



SONA COMSTAR

Date: - 28th January, 2022

BSE Ltd. Regd. Office: Floor - 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.	National Stock Exchange of India Ltd. Listing Deptt., Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051
BSE Scrip Code: 543300	NSE Scrip: SONACOMS

SUBJECT: - Effective Date of the Scheme of Amalgamation of Comstar Automotive Technologies Private Limited ("Transferor Company") with Sona BLW Precision Forgings Limited ("Transferee Company" or "Company") and their respective shareholders

Dear Sir / Madam,

This is in furtherance to our earlier letter dated 10th January, 2022, wherein we have informed that the Hon'ble National Company Law Tribunal, Chandigarh Bench (**NCLT**) has sanctioned the Scheme of Amalgamation of Comstar Automotive Technologies Private Limited ("**Transferor Company**") with Sona BLW Precision Forgings Limited ("**Transferee Company**" or "Company") and their respective shareholders ("the **Scheme**") vide its Judgement and Order ("Order") dated 7th January, 2022

We wish to inform that the Company has received the Certified True Copy of the Order from the NCLT on 24th January, 2022 as attached herewith. The board of directors of both the Transferor Company and Transferee Company on 25th January, 2022, through resolution approved by circulation, has taken on record the Certified True Copy of the Order and authorized for filing the Certified True Copy of the Order to the Registrar of Companies NCT of Delhi & Haryana ("**ROC**").

Further, the Company wish to inform that the Transferor Company and Transferee Company have filed the form INC-28 to ROC on 28th January, 2022. Therefore, the Scheme has become effective from **28th January, 2022** with the appointed date of **5th July, 2019** ("**Appointed Date**").

Consequently, to the Scheme become effective, the Memorandum of Association of the Company stands altered as follows:

- a. As per Clause 13.1 of the Scheme, upon the Scheme becoming effective, the authorised share capital of the Transferor Company will get amalgamated with that of the Transferee Company. Accordingly, Clause V of the Memorandum of Association of the Transferee Company is amended by increasing the authorized share capital of the Transferee Company from INR 10,00,00,00,000 (Rupees one thousands crores only) to INR 11,50,00,00,000 (Rupees one thousand one hundred and fifty crores only).

SONA BLW Precision Forgings Ltd.
Regd Office & GGN Works
Sona Enclave, Village Begumpur Khatola
Sector 35, Gurugram 122004
Haryana India
T +91 124 476 8200

Manesar Works
Plot No. 13, Sector-2
IMT Manesar, Gurugram
Haryana 122050 India
T +91 124 476 8200

enquiry@sonacomstar.com
www.sonacomstar.com

CIN L27300HR1995PLC083037
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SONA COMSTAR

- b. As per Clause 14.1 of the Scheme, with effect from the Appointed Date, the main object clause of the Memorandum of Association of the Transferee Company shall be deemed to be altered and amended. Accordingly, Part A of Clause III of the Memorandum of Association of the Transferee Company is altered and amended.

Further, as per regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company wish to inform that Transferor Company was one of the Material Subsidiaries of the Company and consequent to the Scheme becoming effective, the Transferor Company has ceased as the Material Subsidiary of the Company. As on date, the Company has only one Material Subsidiary i.e. Comstar Automotive USA LLC.

This is for your information and further dissemination.

Thanking you,

For SONA BLW PRECISION FORGINGS LIMITED

Ajay Pratap Singh
Vice President (Legal), Company Secretary and Compliance Officer

Enclosed: As above



NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH
CORPORATE BHAWAN, PLOT NO. 4-B
GROUND FLOOR, SECTOR 27-B, MADHYA MARG,
CHANDIGARH-160019

No.NCLT/Reg./FO/2021/...852.....

Date 24.01.2022

CP (CAA) No.3/Chd/Hry/2021

Under Section 230 - 232 of the
Companies Act, 2013

In the matter of Scheme of Amalgamation: -

To

1. **Comstar Automotive Technologies Private Limited**
having its registered office at Sona Enclave,
Village Begumpur Khatola,
Sector 35, Gurgaon – 122 004, Haryana
CIN - U35911HR1997PTC083740

... Petitioner Company No.1 / Transferor Company

With

2. **Sona BLW Precision Forgings Limited**
having its registered office at Sona Enclave,
Village Begumpur Khatola,
Sector 35, Gurgaon, – 122004, Haryana
CIN - L27300HR1995PLC083037

... Petitioner Company No.2 / Transferee Company

Please find enclosed herewith formal order as per Form No. CAA 7 of
Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 containing the
directions of the Hon'ble National Company Law Tribunal, Chandigarh for compliance in
terms of order dated 07.01.2022.



(Kartikaya Verma)
Designated Registrar

o/c

FORM No. CAA.7
(Pursuant to section 232 and rule 20)
Before the National Company Law Tribunal,
Chandigarh Bench, Chandigarh

CP (CAA) No.3/Chd/Hry/2021

Under Section 230 - 232 of the
Companies Act, 2013

In the matter of Scheme of Amalgamation: -

To

1. **Comstar Automotive Technologies Private Limited**
having its registered office at Sona Enclave,
Village Begumpur Khatola,
Sector 35, Gurgaon – 122 004, Haryana
CIN - U35911HR1997PTC083740

... Petitioner Company No.1 / Transferor Company

With

2. **Sona BLW Precision Forgings Limited**
having its registered office at Sona Enclave,
Village Begumpur Khatola,
Sector 35, Gurgaon, – 122004, Haryana
CIN - L27300HR1995PLC083037

... Petitioner Company No.2 / Transferee Company

Upon the above petition coming up for hearing on 07th January, 2022 and upon reading the said petition, report submitted by the Income Tax Department and compliance affidavit submitted by the Petitioners and hearing Learned Advocate for the petitioner companies as well as counsel for the Income Tax Department and after carefully perusing the records, the National company Law Tribunal approved the 'scheme' with the clarification that this order should not be construed as an order in any way granting exemption from payment of stamp duty, taxes or any other charges, if any, payment is due or required in accordance with law or in respect to any permission/compliance with any other requirement which may be specifically required under any law.

