the manner of issuance of share certificates, duplicate thereof, the form of share certificate and other matters related thereto.
 - c) The provisions of the Act, the SEBI Act, the Depositories Act or any other Applicable Law shall be applicable to issuance of shares in Dematerialized Form, Dematerialisation or Rematerialisation of Shares and matters related thereto.
- 9. Subscription to shares in dematerialized form** A person subscribing to shares offered by the Company shall, subject to provisions of Applicable Law, hold the shares in dematerialised form with a Depository.
- 10. Provisions as to Mode of Holding of Shares and issuance thereof to apply mutatis mutandis to other securities** The provisions of these Articles relating to Mode of Holding of Shares and issuance thereof shall mutatis mutandis apply to all other securities of the Company, except where the Act or SEBI Act otherwise provide and except where issuance of such securities is allowed otherwise than in dematerialised form.
- 11. First named joint holder deemed sole holder** If any share stands in the names of 2 (two) or more persons, the person first named in the register of members maintained by the Company or the register of beneficial owners maintained by a Depository shall, as regards receipt of dividends, service of notices and other documents or entitlements and all or any other matter connected with the Company, except voting at meetings, transfer of the shares and any other matter provided in the Act, be deemed the sole holder thereof.
- 12. Joint-holders**
- a) Where 2 (two) or more persons are holding shares as joint holders of any share, they shall be deemed (so far as the Company is

concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:

- i. The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share.
- ii. On the death of any one or more of such joint holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Board may, subject to provisions of the Act and the SEBI Act require such evidence of death as it may deem fit.
- iii. Any one of such joint holders may give effectual receipts of any dividends, interests, other moneys payable or bonus in respect of such share.
- iv. Only the person whose name stands first in the register of members as one of the joint holders of any share shall be entitled to the delivery of share certificate, if any, relating to such share.
- v. Only the person whose name stands first in the register of members or register of beneficial owners as one of the joint holders of any share shall be entitled to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint holders.

13. Provisions relating to joint-holders of shares to apply mutatis mutandis to other securities

The provisions of these Articles relating to Joint holders of shares shall apply mutatis Mutandis to any other securities as may be issued by the Company and are registered in Joint Names.

14. Shares held in trust not to bind

Except as required by applicable law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by applicable law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

- 15. Commission and Brokerage**
- a) The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40 of the Act, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section, rules made thereunder and other Applicable Law.
 - b) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40 of the Act, rules made thereunder and other Applicable Law.
 - c) Subject to the provisions of Applicable Law, the commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
 - d) The Company may pay a reasonable sum for brokerage on any issue of shares and/or debentures.
- 16. Issue of other securities**
- Any other securities (i.e. securities other than shares) may be issued by the Company from time to time subject to the provisions of these Articles, the Act, the SEBI Act and Applicable Law, at premium or otherwise, and may be issued on the condition that they shall or may be convertible into equity shares of any denomination.
- 17. Variation of rights**
- If at any time the share capital is divided into different classes of shares, the rights and/or privileges attached to any such class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.
- 18. Issue of shares on pari passu basis not to vary rights of existing shareholders**
- The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
- 19. Power to issue redeemable or non-convertible preference shares**
- Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed on such terms and in such manner as determined by the Board in accordance with the Act and the SEBI Act.

Lien

20. Company's lien on shares

- a) The Company shall have a first and paramount lien on-
- i. every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - ii. all shares (not being fully paid shares) standing registered in the name of a Member, for all monies presently payable by him or his estate to the Company.

Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

- b) The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

21. Enforcing of lien

- a) The Company may sell, in such a manner as the Board may think fit, any shares on which the Company has a lien.

Provided that no sale shall be made-

- i. Unless a sum in respect of which the lien exists is presently payable; or
- ii. Until the expiration of 14 (fourteen) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.

22. Effect of Sale

To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer and he shall neither be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

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| <p>23. Application of Proceeds</p> | <p>The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, (if any), shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.</p> |
| <p>24. Outsider's lien not to affect Company's lien</p> | <p>In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any applicable law) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.</p> |
| <p>25. Lien over other securities</p> | <p>The provisions of these Articles relating to lien shall apply mutatis mutandis to any other securities, as may be issued by the Company.</p> |

Calls

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| <p>26. Calls</p> | <ul style="list-style-type: none"> a) The Board may, from time to time, subject to the terms on which any shares may have been issued, make calls on the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. b) Each member shall, subject to receiving at least 14 (fourteen) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares. c) A call may be revoked or postponed at the discretion of the Board. d) The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances. e) All calls shall be made on a uniform basis on all shares falling under the same class. |
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- f) Explanation: Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.
- 27. Call to take effect from the date of resolution** A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be required to be paid by instalments.
- 28. Interest on calls**
- a) If a sum called in respect of a share is not paid on or before the day appointed for payment thereof or any extension thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment, at such rate, as may be fixed by the Board.
- b) The Board shall be at liberty to waive payment of any such interest either wholly or in part.
- 29. Sums deemed to be calls**
- a) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- b) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 30. Partial payment not to preclude Forfeiture**
- Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.
- 31. Payment in advance of calls**
- a) The Board-
- i. may if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- ii. Upon all or any of the monies so advanced, may (until the same

would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board.

Nothing contained in this Clause shall confer on the member:

- i. any right to participate in profits or dividends; or
- ii. any voting rights in respect of the money so paid by him until the same would, but for such payments, become presently payable by him.

32. Proof on trial of suit for money due on shares

On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, was on the Register of Members as the holder, on or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares in respect of which such money is sought to be recovered; that such, money is due pursuant to the terms on which the share was issued; that the resolution making the call was duly recorded in the minute book; and that notice of such call was duly given to the Member or his representatives sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board Meeting at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

33. instalments on shares to be duly paid

If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by instalments, then every such instalment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.

34. Provisions relating to calls to apply mutatis mutandis to other securities

The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities, as may be issued by the Company from time to time.

