

January 2, 2018

BSE Limited Corporate Relationship Department, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001. BSE Scrip Code: 532756	National Stock Exchange of India Limited Corporate Relationship Department, Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051. NSE Scrip Code: MAHINDCIE
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Sub: Effectiveness of Scheme of Amalgamation.

Dear Sir/Madam,

We refer to our letters dated April 27, 2017, September 16, 2017, December 2, 2017 and December 16, 2017.

We now wish to inform you that, the certified true copy of the order of the Hon'ble National Company Law Tribunal, Mumbai Bench (Tribunal) approving the Scheme of Amalgamation of Mahindra Forgings Global Limited ("MFGL"), Mahindra Forgings International Limited ("MFIL"), Mahindra Gears & Transmissions Private Limited ("MGTPPL") and Crest Geartech Private Limited ("Crest") with Mahindra CIE Automotive Limited ("MCIE" or "Company") (the Scheme) has been filed with the concerned Registrar of Companies, Maharashtra by MGTPPL and Crest (Transferor Companies in India) & by the Company. Further, name of MFIL and MFGL (Transferor Companies in Mauritius) has been struck off from the registers by the concerned Registrar of Companies, Mauritius in accordance with its Law.


Accordingly the Scheme has become effective on December 31, 2017.

A copy of the Order of the Hon'ble Tribunal is also enclosed herewith for your record.

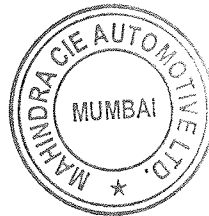
Kindly acknowledge the receipt of the same.

Thanking you,
Yours faithfully,

For Mahindra CIE Automotive Limited


Krishnan Shankar

Company Secretary & Head - Legal
Membership No. F3482



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 LimitedSecond Petitioner Company
AND
Mahindra CIE Automotive LimitedThird 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. Nallasenapathy**, 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. Nallasenapathy**, 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

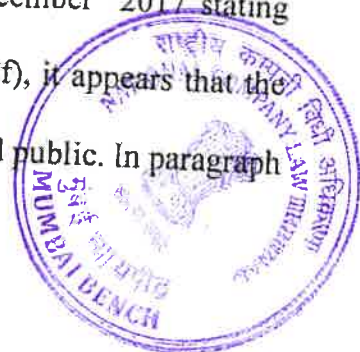
3. The Counsel for the Petitioners submit that that the First Petitioner Company is engaged in the business of manufacturing of Engine and transmission gears and shafts. The key products manufactured by First Petitioner Company includes Engine Gears, Timing Gears, Transmission Gears and Transmission 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

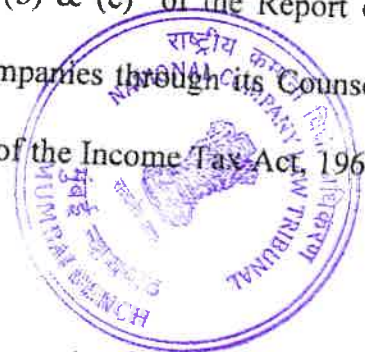


IV (f) of Regional Directors' report :ROC- Mumbai vide letter /report No ROC/STA/(SSA)/121285/230-232/1026 dated 07.12.2017 in respect of Transferor Company 3 and Transferee Company has inter alia mentioned as under:

- 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.

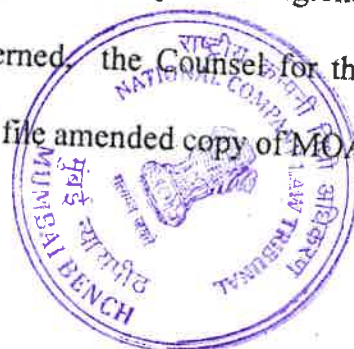
Save and except as stated in para IV (a) to (f) it appears that the Scheme is not prejudicial to the interest of shareholders & public.

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 (f) (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 dates 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
Date of Application 15.12.2017
Number of Pages 8
Fee Paid Rs. 40
Applicant called for collection copy on 20.12.2017
Copy prepared on 20.12.2017
Copy Issued on 20.12.2017



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:

- (i) **Part I** - Deals with the definitions and share capital;
- (ii) **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
- (iii) **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.

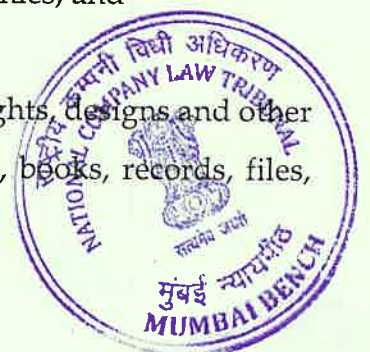


- 1.11. 'SEBI' means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- 1.12. 'SEBI Circular' shall mean the circular issued by the SEBI, being Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, and any amendments thereof.
- 1.13. 'Stock 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, 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 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 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.

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	2,50,000,000
Total	2,50,000,000
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.

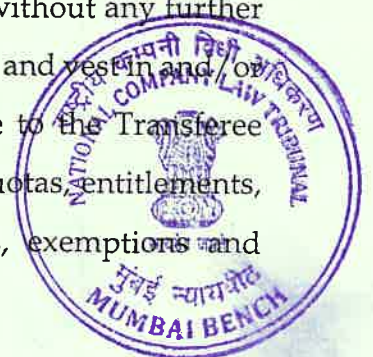
PART II - AMALGAMATION OF MFGL, MFIL, MGTPL AND CREST WITH MCIE

Section 1 - 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 the 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 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 133 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

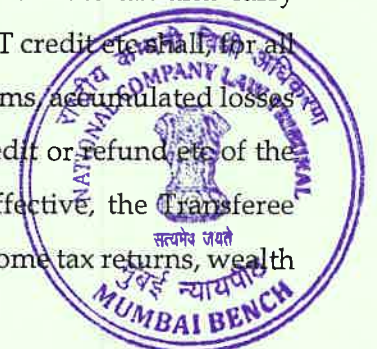
- The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.
- The difference, if any, between the amount recorded as share capital issued plus any additional consideration 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 called for collection copy on 20.12.2017
Copy prepared on 20.12.2017
Copy Issued 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

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