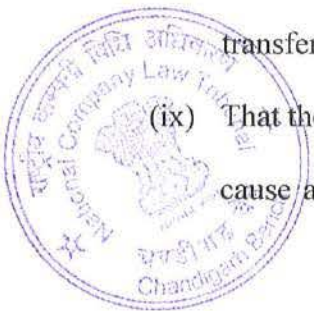
THIS TRIBUNAL DO FURTHER ORDER:

- (i) That all the property, rights and powers of the Transferor Company be transferred, without further act or deed, to the Transferee Company and accordingly, the same shall

pursuant to Sections 230 to 232 of the Companies Act, 2013, be transferred to and vested in the Transferee Company for all the estate and interest of the Transferor Company but subject nevertheless to all charges now affecting the same;

- (ii) That all the liabilities and duties of the Transferor Company be transferred, without further act or deed, to the Transferee Company and accordingly the same shall pursuant to Sections 230 to 232 of the Companies Act, 2013, be transferred to and become the liabilities and duties of the Transferee Company;
- (iii) That the Appointed Date for the scheme shall be 05.07.2019 as specified in para 1.2 of the Scheme;
- (iv) That the proceedings, if any, now pending by or against the Transferor Company be continued by or against the Transferee Company;
- (v) That the employees of the Transferor Company shall be transferred to the Transferee Company in terms of the 'Scheme';
- (vi) That the Transferee Company shall, without further application, allot to the existing members of the Transferor Company shares of Transferee Company to which they are entitled under the said Scheme of Amalgamation;
- (vii) That 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 sanction of the 'Scheme';
- (viii) That the transferee company shall file the revised memorandum and articles of association with the Registrar of Companies, N.C.T. of Delhi & Haryana and further make the requisite payments of the differential fee (if any) for the enhancement of authorized capital of the transferee company; after setting off the fees paid by the transferor company;

- (ix) That the Petitioner Companies shall, within 30 days after the date of receipt of this order, cause a certified copy of this order to be delivered to the Registrar of Companies for



registration and on such certified copy being so delivered, the Transferor Company shall be dissolved without undergoing the process of winding up. The concerned Registrar of Companies shall place all documents relating to the Transferor Company registered with him on the file relating to the said Transferee Company, and the files relating to the Transferor Company and Transferee Company shall be consolidated accordingly, as the case may be;

- (x) That the Transferee Company shall deposit an amount of ₹50,000/- (Rupees Fifty Thousand Only) in favour of "The Company Law Tribunal Bar Association" Chandigarh within a period of four weeks from the date of receipt of the certified copy of this order;
- (xi) That any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary.



**Dated: 07.01.2022
(By the Tribunal)**



**(Kartikeya Verma)
Designated Registrar
National Company Law Tribunal,
Chandigarh Bench**

SCHEDULE OF PROPERTIES

(attached as supplied by the Transferor Company)

No SPL Dy No. 04 dt 20/01/2022
Date of Presentation
of application for Copy _____
No. of Pages 4+27+5=33
Copying Fee 165/-
Registration & Postage Fee _____
Total ₹ 165/-
Date of Receipt &
Date of Preparation of Copy 24/01/2022
Date of Delivery of Copy 24/01/2022

**CERTIFIED TO BE TRUE COPY
OF THE ORIGINAL**


DD / DR / ARV Court Officer
National Company Law Tribunal
Chandigarh Bench, Chandigarh

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, 2
CHANDIGARH BENCH, AT CHANDIGARH

Company Petition CP (CAA) No. 3/ Chd/ Hry/ 2021

Connected With

Company Application CA (CAA) No. 5/ Chd/ Hry/ 2020 read with

CA No. 139/2020 and 262/2020

In the matter of the Companies Act, 2013

And

In the matter of Sections 230 - 232 of the Companies Act, 2013 read with
Companies (Compromises, Arrangements and Amalgamations) Rules,
2016

And

In the matter of Scheme of Amalgamation of

**Comstar Automotive Technologies
Private Limited** (hereinafter referred to
as "CATPL"), Company registered
under the Companies Act, 1956
incorporated on March 21, 1997 having
its registered office at Sona Enclave,
Village Begumpur Khatola, Sector 35,
Gurgaon - 122 004, Haryana (India);
CIN - U35911HR1997PTC083740/
PAN - AAACE2284P

Amalgamating Company/
Transferor Company/ Petitioner
Company 1

AND

**Sona BLW Precision Forgings
Limited** (hereinafter referred to as
"SBPFL"), Company registered under
the Companies Act, 1956 incorporated
on October 27, 1995 having its registered
office at Sona Enclave, Village
Begumpur Khatola, Sector 35, Gurgaon,
- 122004, Haryana (India); CIN -
L27300HR1995PLC083037/ PAN -
AABCS4786P

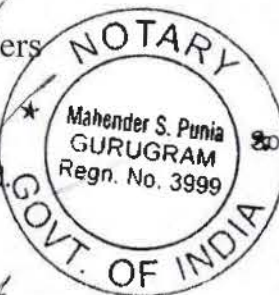
Amalgamated Company/
Transferee Company/ Petitioner
Company 2

AND

Their respective Shareholders

Comstar Automotive Technologies Pvt. Ltd.

Director



Sona BLW Precision Forgings Limited

Vivek Vikram Singh
Managing Director & Group CEO



JOINT AFFIDAVIT ON BEHALF OF THE PETITIONER COMPANY 1 AND PETITIONER COMPANY 2 (COLLECTIVELY REFERRED TO AS "PETITIONER COMPANIES") STATING SCHEDULE OF ASSETS PURSUANT TO ORDER DATED JANUARY 07, 2022

I, Mr. Vivek Vikram Singh, son of Mr. Rajendra Prasad Singh aged about 40 years, residing at House No. 14/907, Heritage City, DLF Phase-2, Chakarapur (74), Haryana – 122002, do hereby solemnly affirm and state as under:-

1. That I am an authorized signatory of Petitioner Companies in the above captioned matter and as such, I am fully competent to swear this affidavit and am conversant with the status of service in the present matter.
2. That in compliance of the Order dated January 7, 2022, this Tribunal was pleased to direct the Petitioner Companies to file schedule of properties of Transferor Company i.e. (i) Freehold property of the Transferor Company, (ii) Leasehold property of the Transferor Company and (iii) all stocks, shares, debentures, other charges in action of the Transferor Company.
3. That the Petitioner Companies submits the details of Schedule of Assets of the Transferor Company as follows:

SCHEDULE of ASSETS

PART I

S. No.	Particulars of land & building thereon - freehold	Area in sqft.
1.	Comstar Technical centre, Rubics Square, Rajiv Gandhi Salai (OMR) Kazhipattur, Chennai – 603103 Building constructed area	4,048



Comstar Automotive Technologies Pvt. Ltd.