Transfer and Transmission of shares and other securities

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| 35. | Transfer and Transmission of securities | <p>The provisions of the Act, SEBI Act, and other applicable law shall be applicable to the transfer and transmission of securities including form, and mode of transfer or transmission, nomination and other matters related thereto.</p> |
| 36. | Transmission of shares | <p>a) On the death of a member, the survivor or survivors where the member was a joint holder, subject to Article 12 hereinabove, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person or persons recognised by the Company as having any title to his interest in the shares.</p> <p>b) Nothing in clause (i) above shall be taken to release the estate of a deceased joint holder from any liability in respect of any share which had been held by him jointly with any other persons.</p> <p>c) Before recognizing any executor or administrator, the Board may require him to obtain a grant of probate or letters of administration or other representation as the case may be, from a competent Court in India, provided nevertheless that in any case where the Board or any person authorized by the Board in their absolute discretion and in accordance with the Applicable Law, think fit, it shall be lawful to dispense with the production of probate or letters of administration or other representation upon such terms as to indemnity or otherwise, as the Board or any person authorized by the Board in their absolute discretion, may consider necessary and adequate.</p> |
| 37. | Option Holder to Title | <p>a) Any person becoming entitled to a share in consequence of the death, liquidation or insolvency of a member or by any lawful means other than by transfer may, upon such evidence being produced as may be required from time to time and subject to the condition as hereinafter provided, elect, either—</p> <ul style="list-style-type: none"> i. to be registered himself as holder of the share; or ii. to make such transfer of the share as the deceased, liquidated or insolvent member could have made. <p>b) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased, liquidated or insolvent member had transferred the share before his death, liquidation or insolvency.</p> |

- c) The Company shall be fully indemnified by such person from all liability, if any, for actions taken by the Board to give effect to such registration or transfer.
- 38. Election how exercised**
- a) If a person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- b) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- c) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
- 39. Rights of person entitled by Transmission**
- A person becoming entitled to a share by reason of the death, liquidation or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:
- Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.
- 40. Nomination Facility**
- Notwithstanding above provisions, every holder of securities of the Company shall be entitled to nominate in the prescribed manner, a person to whom his securities shall vest in the event of his death, in accordance with the provisions of the Act and other Applicable Law.
- 41. Provisions relating to transmission to apply *mutatis mutandis* to other securities**
- The provisions of these Articles relating to transmission by operation of law shall *mutatis mutandis* apply to any other securities, as may be issued by the Company.

Forfeiture of shares

- 42. If call or instalment not paid notice may be given**
- If any member fails to pay any call, or instalment or any money due in respect of any share, on or before the day appointed for the payment of the same or any extension thereof, the Board may, at any time thereafter, during such time as any part of the call or instalment remains unpaid, serve a notice on such member or on the person (if any) entitled to the shares by transmission requiring him payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and all reasonable expenses that may have been incurred by the Company by reason of non-payment.
- 43. Form of notice**
- a) The notice aforesaid shall-
- i. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - ii. shall state that, in the event of non-payment on or before the day and time so appointed, the share(s) in respect of which the call was made shall be liable to be forfeited.
- 44. If notice not complied with shares may be forfeited**
- If the requirements of any such notice as aforesaid are not complied with, any shares in respect of which the notice has been given may, at any time thereafter, if the payment required by the notice has not been made, be forfeited by a resolution of the Board to that effect.
- 45. Partial payments and Effects of forfeiture**
- a) The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share and shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.
- b) Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided.

- 46. Sale of forfeited shares**
- a) A forfeited share shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder thereof or any other person on such terms and in such manner as the Board thinks fit.
 - b) The Board may at any time before a sale, re-allotment or disposal as aforesaid, annul the forfeiture on such terms as it thinks fit. However, the power granted to Board does not give any right to call for annulment to any such member.
- 47. Position after forfeiture**
- a) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies, which at the date of forfeiture were presently payable by him to the Company in respect of the shares, including interest thereon at such rate as the Board may determine.
- The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.
- b) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.
- 48. Evidence of forfeiture**
- A duly verified declaration in writing that the declarant is a Director, the Manager or the Company Secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.
- 49. Title of purchaser and transferee of forfeited shares**
- a) The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
 - b) The transferee shall thereupon be registered as the holder of the share;
 - c) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be

affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

50. Provisions regarding forfeiture to apply to all cases of non-payment

The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

51. Cancellation of share certificate in respect of forfeited shares

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same on demand by the Company, has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a new certificate(s) in respect of the said shares to the person(s) entitled thereto subject to provisions of Applicable Law.

52. Surrender of Shares

The Board may, subject to the provisions of the Act, accept from any member on such terms and conditions as they think fit, a surrender of his shares or stock or any part thereof.

53. Provisions relating to forfeiture and surrender of shares apply *mutatis mutandis* to other securities

The provisions of these Articles relating to forfeiture and surrender of shares shall apply *mutatis mutandis* to any other securities, if any, of the Company.

Alteration of capital

54. Alteration of capital

- a) Subject to the provisions of the Act, the Company may from time to time as may be approved by Members of the Company:
 - i. increase the Capital by such sum, to be divided into shares of such amount, as may be specified in the resolution;
 - ii. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; Provided that any consolidation and division which results in changes in the voting percentage of members shall

require applicable approvals under the Act;

- iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
- iv. cancel any shares which, at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its Capital by the amount of the shares so cancelled.

55. Reduction of Share Capital and / or Capital Reserve

- a) The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the SEBI Act and other Applicable Laws:
 - i. its share capital; and/or
 - ii. any capital redemption reserve account; and/or
 - iii. any securities premium account.
 - iv. any other reserves in the nature of share capital

Capitalization of profits

56. Capitalization

- a) The Company by a resolution passed in general meeting may, upon the recommendation of the Board, resolve:
 - i. that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - ii. that such sum be accordingly set free for distribution in the manner specified in clause (b) hereof amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportion.
- b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (c), either in or towards–

- i. paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - ii. paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportion aforesaid; or
 - iii. partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii)
- c) A securities premium account and a capital redemption reserve fund or any other permissible reserve account(s) may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;
- d) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.

57. Board's powers on Capitalization

- a) Whenever such a resolution as aforesaid shall have been passed, the Board shall-
- i. make all appropriations and applications of the amounts resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities , if any; and
 - ii. generally, do all acts and things required to give effect thereto.

58. Fractional Certificate

- a) The Board shall have power subject to the applicable law-
- i. to make such provisions, by the issue of fractional coupons or by payment in cash or otherwise as it thinks fit, in case of shares or other securities becoming distributable in fractions; and
 - ii. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid- up, of any further shares or other securities to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto

of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;

- iii. Any agreement made under such authority shall be effective and binding on all such members.

Buy-back

59. Buy-back

Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other Applicable Law, the Company may purchase or buy-back its own shares or other specified securities.