Director

Sona BLW Precision Forgings Limited

Managing Director & Group CEO

Vivek Vikram Singh

Investment as of January 7, 2022	
Investment in Mutual Funds	NIL
Investment in Fixed deposits (including accrued interest) :	25,49,58,364
Canara Bank – INR 23,28,10,659 (includes INR 3,01,610 for employee welfare)	
State Bank of India – INR 18,08,965 (For employee welfare)	
HDFC Bank – INR 2,03,38,740	

4. I state that the directions contained in the said Order have been duly complied with.

5. I state that the contents of the said affidavit are true and correct to the best of my knowledge and belief.

DATE: 08.01.2022
PLACE: GURUGRAM

VIVEK VIKRAM SINGH
(DEPONENT)

VERIFICATION:

Verified at Gurugram on this 8th day of January, 2022 that the contents of Paragraph No. 1 to 5 of the above Affidavit are true and correct and nothing stated therein is false and nothing material has been concealed therefrom.

DATE: 08.01.2022
PLACE: GURUGRAM

VIVEK VIKRAM SINGH
(DEPONENT)

ATTESTED

MAHENDER S. PUNIA,
ADVOCATE & NOTARY
Distt. Gurugram (Haryana) India

Comstar Automotive Technologies Pvt. Ltd.

Director

Sona BLW Precision Forgings Limited

Vivek Vikram Singh
Managing Director & Group CEO



PART II

S No.	Particulars of land & building thereon – leasehold	Area in sqft.
1.	Comstar Automotive Technologies Pvt limited, Keelakarani village, Melrosapuram post, Marimalai Nagar, Chengalpattu. 603204 Land Building constructed area	 4,78,466 2,26,341
2.	Comstar Automotive Technologies Pvt ltd HQ. S. NO.201 Kazhipattur, Chennai – 603 103 Building constructed area	 5,815

PART III

S. No.	Particulars	Amount in INR
1.	Investment in equity instruments (fully paid-up) Comstar Automotive Technology Services Private Limited (1,30,000 shares, Face value Rs.10 each) Comstar Automotive USA LLC (2,50,000 shares, Face value USD 1 each)	 13,00,000 1,36,81,425

Comstar Automotive Technologies Pvt. Ltd.

Director

Sona BLW Precision Forgings Limited

Vivek Vikram Singh
Managing Director & Group CEO

Investment as of January 7, 2022	
Investment in Mutual Funds	NIL
Investment in Fixed deposits (including accrued interest) :	25,49,58,364
Canara Bank – INR 23,28,10,659 (includes INR 3,01,610 for employee welfare)	
State Bank of India – INR 18,08,965 (For employee welfare)	
HDFC Bank – INR 2,03,38,740	

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DATE: 08.01.2022

PLACE: GURUGRAM

VIVEK VIKRAM SINGH
(DEPONENT)

VERIFICATION:

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DATE: 08.01.2022

PLACE: GURUGRAM

VIVEK VIKRAM SINGH
(DEPONENT)

ATTESTED

MAHENDER S. PUNIA,
ADVOCATE & NOTARY



Constar Automotive Technologies Pvt. Ltd.

Director

Sona BLW Precision Forgings Limited

Vivek Vikram Singh
Managing Director & Group CEO



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Amrit Mahotsav

**National Company Law Tribunal,
Chandigarh Bench
Corporate Bhawan, Plot No.4-B,
Ground Floor, Sector 27-B, Madhya Marg,
Chandigarh**

Ref: NCLT/Chd/Reg/ 851

Dated: 24/01/2022

CP (CAA) No. 3/Chd/Hry/2021

In the matter scheme of amalgamation:

Comstar Automotive Technologies Private Limited


....Petitioner Company No.1/Transferor Company

To,

Sh. Raghav Kapoor, Advocate
House No. 4, Sector-10,
Chandigarh

Please find enclosed herewith a certified copy of order and formal order dated 07.01.2022, as applied vide application No. 04, dated 20.01.2022.

Encl: Copy of order


(Kartikeya Verma)
Registrar
NCLT, Chandigarh Bench

**THE NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH, CHANDIGARH
(through web-based video conferencing platform)**

**CP (CAA) No.3/Chd/Hry/2021
(2nd Motion)**

**Under Section 230-232 of
the Companies Act, 2013**

In the matter of Scheme of Amalgamation:-

COMSTAR AUTOMOTIVE TECHNOLOGIES PRIVATE LIMITED,

having its registered office at Sona Enclave,
Village Begumpur Khatola,
Sector-35, Gurgaon – 122004, Haryana
(CIN: U35911HR1997PTC083740)

.... Petitioner Company No. 1/Transferor Company

With

SONA BLW PRECISION FORGINGS LIMITED,

having its registered office at Sona Enclave,
Village Begumpur Khatola,
Sector-35, Gurgraon– 122004, Haryana
(CIN: U27300HR1995PLC083037)

.... Petitioner Company No.2/Transferee Company

Judgment delivered on: 07.01.2022

**Coram: HON'BLE MR. HARNAM SINGH THAKUR, MEMBER (JUDICIAL)
HON'BLE MR. SUBRATA KUMAR DASH, MEMBER (TECHNICAL)**

Present through Video Conferencing :-

For the Petitioner Companies: Mr. Rohit Khanna, Advocate

For Income Tax Department: Mr. Yogesh Putney, Senior Standing Counsel

Per: Subrata Kumar Dash, Member (Technical)

JUDGMENT

This is a joint Second Motion petition filed under Sections 230-232 of the Companies Act, 2013 (for short the 'Act') by the petitioner companies namely; **Comstar Automotive Technologies Private Limited** (hereinafter referred to as '**Transferor Company**') and **Sona BLW Precision Forgings Limited** (hereinafter referred to as '**Transferee Company**') in terms of Rule 16 of Companies



(Compromises, Arrangements and Amalgamations) Rules, 2016 (for brevity 'Rules') for the sanction of Scheme of Amalgamation (for brevity 'Scheme') between the petitioner companies.

2. The Petitioner Companies filed First Motion Application bearing CA (CAA) No.5/Chd/Hy/2020 before this Tribunal for seeking directions for dispensing with the meetings of equity shareholders and secured creditors of the applicant companies.

3. The First motion application was disposed of vide order dated 22.12.2020, with directions to dispense with the meetings of equity shareholders, secured creditors and unsecured creditors of both the applicant companies. The meetings of equity shareholders and secured creditors were dispensed with as the consent affidavits have been obtained and placed on record. The meetings of unsecured creditors of both the applicant companies were dispensed with, subject to compliance of directions to issue notices to unsecured creditors, and to statutory authorities. The Petitioner Companies have filed a compliance affidavit vide Diary No.00458/4 dated 27.01.2021, wherein notices were issued to unsecured creditors and to statutory authorities along with newspaper publications.

4. The main objects, date of incorporation, authorized and paid-up share capital, and the rationale of the scheme had been discussed in details in the order dated 22.12.2020.

5. In the second motion proceedings, certain directions were issued by this Tribunal vide order dated 23.07.2021 and the same were complied by an affidavit of compliance filed vide diary No.02126/3 dated 09.09.2021 along with newspaper publications in "Business Standard" (English) and "Business Standard" (Hindi) both Haryana Edition on 06.08.2021. The original copies of the newspapers were



attached as Annexure-A and B of the aforesaid affidavit. It is also stated in the aforesaid affidavit that copies of the notices were served upon the Central Government through Regional Director, Northern Region, Ministry of Corporate Affairs; Registrar of Companies, N.C.T. of Delhi and Haryana; Competition Commission of India (CCI), Official Liquidator; Reserve Bank of India (RBI) and Income Tax Department, Chandigarh by the petitioner companies. Copies of notices along with postal receipts sent by the petitioner companies to the aforesaid statutory authorities are attached as Annexure C and D of Diary No.02126/3 dated 09.09.2021. It is also stated that the Petitioner Company No.2 has sent the notices to the National Stock Exchange of India (NSE), Bombay Stock Exchange of India (BSE) and Securities and Exchange Board of India (SEBI).

6. It was also deposed by the authorized signatory of the petitioner companies that pursuant to publications made on 06.08.2021, the petitioner companies have not received any objection to the Scheme of Amalgamation from equity shareholders, preference shareholders, secured creditors and unsecured creditors. It is further deposed that the Petitioner Company No.2 got listed with the National Stock Exchange of India (NSE) and Bombay Stock Exchange of India (BSE) on June 24, 2021, however, the Petitioner Company No.1 is wholly owned subsidiary of Petitioner Company No.2 and therefore, there was no requirement to obtain prior approval from Stock Exchanges and Securities and Exchange Board of India in view of the circulars issued by the SEBI. The copy of affidavit is attached at Diary No.02126/3 dated 09.09.2021.

7. In response to the abovementioned notices, the statutory authorities have furnished their replies.

7.1 Registrar of Companies(RoC)/Regional Director



The Registrar of Companies (RoC) has filed its report along with the report of the Regional Director (RD) by diary No.02126/4 dated 22.09.2021. The R.D. in Para 6 of the report has observed that Clause 9 of the proposed scheme protects the interest of the employees of the Transferor Company.

Further, in Para 9 of the said report, it is stated that as per the RoC, the Transferor Company and Transferee Company have filed annual returns and balance sheets up to 31.03.2020. It is also stated that no prosecution has been filed, and inspection or investigation has been conducted in respect of the petitioner companies.

The R.D. in Para 10 has also made the following observation:-

"10. That as per Para 32 of the report of RoC, Delhi dated 07.09.2021, the following observations have been made:

- a. *Refer to clause 13 of the Scheme, the Transferee Company shall comply with Section 232(3)(i) of the Companies Act, 2013 and pay the difference fee on consolidated authorized share capital of Transferee Company after setting off the fee already paid by the Transferor Companies on their respective capital."*

7.2 In reply to the same, the Petitioner Companies have filed an affidavit vide Diary No.02126/7 dated 01.10.2021 and has stated that in respect of the said observation of the R.D. and RoC, the petitioner companies undertake that they shall comply with the provisions of Section 232(3)(i) of Companies Act, 2013 and shall pay the applicable fees, if any, post the consolidation of the authorized share capital of the Transferee Company after setting off the fee already paid by the Transferor Company.



Official Liquidator

8.1 The Official Liquidator has filed his report vide Diary No.02126/2 dated 07.09.2021. The relevant part of the report is extracted below:

".....We report that:

In Para (e) It is mentioned that on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the director is disqualified as on 31.03.2019 from being appointed as a director in terms of Section 164(2) of the Act.

In Para (g) It is mentioned that with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Auditor and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

- i. The company, as detailed in note 34 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31.03.2019.*
- ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31.03.2019.*
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31.03.2019.*
- iv. The disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable."*

Thus, the Official Liquidator has made no adverse observation against the petitioner companies.

9. Income Tax Department

9.1 The Income Tax Department filed its report vide Diary No.02126/6 dated 17.09.2021 and has stated that demands amounting to ₹30,02,300/- for Assessment Year 2007-08, ₹3,28,67,960/- for Assessment Year 2016-17 and ₹9,31,48,540/- for Assessment Year 2017-18 were outstanding against the Petitioner Company No.1. Similarly, demands amounting to ₹20,01,970/- for Assessment Year 2016-17, ₹5,54,55,976/- for



Assessment Year 2017-18 and ₹16,49,392/- for Assessment Year 2018-19 were outstanding against the Petitioner Company No.2.

9.2 In reply to the same, the petitioner companies filed a joint affidavit vide Diary No.02126/10 dated 08.10.2021 and submitted that as per Clause 9 of the Scheme of Amalgamation, all pending litigations of the Transferor Company shall stand transferred/mutated to the Transferee Company and any liability arising pursuant to such litigations shall be payable by the Transferee Company. Further, Clause 4.2 of the Scheme Amalgamation provides that all the liabilities including contingent liabilities, duties, obligations, undertakings of Transferor Company shall stand transferred to an vested in or deemed to have been transferred to and vested in Transferee Company with effect from the Appointed Date of 5 July, 2019 or any such other date as may be approved by the Tribunal upon the Scheme of Amalgamation becoming effective.