Meeting of Members

60. General Meetings

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

61. Extraordinary General Meeting

- a) The Board may, whenever it deems fit, call an Extra-Ordinary General Meeting.
- b) The Board shall on requisition of Members who hold on the date of receipt of requisition, not less than one-tenth of such of the paid up share capital of the Company as at the date of deposit of the requisition carries the right of voting, call an Extra-Ordinary General Meeting.
- c) At any time, if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by the Act and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Board.

62. Requisition of Members to state the object of meeting

Any valid requisition made by Members to call an Extra-Ordinary General Meeting must state the matters for the consideration of which the meeting is to be called and must be signed by the requisitionists and be deposited at the Registered Office provided that such requisition may consist of several documents in like form, each signed by one or more requisitionists.

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| 63. Circulation of members Resolution | Upon a requisition of members complying with the Act, the Board shall comply with the obligations of the Company under the Act relating to circulation of members' resolutions and statements. |
| 64. Notice of meeting | <p>A notice of the General Meeting shall be given in the manner as provided under the Act and the SEBI Act, to such persons as are under these Articles or the Act are entitled to receive notice from the Company.</p> <p>The length of the notice including shorter notice, the mode of serving notice, the particulars which should for part of the Notice and other matters relating to the Notice of General Meeting shall be as per the provisions of the Act and SEBI Act and other Applicable Law.</p> |
| 65. Omission to give notice | The accidental omission to give notice to, or the non-receipt of notice by, any member or other person who is entitled to receive such notice shall not invalidate the proceedings at the meeting. |
| 66. Participation through Electronic Mode | Notwithstanding anything contrary contained in these Articles, the Company may provide Video Conference facility and/or other permissible electronic or virtual facilities of communication to enable the shareholders of the Company to participate in general meetings of the Company. Such participation by the shareholders at general meetings of the Company through Video Conference facility and/or use of other permissible electronic or virtual facilities for communication shall be governed by such legal or regulatory provisions as applicable to the Company for the time being in force. |
| 67. Powers to arrange security at Meetings | The Board, and also any person(s) authorised by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision. |

Proceedings at general meetings

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| 68. Quorum at general meeting | No business shall be transacted at any general meeting unless a quorum as specified in the Act is present at the time when the meeting proceeds to business. |
| 69. Meeting dissolved/adjourn | If, quorum is not present within half an hour from the time appointed for holding a Meeting of the Company, the Meeting, if convened by or upon the requisition of Members, shall be cancelled, but in any other case it |

ed if quorum not present

shall stand adjourned to the same day in the next week or if that day is a national holiday until the next succeeding day which is not a national holiday, at the same time and place or to such other day and at such other time and place as the Board may determine; and if at such adjourned Meeting a quorum is not present within half an hour from the time appointed for the holding Meeting, the Members who are present shall be the quorum, and may, transact the business for which the Meeting was called.

70. Chairperson of general meeting

- a) The Chairperson of the Board shall be entitled to preside as the Chairperson at every general meeting of the Company.
- b) if there is no such Chairperson, or if he is not present within 15 (fifteen) minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the Directors present shall elect one of them to be Chairperson of the meeting.
- c) If at any meeting no director is willing to act as Chairperson or if no director is present within 15 (fifteen) minutes after the time appointed for holding the meeting, the members present shall choose one of them to be Chairperson of the meeting.

71. Chairperson's Power for orderly conduct at general meetings

- a) The Chairperson shall have all the powers and authorities under law to conduct and regulate the general meeting;
- b) Without prejudice to the aforesaid general power to ensure that the proceedings at a general meeting are conducted in a proper and orderly manner, the Chairperson's powers shall include the power to;
 - i. call the speakers
 - ii. determine the order in which the speakers shall be called
 - iii. regulate the length of speeches
 - iv. deal with point of order
 - v. preserve and maintain order and discipline
 - vi. expel any member who does not abide by the Chairperson's directions, persists in obstruction methods or otherwise misbehaves.
- c) The Chairperson's decision on any of the above matters or on matters of procedure or any matters that arise incidentally during the course of the general meeting shall be final and conclusive.

72. Chairman or Scrutinizer shall be the sole judge of the validity of a vote

The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting when demand for poll is made for any motion other than the motion relating to Agenda matters as set-out in the Notice of Meeting and on which voting is carried out electronically through remote e-voting in accordance with requirement of the Act.

The Scrutinizer appointed by the Board in accordance with provisions of the Act shall be the sole judge of the validity of every vote on resolution(s) relating to agenda matters as set-out in the Notice of Meeting and on which voting is carried out through remote e-voting or at the meeting through electronic voting system or ballot or polling paper.

73. Chairperson's declaration Conclusive

On any motion, other than the motion relating to Agenda matters as set-out in the Notice of Meeting and on which voting is carried out electronically through remote e-voting in accordance with requirement of the Act, unless a poll be so demanded, , a declaration by the chairperson that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost, 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 recorded in favour of or against resolution relating to such motion..

74. Chairperson's casting vote

In the case of an equality of votes, whether on a show of hands or electronically or on a poll, the chairperson of the meeting shall be entitled to a casting or second vote.

Adjournment of meeting

75. Chairperson may adjourn Meeting

- a) The Chairperson may, Suo motu, adjourn the meeting from time to time and from place to place.
- b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- c) When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- d) Save as aforesaid, and as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Votes of Members

76. Vote of Members

- a) A member may exercise his right to vote on every resolution proposed to be considered at a general meeting and vote only once either through electronic means using facility of remote e-voting or at the Meeting using facility of electronic voting system or ballot or polling paper made available in accordance with the Act.
- b) Subject to any rights or restrictions for the time being attached to any class or classes of shares:
 - i. on voting by way of a show of hands, every member present in person shall have one vote; and
 - ii. on voting by way of remote e-voting or voting by electronic voting system or ballot or poll at the Meeting, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company as on the cut-off date fixed for the purpose by the Board.
 - iii. A member may exercise his right to vote as above at any general meeting by electronic means in accordance with the provisions of the Act and the Company may pass any resolution by an electronic voting system in accordance with the provisions of the Act and SEBI Act in force.

77. Voting in case of Joint Holders

- a) Any one of two or more joint-holders of share may vote at any meeting either personally or by attorney or by proxy in respect of such share as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register of members maintained by the Company or the register of Beneficial Owners maintained by a Depository in respect of such share shall alone be entitled to vote in respect thereof.

Provided always that a person present at any meeting personally shall be entitled to vote in preference to a person, present by an agent, duly authorised under a power of attorney or by proxy although the name of such persons present by an agent or proxy stands first in the Register in respect of such shares.