9.3 It is further submitted in the aforesaid reply that the Transferee Company undertakes that any outstanding demand of the Transferor Company that are either in dispute or have not crystalized as the matters have not obtained finality and the demand with respect to the Transferor Company shall be enforced against the Transferee Company. Accordingly, the interest of the revenue would remain protected and the Transferee Company reserves its right to appeal as available under Income Tax Law against such order/demand and the Company shall pay all the outstanding tax dues as and when such demands become payable.

9.4 In any case, this Tribunal is not shutting out the legitimate interest of the



income-tax authorities to recover the lawful dues payable by the transferor companies and the transferee company is not being dissolved, and the scheme provides the savings in relation to the liabilities as well, the rights of the tax authorities remain intact, and they can proceed against the transferee company in accordance with the law, if any amount is found due and payable. The Hon'ble National Company Law Appellate Tribunal also in the Ad2Pro Global Creative Solutions P. Ltd. v. Regional Director, (S.E.R.), Ministry of Corporate Affairs MANU/NL/0469/2019 : [2019] 217 Comp Cas 443 (NCLAT), in Company Appeal (AT) No. 98 of 2019, in relation to the dues of the income-tax has held in paragraph 7 as follows (page 449):

"Admittedly, proceedings are pending in appeal before the Income-tax Appellate Tribunal and depending upon the outcome of such proceedings. The transferee company has undertaken to satisfy all demands emanating from and raised by the competent tax authorities. The scheme having been approved and sanctioned and the same being in consonance with law, no fault can be found with the transferee's undertaking to satisfy all demands raised by the tax authorities as finally determined by due process. The appellants are justified in maintaining that the tax liabilities would be satisfied by the transferee as determined by the competent forum seized of the matter in accordance with the approved scheme, which admittedly does not come in conflict with any express provision of the Companies Act, 2013. The legitimate interests of the concerned tax authorities have been lawfully protected, and their right to recover the tax dues as determined by the Income-tax Appellate Tribunal or any other competent forum as the case may remain intact."

9.5 Further in Company petition C.A.A. No. 284/ND/2018 vide order dated November 12, 2018, the National Company Law Tribunal, New Delhi has made the following observations with regard to the right of the Income-tax Department in the scheme of amalgamation:

"... taking into consideration the clauses contained in the scheme in relation to liability to tax and also as insisted upon by the income-tax



and in terms of the decision in Vodafone Essar Gujarat Ltd. v. DIT MANU/GJ/0794/2012 : [2013] 176 Comp Cas 7 (Guj); [2013] 353 ITR 222 (Guj) and the same being also affirmed by the Hon'ble Supreme Court and as reported in Department of Income-tax v. Vodafone Essar Gujarat Ltd. [2015] 190 Comp Cas 105 (S.C.); [2015] 373 ITR 525 (S.C.); [2016] 66 taxmann.com. 374 (S.C.) from which it is seen that at the time of declining the S.L.P.s filed by the Revenue, however stating to the following effect vide its order dated April 15, 2015, that the Department is entitled to take out appropriate proceedings for recovery of any statutory dues from the transferor or transferee or any other person who is liable for payment of such tax dues the said protection be afforded is granted. With the above observations, the petition stands allowed, and the scheme of amalgamation is sanctioned."

10. Competition Commission of India (CCI)

10.1 The Competition Commission of India filed its report vide Diary No.590 dated 16.09.2019 and Diary No.194 dated 25.01.2021 has stated that the matter with regard to the petitioner companies has been approved by the Competition Commission of India vide its order dated 19.12.2018. The aforesaid order is the part of report of Competition Commission of India. In Para 9 of the order dated 19.12.2018, the Commission approve the combination under Sub-Section (1) of Section 31 of Competition Act, 2002 and stated that the proposed combination is not likely to have any appreciable adverse effect on competition in India.

11. As per the compliance affidavit filed vide Diary No.02126/3 dated 09.09.2021, the notices were issued to the National Stock Exchange of India (NSE), Bombay Stock Exchange of India (BSE) and Securities and Exchange Board of India (SEBI) by the Petitioner Company No.2. The notices were issued and no reply has been received from any of the aforesaid statutory authorities and a substantial time has been lapsed. Since, no representation/objection is filed, it is presumed that the statutory authorities do not have any objection to the proposed Scheme of Amalgamation.



12. We have heard the learned counsel for petitioner companies and learned Senior Standing Counsel for the Income Tax Department and perused the record carefully.

13. In the context of the above discussion, the Scheme contemplated between the petitioner companies, appears to be prima facie in compliance with all the requirements stipulated under the relevant Sections of the Companies Act, 2013. In the absence of any objections before us and since all the requisite statutory compliance have been fulfilled, this Tribunal sanctions the scheme of amalgamation appended as Annexure-A1 with the company petition.

14. Notwithstanding the submission that no investigation is pending against the petitioner companies, if there is any deficiency found or, violation committed qua any enactment, statutory rule or regulation, the sanction granted by this Tribunal will not come in the way of action being taken, albeit, in accordance with law, against the concerned persons, directors and officials of the petitioners.

15. While approving the scheme as above, it is clarified that this order should not be construed as an order in any way granting exemption from payment of stamp duty, taxes or any other charges, if any, payment is due or required in accordance with law or in respect to any permission/compliance with any other requirement which may be specifically required under any law.

16. **THIS TRIBUNAL DO FURTHER ORDER:**

(i) That all the property, rights and powers of the Transferor Company be transferred, without further act or deed, to the Transferee Company and accordingly, the same shall pursuant to Sections 230 to 232 of the Companies Act, 2013, be transferred to and vested in the Transferee Company for all the estate and interest of the Transferor Company but



subject nevertheless to all charges now affecting the same;

- (ii) That all the liabilities and duties of the Transferor Company be transferred, without further act or deed, to the Transferee Company and accordingly the same shall pursuant to Sections 230 to 232 of the Companies Act, 2013, be transferred to and become the liabilities and duties of the Transferee Company;
- (iii) That the Appointed Date for the scheme shall be 05.07.2019 as specified in para 1.2 of the Scheme;
- (iv) That the proceedings, if any, now pending by or against the Transferor Company be continued by or against the Transferee Company;
- (v) That the employees of the Transferor Company shall be transferred to the Transferee Company in terms of the 'Scheme';
- (vi) That the Transferee Company shall, without further application, allot to the existing members of the Transferor Company shares of Transferee Company to which they are entitled under the said Scheme of Amalgamation;
- (vii) That 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 sanction of the 'Scheme';
- (viii) That the transferee company shall file the revised memorandum and articles of association with the Registrar of Companies, N.C.T. of Delhi & Haryana and further make the requisite payments of the differential fee (if any) for the enhancement of authorized capital of the transferee company;



after setting off the fees paid by the transferor company;