- b) Several executors or administrators of a deceased member in whose sole name any share stands, shall for the purpose of this clause be deemed joint-holders.
- c) Notwithstanding the above, in case the vote is cast by Electronic

Means through the electronic voting facility provided by the Company as per the Act and the SEBI Act, on a resolution using login credentials, the member(s) shall not be allowed to change it subsequently or cast the vote again.

78. Vote of members of unsound mind and vote of minor

A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his shares will be exercised by his guardian or any one of his guardian(s), if more than one, to be selected in case of dispute by the Chairman of the meeting.

79. Votes in respect of share of deceased and insolvent member

Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty-eight) hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall duly satisfy the Board of his right to such shares, and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

80. Restrictions on Voting

No member shall be entitled, to exercise any voting right on any question at any general meeting or be reckoned in quorum, in respect of any shares registered in his name whilst any calls or other sums presently payable to the Company in respect of such shares remains unpaid or in regard to which the Company has exercised any right of lien.

81. Objection to vote

No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

Any such objection made in due time shall be referred to the Chairperson of the meeting whose decision shall be final and conclusive.

- 82. Member may vote in person or otherwise** Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as proxy on his behalf, for that meeting.

Proxy

- 83. instrument of Proxy to be deposited at the Office** The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notary certified copy of that power or authority, shall be deposited at the office not less than 48 (forty-eight) hours before the time for holding the meeting or adjourned meeting, as the case may be, at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
- 84. Form of instrument of proxy** An instrument appointing a proxy shall be in the form as prescribed under the Act.
- 85. Proxy to be valid notwithstanding death of the principal** A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:
- Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Minutes

- 86. Minutes of General meeting** The Company shall cause minutes of all proceedings of every general meeting (including meetings of any class or members or creditors) and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Act.
- 87. Certain matters not to be included in minutes**
- a) There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting:
- i. is, or could reasonably be regarded, as defamatory of any person; or
 - ii. is irrelevant or immaterial to the proceedings; or
 - iii. is detrimental to the interests of the Company.

- 88. Discretion of the chairperson in relation to Minutes** The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.
- 89. Minutes to be evidence** The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.
- 90. inspection of minute books of general meeting and obtaining copies thereof**
- a) The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by Postal Ballot shall-
 - i. be kept at the Registered Office of the Company or at such other place as may be decided by the Board and
 - ii. be open to inspection of any member without charge, during 1 1.00 a.m. to 1.00 p.m. on all working days other than Saturdays.
 - b) Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (a) above:
- Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.

Directors

- 91. Number of Directors and Qualification** Unless otherwise determined by the Company in general meeting and subject to the provision of the Act and SEBI Act, the number of Directors shall not be less than 6 (six) and shall not be more than 15 (fifteen), including nominee Director(s).
- A Director shall not be required to hold any qualification shares.
- 92. Retirement of directors by Rotation restrict the LRR** The Board shall have the power to determine the Directors whose period of office is or is not liable to determination by retirement of Directors by rotation, subject to compliance of the Act and the SEBI Act.
- 93. Nominee Director** The Board may appoint any person as a director nominated by any institution, in pursuance of the provisions of any law for the time being in force or of any agreement to which the Company is a party or by the

Central Government or the State Government(s) by virtue of its shareholding in the Company.

The Board, on receipt of such nomination from nominating Institution or the Central Government or the State Government(s) or in accordance with the Agreement pursuant to which the said Nominee Director is appointed, may from time to time, remove from such office the person or persons so appointed and to appoint any person in his or their places in accordance with the nomination or agreement.

The Board of Directors shall appoint the person nominated by the debenture trustee(s) in terms of the SEBI (Debenture Trustees) Regulations, 1993, including any amendments thereto or statutory modifications thereof for the time being in force, as a Director on the Board. Such appointment of a director shall be in accordance with the provisions of Debenture Trust Deed, provisions of the Act, SEBI Act and other Applicable Law.

94. Alternate Directors

The Board may appoint a person as an Alternate Director to act for a Director (hereinafter called "the Original Director") during the absence of the Original Director for a period of not less than three months from India in accordance with the requirements of the Act in respect of Alternate Directors thereunder.

95. Power to appoint additional Director and to fill casual Vacancies

Subject to the provisions of the Act and the SEBI Act, the Board of Directors shall have power at any time, and from time to time, to appoint any person to be an additional Director provided the number of Directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

Any person so appointed as an additional director shall hold office, subject to provisions of the SEBI Act, only up to the date of the next annual general meeting, but shall be eligible for appointment by the Company as a director at that meeting, subject to the provisions of the Act and the SEBI Act. If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may be filled by the Board of Directors at a meeting of the Board, subject to the provisions of the Act and the SEBI Act.

The Director so appointed shall hold office, subject to the provisions of the SEBI Act, only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated.

- 96. Remuneration of Directors**
- a) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue on a daily basis.
 - b) The remuneration payable, to the directors, including any managing or whole time director or manager if any, or other non-executive director, including an independent director, exclusive of any fees payable as per Section 197(5) of the Act, shall be determined in accordance with and subject to the provisions of the Act, by the shareholders .
 - c) The fees payable to the Director for attending the meeting of the Board or Committee thereof shall be decided by the Board of Directors from time to time within the maximum limits of such fees that may be prescribed under the Act or the SEBI Act.
- 97. Expenses incurred by Directors**
- a) In addition to the remuneration payable to them, in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them-
 - i. in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or
 - ii. in connection with the business of the Company.
- 98. Execution of negotiable instruments**
- All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

Proceedings of the Board

- 99. Meetings of Directors**
- The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- 100. Participation through Electronic Mode**
- The participation of Directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or any other mode, as may be prescribed by the Act or the SEBI Act.
- 101. Quorum**
- The Quorum for a meeting of the Board shall be as provided in the Act and SEBI Act.
- Where a meeting of the Board could not be held for want of quorum, then, the meeting shall automatically stand adjourned to the same

day at the same time and place in the next week or if that day is a national holiday, till the next succeeding day, which is not a national holiday, or to such other day and at such other time and place as the Board may determine.

102. Meetings convened	how	Any Director of the Company may, at any time, summon a meeting of the Board and the Company secretary or where there is no Company Secretary, any person authorised by the Board in this behalf, upon the request of a Director shall, convene a Meeting of the Board, in consultation with the Chairman or in his absence, the Managing Director or in his absence, the Whole-time Director, where there is any.
103. Chairperson		<p>Subject to the requirements of the Act and SEBI Act, the Board, may elect a Chairperson of their meetings, and determine the period for which he is to hold office. The Chairman of the Board shall conduct the proceedings of the Meetings of the Board.</p> <p>If no chairperson is elected or if at any meeting, the Chairperson is not present, the Directors present shall choose one of themselves to be chairperson of such meeting.</p>
104. Decisions at Board meetings		<p>a) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes;and</p> <p>b) In case of an equality of votes, the Chairperson of the Board shall have a second or casting vote.</p>
105. Directors may act notwithstanding vacancy		<p>The continuing Directors may act notwithstanding any vacancy in the Board, so long as their number is not reduced below the quorum fixed by the Act or SEBI Act for a meeting of the Board of Directors.</p> <p>In the event the number of continuing Directors is reduced below the quorum fixed by the Act or SEBI Act for a meeting of the Board of Directors, the Directors may act for the purpose of increasing the number of Directors to that fixed for a quorum, or of summoning a general meeting and for no other purpose.</p>
106. Meetings committees	of	<p>a) A committee may elect a Chairperson of its meetings unless the Board whilst constituting a Committee, has appointed the Chairperson of the Committee. If no Chairperson is elected, or if at any meeting the Chairperson is not present, the members present may choose one of their members to be Chairperson of the meeting.</p> <p>b) A committee may meet and adjourn as it thinks fit. Questions arising at any meeting of a committee shall be determined by a</p>

majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a casting vote.

- c) Subject to the provisions of the applicable laws, the quorum for meetings of Committees of the Board would be such as may be decided by the Board, while constituting a committee.

107. Acts of Board or Committee shall be valid notwithstanding defect in appointment

All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards be discovered that there was some defect in the appointment or continuance in the office of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such person had been duly appointed and had duly continued in office and was qualified to be a director and entitled to vote.

108. Passing of resolution by circulation

Save as otherwise expressly provided in and accordance with provisions of the Act, the Board may consider and pass a resolution by way of circulation unless not less than one-third of the total number of Directors for the time being require the Resolution under circulation to be decided at a Meeting and such resolutions proposed to be passed by circulation may be considered as passed if it is approved by a majority of the Directors entitled to vote on the Resolution, by providing their assent thereto in the manner as stated in the Circular including by way of electronic mode.

The resolution passed by circulation, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

Powers of the Board

109. General powers of the Company vested in Board

The Board may, subject to the requirements of applicable laws, exercise all such powers, and do all such acts and things, as the Company is by its Memorandum of Association or Articles of Association or otherwise authorized to exercise or do under any law in force.

110. Board may delegate any of its powers or functions to Committees/ other person(s)

Subject to the restrictions contained in the Act or the SEBI Act, the Board may delegate any of its powers to committees of the Board consisting of such number of directors or officers as the Board thinks fit or to such person(s) as the Board think fit, including the power to sub-delegate, as permitted by the Act or the SEBI Act and the Board may from time to time, revoke such delegation and discharge any such committee of the Board or such other person(s) either wholly or in part, and either as to persons or purposes, but every committee of the Board so formed or

such other person (s) shall in the exercise of the powers so delegated conform to the regulations that may from time to time be imposed on it by the Board.

All acts done by any such committee of the Board or such other person (s) 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.

111. Borrowing Powers

Subject to the provisions of these Articles, the Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property (both present and future) or any part thereof and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligations of the Company or of any third party.

112. Statutory Registers

The Company shall subject to the provisions of the Act and SEBI Act, keep and maintain at its Office or such other places as the Board may, decide, the statutory registers including register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangement for such duration and in such manner and containing such particulars as prescribed by the Act.

The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m., on all working days, other than Saturdays, by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Act.

113. Foreign Register

- a) The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit with respect to the keeping of any such register.
- b) The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the Register of Members unless otherwise provided in the Act.

114. Secrecy

No member or other person (not being a director) shall be entitled to visit or inspect any works or premises of the Company without the prior written consent of the Directors, Key Managerial Personnel or such other senior executives, as may be prescribed.

Chief Executive Officer, Manager, Company secretary and Chief Financial Officer

115. Chief Executive Officer, Manager, Company Secretary and Chief Financial Officer

- a) Subject to the provisions of the Act,-
- i. A Chief Executive Officer, Manager, Chief Financial Officer and Company Secretary may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Chief Executive Officer, Manager, Chief Financial Officer and Company Secretary so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more Chief Executive Officers for its multiple businesses.
 - ii. A director may be appointed as Chief Executive Officer, Manager, Chief Financial Officer or Company Secretary.

A provision of the Act or these regulations requiring or authorizing a thing to be done by a Director and Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer shall not be satisfied by its being done by the same person acting both as director and as, or in place of, Chief Executive Officer, Manager, Chief Financial Officer or Company Secretary.

The Seal

116. The Seal, its custody and use

- a) The Board at its option can provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute or not substitute a new Common Seal in lieu thereof, and the Board shall provide for the safe custody of the Common seal and the Common seal shall never be used except by or under the authority of the Board or a Committee of Board previously given and every deed or other instrument to which the common seal of the Company is required to be affixed, shall be affixed in the presence of at least one Director or Senior Management Personnel or the Company Secretary or such other person as the Board/ Committee of the Board may appoint for the purpose, who shall sign every instrument to which the Common Seal is so affixed in his presence.
- b) The Company shall also be at liberty to have an Official Seal in accordance with the provisions of the Act, for use in any territory,

district or place outside India and such power shall accordingly be vested in the Board or by or under the authority of the Board granted, in favour of any person appointed for the purpose in that territory, district or place outside India.

- c) On the Common Seal being destroyed and not substituted by a new Seal or if authorized by the Act or amendment thereto, in lieu of the affixation of the Seal, any deed, document or instrument to which the Seal of the Company is required to be affixed under this clause shall be signed by (i) two directors or (ii) by a director or a Senior Management Personnel and the Company Secretary, wherever the Company has appointed a Company Secretary or such other person as the Board/ Committee of the Board may appoint for the purpose or (iii) in any other manner as may be permitted by the Act.
- d) A Director may sign a share certificate by affixing signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography but not by means of rubber stamp.