- (ix) That the Petitioner Companies shall, within 30 days after the date of receipt of this order, cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the Transferor Company shall be dissolved without undergoing the process of winding up. The concerned Registrar of Companies shall place all documents relating to the Transferor Company registered with him on the file relating to the said Transferee Company, and the files relating to the Transferor Company and Transferee Company shall be consolidated accordingly, as the case may be;
- (x) That the Transferee Company shall deposit an amount of ₹50,000/- (Rupees Fifty Thousand Only) in favour of "The Company Law Tribunal Bar Association" Chandigarh within a period of four weeks from the date of receipt of the certified copy of this order;
- (xi) That any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary;

17. As per the above directions, Form No.CAA-7 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 formal orders be issued on the petitioners on the filing of the schedule of properties, i.e. (i) freehold property of the Transferor Company (ii) leasehold property of the Transferor Company by way of affidavit. Copy of this order be communicated to the Counsel for the Petitioners.

Sdl-

(Subrata Kumar Dash) 07.01.2022
Member (Technical)

Sdl-

(Harnam Singh Thakur)
Member (Judicial)



**CERTIFIED TO BE TRUE COPY
OF THE ORIGINAL**

OF
COMSTAR AUTOMOTIVE TECHNOLOGIES PRIVATE LIMITED
WITH
SONA BLW PRECISION FORGINGS LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS

PREAMBLE

This Scheme of Amalgamation (*as defined hereinafter*) is presented under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable rules made thereunder for amalgamation of Comstar Automotive Technologies Private Limited (hereinafter referred as '**Transferor Company**' or '**CATPL**') with Sona BLW Precision Forgings Limited (hereinafter referred as '**Transferee Company**' or '**SBPFL**') and their respective shareholders. In addition, this Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

BACKGROUND OF THE COMPANIES

Sona BLW Precision Forgings Limited ("**Transferee Company**" or "**SBPFL**") bearing CIN U27300HR1995PLC083037 was incorporated on October 27, 1995 in accordance with the provisions of the Companies Act, 1956. The registered office of SBPFL is situated at Sona Enclave, Village Begumpur Khatola, Sector 35, Gurgaon – 122 004, Haryana. SBPFL is engaged in the manufacturing of precision forged gears and differential case assemblies for automotive and other applications.

Comstar Automotive Technologies Private Limited ("**Transferor Company**" or "**CATPL**") bearing CIN U35911HR1997PTC083740 was incorporated on March 21, 1997 in accordance with the provisions of the Companies Act, 1956. The registered office of CATPL is situated at Sona Enclave, Village Begumpur Khatola, Sector 35, Gurgaon – 122 004, Haryana. CATPL is engaged in the manufacture and assembly of starter motors, alternators and starter kits forming part of automobiles in domestic and



For Sona BLW Precision Forgings Ltd.

Authorised Signatory

Comstar Automotive Technologies Pvt. Ltd.

Director

international markets. 100% of the equity shares of CATPL is held by SBPFL and its nominees.

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RATIONALE FOR THE AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

Amalgamation of the Transferor Company with the Transferee Company pursuant to this Scheme shall, inter alia, result in following benefits:

- a) Consolidation and simplification of existing structure;
- b) More focused operational efforts, realizing synergies in terms of compliance, governance, administration and costs;
- c) Combined business will experience and derive synergies in the operation, administration, supply chain management, resource planning, productivity and optimal utilization of existing resources;
- d) Greater efficiency in cash management and access to cash flow generated by the combined business which can be deployed more efficiently to maximize shareholder value;
- e) The Transferee Company will gain the benefit of improved organizational capability and leadership which will help it to compete successfully in the industry.

The Board of Directors of the Transferor Company and the Transferee Company are of the opinion that the Scheme would benefit the shareholders, employees and other stakeholders of the Transferor and the Transferee Company.

TREATMENT OF THE SCHEME FOR THE PURPOSES OF INCOME TAX ACT, 1961

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. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the 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 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 Income Tax Act, 1961. Such modification will however not affect the other parts of the Scheme.



For Sona Precision Forgings Ltd.

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Director

PARTS OF THE SCHEME

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The Scheme is divided into following parts:

1. **Part A** deals with the definitions, interpretations and share capital of the Transferor Company and the Transferee Company;
2. **Part B** deals with the amalgamation of the Transferor Company with the Transferee Company and other related matters; and
3. **Part C** deals with general terms and conditions applicable to this Scheme and the dissolution of the Transferor Company.

PART A - DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, in addition to the terms defined elsewhere in this Scheme, the following capitalised terms shall have the meaning set out below:

- 1.1. **“Act” or “the Act”** means the Companies Act, 2013, the rules and regulations made thereunder and shall include any statutory modifications, amendments or re-enactment thereof for the time being in force.
- 1.2. **“Appointed Date”** means 5th July, 2019 or such other date as may be fixed or approved by the National Company Law Tribunal or such other competent authority.
- 1.3. **“Board” or “Board of Directors”** means the respective Board of Directors of the Transferor Company and the Transferee Company, as the case may be, and shall include a committee duly constituted and authorised thereby for the purpose of matters pertaining to the Scheme and / or any other consequential or incidental matter in relation thereto.
- 1.4. **“Effective Date”** shall mean the last of the dates on which all conditions, matters and filings referred to in Clause 19 hereof have been fulfilled or waived and necessary orders, approvals and consents referred to therein have been obtained. All references in this Scheme to the date of “coming into effect of this Scheme” or “upon the Scheme becoming effective” shall mean the Effective Date.



For Sona LSW Precision Forgings Ltd.