Dividends and Reserves

- | | |
|--------------------------------------|--|
| 117. Declaration of dividends | The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board, but the Company in general meeting may declare a lesser dividend. |
| 118. Interim dividends | Subject to the requirements of the Act and SEBI Act, the Board may from time to time, pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company and in accordance with the dividend distribution policy as may be framed by the Board. |
| 119. Reserve funds | <ul style="list-style-type: none"> a) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit. |

b) The Board may also carry forward any profits which it may consider necessary not to distribute, without setting them aside as a reserve.

**120. Dividends
according to paid
up capital**

- a) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
- b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Articles as amount paid on the shares.
- c) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

**121. Deduction of debts
due to the
Company**

The Board may deduct from any dividend or other money payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

122. Mode of Payment

Subject to provisions of the Act and SEBI Act, any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant or demand draft/ pay order sent through the post or by courier or by other means directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members or register of beneficial owners, or to such person and to such address as the holder or joint holders may in writing direct.

Payment in anyway whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.

123. Dividends not to carry interest

No dividend shall carry interest against the Company.

124. Waiver of dividends

The waiver in whole or in part of any dividend on any share by any document (whether or not under Seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

Accounts

125. Directors to keep accounts

The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being Directors.

126. inspection of accounts and books

No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorised by the Board.

Winding up

127. Winding- Up

- a) Subject to the provisions of the Act-
- i. If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
 - ii. for the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
 - iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity and Insurance

128. Directors and Officers right to Indemnity

- a) Subject to the provisions of the Act, every Director, Managing Director, Whole-Time Director, Manager, Chief Financial Officer, Company Secretary and any other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, chief financial officer, Company secretary and any other officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such Director, Manager, Chief Financial Officer, Company Secretary or officer or in any way in the discharge of his duties in such capacity including expenses.
- b) Subject as aforesaid, every Director, Managing Director, Manager, Chief Financial Officer, Company Secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

129. Insurance

The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors, employees and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

130. Directors and other officers not responsible for acts of others

Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto,

unless the same happens through his own dishonesty.

An independent Director, and a non-executive director not being a promoter or a Key Managerial Personnel, shall be liable only in respect of acts of omission or commission, by the Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he has not acted diligently.

GENERAL POWERS

131. General Powers

Wherever in the Act, the SEBI Act or other applicable laws, it has been provided that the Company shall have any right privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its Articles, then and in that case, this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transaction as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

132. Copies of Memorandum and Articles to be sent

Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every member at his request within seven days of the request on payment of sum of Rs. 1 (One) for each copy or such higher sum as may be fixed by the Board for this purpose, however, the same shall not exceed INR 50 (Fifty) or the limit prescribed by the Act, whichever is lower.

133. Members knowledge implied

Each member of the Company, present and future, is to be deemed to join the Company with full knowledge of all contents of these presents.

We the several persons, whose names and addresses are subscribed are desirous of being formed into a Company, in pursuance of this Articles of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names :

	Name, Address, description and Occupation of each subscriber	Number of Equity shares taken by each subscriber	Signature of the Subscriber	Name, Address and Signature of witnesses
1.	Mr. Harish Chandra Mahindra Son of Mr. Jagdish Chandra Mahindra Saahil, 14, Altamount Road, Mumbai 400 026. Industrialist	10 (Ten only)	Sd/-	<p>Witness to all: Sd/- Mr. Birbali D. Prasad Verma R. No. 14, Bhatte Wadi, Opp. Baghdevi Nagar, Sant Namdeo Marg, Dahisar (East), Mumbai 400 068.</p>
2.	Mr. Keshub Mahindra Son of Mr. Kailash Chandra Mahindra St. Helen's Court, Peddar Road, Mumbai 400 026. Industrialist	10 (Ten only)	Sd/-	
3.	Mr. Anand G. Mahindra Son of Mr. Harish Chandra Mahindra Gulistan, 1st Floor, 65, Nepean Sea Road, Mumbai 400 026. Business Executive	10 (Ten only)	Sd/-	
4.	Mr. Ram Nawal Singh Son of Mr. Kalu Singh 23, Ashutosh, 38-A, Nepean Sea Road, Mumbai 400 026. Service	10 (Ten only)	Sd/-	
5.	Mr. Thekekara Varkey Lukose Son of Mr. Chacko 53, Venus Apartments, Cuffe Parade, Colaba, Mumbai 400 005. Service	10 (Ten only)	Sd/-	
6.	Mr. Anil Madhav Palekar Son of Mr. Madhav Palekar C-8, Oliver Mansion, 334/A, Mogul Lane, Mahim, Mumbai 400 016. Service	10 (Ten only)	Sd/-	
7.	Mr. Vikas Kashinath Gupte Son of Mr. Kashinath Gupte 29/C, Sarvodaya Bhuvan, Gokhale Road (North), Dadar, Mumbai 400 028. Service	10 (Ten only)	Sd/-	
		70 (Seventy only)		

Dated the 2nd day of August, 1999.

**Special Resolution Passed at the Annual General Meeting of the Company held
on 30th September, 2002**

SPECIAL RESOLUTION

“RESOLVED THAT pursuant to Section 31 and other applicable provisions if any of the Companies Act, 1956, and provisions of other statutes as applicable and subject to such approvals, consents permissions and sanctions may be necessary from appropriate authorities, the Article 2A be inserted immediately after Article 2 of the Articles of Association of the Company.

“2A – The Company is a Private Limited Company and accordingly :

- (a) The right, if any to transfer shares of the company is restricted as herein after provided.
- (b) The number of member of the Company not including persons who having being formerly in the employment of the Company or member of the Company while in that employment have continued to be members all that employment ceased), shall not exceed Fifty provided that where two or more persons hold one or more shares in the Company jointly, they shall for the purpose of this clause, be treated as a single member.
- (c) Any invitation to the public to subscribe shares in or debentures of the company is prohibited.
- (d) Any invitations or acceptance of deposits from persons other than its members, directors or their relatives is provided.”

**Special Resolution passed at the Extra Ordinary General Meeting of the
Company held on 24th March, 2006.**

SPECIAL RESOLUTION

“RESOLVED that in accordance with the provisions of Section 31 and all other applicable provisions of the Companies Act, 1956, the existing set of Articles of Association of the Company be substituted by a new set of Articles of Association a copy of which is placed before the meeting.”

**Special Resolution passed at the Extra Ordinary General Meeting of the
Company held on 24th March, 2006.**

SPECIAL RESOLUTION

“RESOLVED that pursuant to section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the existing Article 3 of the Articles of Association of the Company be substituted by the following:

‘The Authorised Share Capital of the Company is Rs.78,94,26,386 (Rupees Seventy Eight Crores, Ninety Four Lakhs Twenty Six Thousand Three Hundred Eighty Six Only) consisting of 3,30,00,000 equity shares of Rs.10/- each aggregating to Rs.33,00,00,000/- (Rupees Thirty Three Crores) and convertible preference shares of Rs.31/- each aggregating to Rs.45,94,26,386/- (Rupees Forty Five Crores Ninety-Four Lakhs Twenty- Six Thousand Three Hundred and Eighty-Six Only) each.’”

**Special Resolution passed at the Annual General Meeting of the Company held
on 19th May, 2006.**

SPECIAL RESOLUTION

“RESOLVED that pursuant to Section 21 of the Companies Act, 1956 and subject to the approval of the Central Government, the name of the Company be and is hereby changed from “Mahindra Automotive Steels Limited” to “Mahindra Forgings Limited”.

**Special Resolution passed at the Extra Ordinary General Meeting of the Company
held on 4th December, 2008.**

SPECIAL RESOLUTION

“RESOLVED that pursuant to the provisions of Section 31 and any other applicable provisions, if any of the Companies Act, 1956, the Articles of Association of the Company be and is hereby altered as follows:

The words "Share Premium Account" wherever appearing under Articles 9, 13 and 198 of Articles of Association of the Company be substituted with the words "Securities Premium Account".

**Special Resolution Passed at the Extra Ordinary General Meeting of the Company
held on 18th February, 2010.**

SPECIAL RESOLUTION

"RESOLVED THAT pursuant to the provision of Section 31 and other applicable provisions of the Companies Act, 1956 including any amendment(s), statutory modification(s) or re- enactment thereof, for the time being in force ("the Act"), the existing Article 3 of the Articles of Association of the Company be substituted by the following new Article 3:

'3 The Authorised Share Capital of the Company is Rs.167,94,26,386/- (Rupees One Hundred Sixty Seven Crores Ninety Four Lakhs Twenty Six Thousand Three Hundred and Eighty Six Only) divided into 12,20,00,000 (Twelve Crores Twenty Lakhs) Equity Shares of Rs 10/- (Rupees Ten) each aggregating Rs.122,00,00,000/- (Rupees One Hundred Twenty Two Crores Only) and 1,48,20,206 (One Crore Forty Eight Lakhs Twenty Thousand Two Hundred and Six) 4% Non Cumulative Redeemable Non Convertible Preference Shares of Rs 31/- (Rupees Thirty One) each aggregating Rs. 45,94,26,386/- (Rupees Forty Five Crores Ninety Four Lakhs Twenty Six Thousand Three Hundred and Eighty Six only) with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company and the legislative provisions for the time being in force'."

**Special Resolution passed at the Annual General Meeting of the Company
held on 31st July, 2012.**

SPECIAL RESOLUTION

“RESOLVED that pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 and Rules framed thereunder and the provisions of other statutes as applicable and subject to such approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies, the existing Articles of Association of the Company be amended as under:

- i) The following Article be inserted after the existing Article 105 as Article 105A:

Participation through Electronic Mode

105A: Notwithstanding anything contrary contained in the Articles of Association, the Company may provide Video Conference facility and/or other permissible electronic or virtual facilities for communication to enable the Shareholders of the Company to participate in General Meetings of the Company. Such participation by the Shareholders at General Meetings of the Company through Video Conference facility and/or use of other permissible electronic or virtual facilities for communication shall be governed by such legal or regulatory provisions as applicable to the Company for the time being in force.

- ii) The following Article be inserted after the existing Article 158 as Article 158A:

Participation through Electronic Mode

158A: Notwithstanding anything contrary contained in the Articles of Association, the Director(s) may participate in Meetings of the Board and Committees thereof, through Video Conference facility and/or other permissible electronic or virtual facilities for communication. Such participation by the Director(s) at Meetings of the Board and Committees thereof, through Video Conference facility and/or use of other permissible electronic or virtual facilities for communication shall be governed by such legal or regulatory provisions as applicable to the Company for the time being in force.

- iii) The following proviso be inserted after the existing Article 159 (a):

Provided further that a Director participating in a Meeting through use of Video Conference or any other permissible electronic mode of communication shall be counted for the purpose of quorum, notwithstanding anything contrary contained in the Articles of Association.

iv) The following Article be inserted after the existing Article 205(2) as Article 205(2A): 205(2A): Notwithstanding anything contrary contained in the Articles of Association, a

document may be served by the Company on any Member by any electronic mode of communication and in such manner as is/may be permitted by any law. Where a document is served by any such electronic mode, the service thereof shall be deemed to be effected in the manner as is/may be provided by any law.

FURTHER RESOLVED that the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any Committee or any person which the Board may constitute/ nominate to exercise its powers, including the powers by this Resolution) be authorised to carry out the abovementioned amendments in the existing Articles of Association of the Company and that the Board may take all such steps as may be necessary to give effect to this Resolution."

**Special Resolution passed at the Annual General Meeting of the Company
held on 23rd July, 2013.**

SPECIAL RESOLUTION

"RESOLVED THAT pursuant to Section 258, 259 and all other applicable provisions of the Companies Act, 1956 and subject to the approval of the Central Government and other regulatory authorities, approval of the members be and is hereby accorded for increasing the maximum number of Directors of the Company from twelve to sixteen and for substituting the existing article no. 139 of the Articles of Association of the Company by the following article:

'Article 139

Until otherwise determined by a general meeting of the Company and subject to the provision of the Act, the number of directors shall not be less than three or more than sixteen.'

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (hereinafter referred to as 'the Board', which term shall be deemed to include any Committee or person, which the Board may constitute/ nominate to exercise its powers conferred under this resolution), be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard and to finalise and execute all documents and writings as may be necessary, proper, desirable or expedient as it may deem fit."

**Special Resolution passed through postal ballot by shareholders of the
Company on 1st November, 2013**

SPECIAL RESOLUTION

“RESOLVED THAT pursuant to Section 31 and other applicable provisions of the Companies Act, 1956 and the Companies Act 2013 and subject to the approval of any regulatory authorities, as may be required, including the Registrar of Companies for changing the name of the Company, approval of the members be and is hereby accorded that the existing set of Articles of Association of the Company be substituted with a new set of Articles of Association numbering from 1 to 221 (Both Inclusive).