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Director

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- 1.5. "Encumbrance" or to "Encumber" means: (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance or interest of any kind securing, or conferring any priority of payment in respect of any obligation of any Person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under applicable law; (ii) a contract to give or refrain from giving any of the foregoing; (iii) any voting agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any person; and (iv) any adverse claim as to title, possession or use and the term "Encumber" shall be construed accordingly;
- 1.6. "Registrar of Companies" means the Registrar of Companies, NCT of Delhi & Haryana having jurisdiction over the Transferor Company and the Transferee Company.
- 1.7. "Scheme" or "the Scheme" or "this Scheme" or "Scheme of Amalgamation" means this Scheme of Amalgamation in its present form as submitted to the Tribunal or this Scheme with such modification(s), if any made, as per Clause 18 of the Scheme or such other modifications / amendments as the Tribunal may direct.
- 1.8. "Transferor Company" or "CATPL" means Comstar Automotive Technologies Private Limited (CIN:U35911HR1997PTC083740), a company incorporated on March 21, 1997 under the provisions of Companies Act, 1956 and having its registered office at Sona Enclave, Village Begumpur Khatola, Sector 35, Gurgaon - 122 004.
- 1.9. "Transferee Company" or "SBPFL" means Sona BLW Precision Forgings Limited (CIN:U27300HR1995PLC083037), a company incorporated on October 27, 1995 under the provisions of Companies Act, 1956 and having its registered office at Sona Enclave, Village Begumpur Khatola, Sector 35, Gurgaon - 122 004.
- 1.10. "Tribunal" or "NCLT" means the National Company Law Tribunal as constituted and authorized as per the provisions of the Act for approving any Scheme of Amalgamation, Scheme of Arrangement, any compromise or



For Sona BLW Precision Forgings Ltd.

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Director

reconstruction of companies under Sections 230 to 232 of the Companies Act, 2013 and includes in particular the Chandigarh Bench of National Company Law Tribunal.

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1.11. "Undertaking" means all the undertakings and the 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, plant and machinery, equipment, land, buildings and structures, warehouses, stores, offices, residential and other premises (including rights in leasehold land and buildings), capital work-in-progress, furniture, fixtures, office equipment, computers, appliances, accessories, 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), cash equivalents, contingent rights or benefits, benefits of any deposits, 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, receivables and liabilities related thereto, 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 for the employees or other persons, vehicles, guest houses, share of any joint assets, and other facilities, 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 kinds (including arrangements with suppliers, vendors, customers, distributors, leases, logistics, transport, etc.), terms of trade with various suppliers including incentives and discounts and all other rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situated 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



For Sona F.L.W. Precision Forgings I.t.d.

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Comstar Automotive Technologies Pvt. Ltd.

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Director

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, licences including but not limited to export license, import license, industrial and other licenses, bids, tenders, municipal and other statutory permissions, approvals including but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations and all other rights, title, interest, contracts, and arrangements in any form including those pertaining to brand licences, vendors, store maintenance, housekeeping, security, contract workers, all benefits of all agreements, consents, approvals or powers of every kind, nature and descriptions whatsoever, 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 and other benefits including tax holiday, special economic zone related benefits, export oriented units 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 earnest moneys and/or security deposits paid or deemed to have been paid by the Transferor Company;
- d) 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 Indian rupees or foreign currency, whether provided for or not in the books of account or disclosed in the balance sheet of the Transferor Company;
- e) all intellectual property rights, 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 programs, manuals, data, catalogues, quotations, sales and



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advertising material, standard operating procedures in relation to buying, purchases, merchandising, supply chain, lists and database of present and former customers, vendors and suppliers, other customer information, customer credit information, customer pricing information, customer loyalty program including customer insights and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company;

1.12. All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, or any statutory modification or re-enactment thereof for the time being in force.

In this Scheme, unless the context otherwise requires:

- i) A reference to an article, clause, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme;
- ii) The headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation.
- iii) The singular shall include the plural and vice versa; and references to one gender include all genders.
- iv) Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- v) References to a person shall 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).

2. SHARE CAPITAL

2.1 Transferor Company

The authorised, issued, subscribed and paid-up share capital of the Transferor Company as on 20th December, 2019 is as under:

For Sona Precision Forgings Ltd.

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Particulars	Amount in Rs.
<u>Authorized Share Capital</u>	
150,000,000 Equity Shares of Rs. 10/- each	1,500,000,000
Total	1,500,000,000
<u>Issued, Subscribed And Paid-Up Share Capital</u>	
64,527,564 Equity Shares of Rs. 10/- each fully paid up	645,275,640
Total	645,275,640

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Transferor Company till the date of approval of the Scheme by the Board of the Transferor Company.

Entire paid up share capital of the Transferor Company is held by the Transferee Company and its nominee.

The equity shares of the Transferor Company are not listed on any of the stock exchanges in India.

2.2 Transferee Company

The authorised, issued, subscribed and paid-up share capital of the Transferee Company as on 20th December, 2019 is as under:

Particulars	Amount in Rs.
<u>Authorized Share Capital</u>	
50,500,000 Equity Shares of Rs. 10/- each	505,000,000
1,500,000 Preference Shares of Rs. 10/- each	15,000,000
Total	520,000,000
<u>Issued, Subscribed And Paid-Up Share Capital</u>	
47,153,944 Equity Shares of Rs. 10/- each fully paid up	471,539,440
594,436 Preference Shares of Rs. 10/- each fully paid up	5,944,360
Total	477,483,800

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Transferee Company till the date of approval of the Scheme by the Board of the Transferee Company.



For Sona LSW Precision Forgings Ltd.

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The equity and preference shares of the Transferee Company are not listed on any of the stock exchanges in India.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

Each part of the Scheme set out herein in its present form or with any modification(s) or amendment(s) made under Clause 18 of the Scheme shall, unless otherwise specified, be effective from the Appointed Date but shall be operative from the Effective Date.

Notwithstanding anything to the contrary contained in this Scheme, for the purposes of Section 232(6) of Companies Act, 2013, the Scheme shall be deemed to come into effect from the Appointed Date as defined under clause 1.2 of this Scheme and for which purpose, no other date, but for the appointed date, would be relevant.

PART B - AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEE COMPANY

4. TRANSFER AND VESTING OF UNDERTAKING

4.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the entire business and whole of the Undertaking of the Transferor Company including all its properties and assets (whether movable or immovable, tangible or intangible) of whatsoever nature including investments, licenses, permits, quotas, approvals, lease, tenancy rights, permissions, incentives, development of rights, if any, and all other rights, title, interest, contracts, consents, approvals or powers of every kind, nature and descriptions whatsoever and all nature of liabilities shall, under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, and without further act, instrument or deed, be and shall stand transferred to and / or vested in or be deemed to have been and stand transferred to or vested in the Transferee Company as a going concern 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.