RESOLVED FURTHER THAT subject to the approval of the Registrar of Companies for changing the name of the Company, the name ‘Mahindra Forgings Limited’ wherever it appears in the Articles of Association of the Company be replaced by “Mahindra CIE Automotive Limited” once the change in name has become effective pursuant to Section 21 of the 1956 Act.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company including any Committee or person, which the Board may have or may constitute/nominate to exercise its powers conferred under this resolution, be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard and to finalise and execute all documents and writings as may be necessary, proper, desirable or expedient as it may deem fit.”

**Special Resolution passed through Postal Ballot by shareholders of the Company
on 27th March, 2015**

SPECIAL RESOLUTION

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Articles of Association of the Company be amended as follows:

- 1) Article 144(5) of the Articles of Association: Insert the words “unless waived (Conditional or otherwise) by M&M in writing” after the words “as the Chairman of the Board (“Chairman”)”;
- 2) Article 144(5) of the Articles of Association: Insert the words “if any” after the words “If the Chairman nominated by M&M”;
- 3) Article 179 of the Articles of Association: Delete the words “or the Whole-time Director” from this Article;
- 4) Article 148(2) and Article 148(6) of the Articles of Association be altered in the following manner:

Article No.	Existing Article	New Article to be replaced
148(2)	Unless a shorter period of notice in respect of any particular meeting of the Board is agreed by all the Directors in writing (including through email), any meeting of the Board shall be convened only upon giving a prior written notice of not less than 14 (fourteen) days to all the Directors. Each notice of a meeting of the Board shall contain an agenda specifying, in reasonable detail, the matters to be discussed at the relevant meeting and shall be accompanied by all necessary information in writing.	The Notice calling Board meeting shall be given in accordance with the provisions of Companies Act, 2013 and Rules made hereunder.
148(6)	The Company shall cause the company secretary to prepare minutes of each Board meeting and circulate them to each Director within 10 (ten) days of the meeting. The Directors may make any comments on the minutes of the meeting within 7 (seven) days of receipt of the minutes and such comments shall be incorporated into the minutes of the meeting to the extent that they accurately reflect the discussions and decisions taken at such meeting. If no comments are made within the time limit specified above, the minutes shall be deemed to be accepted. The minutes shall be signed And recorded as per the provisions of the Act.	The Minutes of the Board Meeting and Committees thereof shall be prepared, circulated And signed in accordance with the provisions of Companies Act, 2013 and Rules made thereunder

RESOLVED FURTHER THAT the Board of Directors of the Company, which includes any Committee thereof and/or any individual(s) authorised by the Board be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**Special Resolution passed at the Extraordinary General Meeting of the
shareholders of the Company held on 13th October, 2016**

SPECIAL RESOLUTION

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014, and other rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) (the Act), the existing Article 3 of the Articles of Association of the Company be and is hereby substituted with the following Article 3:

3. The Authorised Share Capital of the Company is Rs. 4,869,426,365 (Rupees four billion eight hundred sixty nine million four hundred twenty six thousand three hundred sixty five only) divided into 486,942,621 (Four hundred and eighty six million nine hundred forty two thousand six hundred twenty one only) Equity Shares of Rs. 10 (Rupees ten only) each aggregating Rs. 4,869,426,210 (Rupees four billion eight hundred sixty nine million four hundred twenty six thousand two Hundred ten only) and 5 (Five) 4% (Four percent) Non Cumulative Redeemable Non Convertible Preference Shares of Rs. 31 (Rupees thirty one only) each aggregating Rs. 155 (Rupees one hundred fifty five only), with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company and the legislative provisions for the time being in force.

FURTHER RESOLVED THAT for the purpose of giving effect to the above resolution, approval of the Company be accorded to the Board of Directors of the Company (including any committee thereof or any one or more Directors/ Officials of the Company authorised by the Board) to take all steps and do all acts and things as may be necessary in relation to completion of all the legal formalities/procedures as may be required and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

**Special Resolution passed through postal ballot by shareholders of the
Company on 2nd March, 2023**

SPECIAL RESOLUTION

"RESOLVED THAT pursuant to the provisions of Sections 4, 5, 13, 14 and all other applicable provisions of the Companies Act, 2013 ('Act') read with applicable Rules framed thereunder, Regulation 45 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations') and other applicable provisions, if any, of the Act and the Listing Regulations, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and Memorandum and Articles of Association of the Company and subject to provisions of Section 4(2), Section 4(3) and Section 4(4) of the Act, the approval of the Central Government, the Registrar of Companies, Mumbai, Ministry of Corporate Affairs, required under Section 13(2) of the Act and/or approval of any other regulatory or statutory authorities, as may be required, consent of the members of the Company be and is hereby accorded to change the name of the Company from **"Mahindra CIE Automotive Limited"** to **"CIE Automotive India Limited"**.

RESOLVED FURTHER THAT 'Clause I' i.e., 'Name Clause' of the Memorandum of Association of the Company be altered by substituting the existing 'Clause I' by the following clause:

- I. The name of the Company is CIE Automotive India Limited**

RESOLVED FURTHER THAT the name “Mahindra CIE Automotive Limited” wherever appearing in the Articles of Association of the Company shall also be substituted by the new name “CIE Automotive India Limited”.

RESOLVED FURTHER THAT the Board of Directors of the Company (referred to as the Board which expression shall include any Committee thereof or persons authorized by the Board), be and are hereby authorized to do all such acts, deeds, matters, things and to take all such steps as may be required, for obtaining approvals from statutory authorities, including but not limited to the Central Government, Registrar of Companies, as may be required and to resolve and settle any questions, difficulties or doubts that may arise in this regard and to take such actions or give directions as may be necessary or desirable for giving effect to this resolution.”

**Special Resolution passed through postal ballot by shareholders of the Company
on 8th September, 2023**

SPECIAL RESOLUTION

“RESOLVED THAT pursuant to the provisions of Section 14 read with Section 5 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 including any statutory modification(s) or re-enactment thereof, for the time being in force, the draft regulations numbering from 1 to 133, as contained in the draft Articles of Association, being circulated along-with the Notice, be approved and adopted as the Articles of Association of the Company from the date of passing of this resolution in substitution and to the entire exclusion of the extant Articles of Association of the Company.

RESOLVED FURTHER THAT approval of the members of the Company is be and hereby accorded to the Board of Directors of the Company (referred to as the Board which expression shall include any Committee thereof or persons authorized by the Board), to do all such acts, deeds, matters, things and to take all such steps as may be required, and to resolve and settle any questions, difficulties or doubts that may arise in this regard and to take such actions or give directions as may be necessary or desirable for giving effect to this resolution.”