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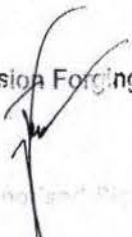
Director

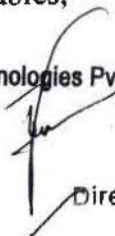
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4.2 Without prejudice to the generality of Clause 4.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date and without any further act, instrument or deed:

- a. All assets and properties and rights in the immovable properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company including all buildings, warehouses, stores, equipment, structures, offices, all lands (whether freehold or leasehold), and all assets and properties which are acquired / constructed / developed by the Transferor Company on or after the Appointed Date, shall be deemed to be and shall become the assets 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 pursuant to the provisions of Sections 230 to 232 of the Act.
- b. In so far as the immovable properties held by the Transferor Company are concerned, all the rights and privileges attached thereto of the Transferor Company in the immovable properties shall stand transferred to the Transferee Company automatically without requirement of execution of any further documents for registering the name of the Transferee Company as owner thereof and the regulatory authorities, including Sub-registrar of Assurances or similar authorities by whatever name called may rely on this Scheme along with the copy of the Order passed by the Tribunal, to make necessary mutation entries and changes in the land or revenue records to reflect the name of the Transferee Company as owner of the immovable properties.
- c. In respect of such of the assets and properties forming part of the assets pertaining to the Transferor Company as are movable in nature or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and / or novation and / or delivery, the same shall stand transferred by the Transferor Company upon coming into effect of the Scheme and shall become the assets and properties of the Transferee Company with effect from the Appointed Date without requiring any deed or conveyance for transfer of the same.
- d. In respect of the assets other than those dealt within sub-clause (c) above and forming part of the assets, including but not limited to sundry debts, receivables,



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bills, credits, loans, advances and deposits, bank balances, investments and deposits with any governmental authority, quasi government, local or other authority or body or with any company or other person pertaining to the Transferor Company, whether recoverable in cash or in kind or for value to be received, the same shall stand transferred to and vested in the Transferee Company without any notice or other intimation to any person in pursuance of the provisions of the Sections 230 to 232 of the Companies Act, 2013, read with other relevant provisions of the Act to the end and intent that the right of the Transferor Company to recover or realise the same stand transferred to the Transferee Company.

- e. All the liabilities including all secured and unsecured debts, liabilities including contingent liabilities, leases, sundry creditors, duties, obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operations shall, under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, and without further act, instrument or deed, be and the same shall stand transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company without any further act, instrument or deed, along with any charge, lien, encumbrance or security thereon, and the same shall be assumed to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain consent of any third party or other person who is a party to the contract or arrangements by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Scheme. 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 of the Transferor Company as are vested in the Transferee Company by virtue of the Scheme. Notwithstanding the aforesaid, in case of secured creditors, approval of secured creditors with requisite majority will be sought by the Transferor and the Transferee Company as may be directed by the Tribunal or any other competent authority as may be applicable.
- f. Where any such debts, loans raised, liabilities, duties and obligations of the Transferor Company as on or arising after the Appointed Date have been



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discharged or satisfied by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.

4.3 The Transferor Company may be entitled to various benefits under incentive schemes and policies under various laws, regulations and notifications. Pursuant to this Scheme, the benefits under all of such schemes and policies shall be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever including tax concessions (not limited to income tax, tax deducted at source, tax holiday, special economic zone related benefits, export oriented units benefits, tax losses, unabsorbed depreciation, fringe benefit tax, sales tax, value added tax (VAT), turnover tax, excise duty, service tax, customs, goods and service tax (GST), minimum alternate tax credit entitlement whether recognized or not, unutilized deposits or credits, benefits under the GST/ VAT / Sales Tax Law, VAT / Sales Tax set off, benefits of any unutilized MODVAT / CENVAT / Service Tax credits / input tax credit under goods and service tax etc. and others) and incentives shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive scheme and policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits under the incentive schemes and policies were made available to the Transferor Company. Further, 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 shall stand transferred and vested with the Transferee Company.

4.4 Upon the coming into effect of this Scheme and till such time that the name of the bank accounts of the Transferor Company has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company in the name of the Transferor Company and for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments, payment



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orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company.

- 4.5 Upon the coming into effect of this Scheme, all agreements, options, rights, contracts (including any customer, vendor and all contractual and statutory rights in law and equity), entitlements, licenses, permits, market authorizations, permissions, incentives, approvals, registrations, tax deferrals and benefits, subsidies, concessions, exemptions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, designs, quota rights, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), put and/or call option agreements, the benefit of all brands, copyrights, trademarks, statutory and regulatory permissions, environmental approvals and consents, goods and service tax registrations, or other licenses and consents, benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Transferor Company shall stand transferred and vested with the Transferee Company by operation of law and shall remain valid, effective and enforceable on the same terms and conditions.
- 4.6 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Transferee Company will be entitled to all the trade and service names and marks, brands, patents, copyrights, licenses, marketing authorizations, approvals and marketing tangibles of the Transferor Company including registered and unregistered trademarks along with all rights of commercial nature including those attached to goodwill, title, interest, labels and brands registrations, copyrights, trademarks and all such other industrial or intellectual rights of whatsoever nature, and the Transferee Company may take such actions as may be necessary and permissible to get the same transferred and /or registered in the name of the Transferee Company.
- 4.7 Upon the coming into effect of this Scheme, amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any security deposits, tax, duty, cess or of any excess payment shall stand transferred and vested with the Transferee Company.



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4.8 Upon the coming into effect of this Scheme, right to any claim not preferred or made by the Transferor Company in respect of any refund of tax, duty, cess, security deposit or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of set-off, carry forward of unabsorbed losses, carry forward of unabsorbed depreciation, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income Tax Act, 1961, or any other or like benefits under the said acts or under and in accordance with any law or act, shall stand transferred and vested with the Transferee Company.

4.9 The vesting of the entire undertaking of the Transferor Company, as aforesaid, shall be subject to the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets of Transferor Company or part thereof on or over which they are subsisting on and no such Encumbrances shall extend over or apply to any other asset(s) of Transferee Company. Any reference in any security documents or arrangements (to which Transferor Company is a party) related to any assets of Transferor Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of Transferee Company. Similarly, Transferee Company shall not be required to create any additional security over assets vested under this Scheme for any loans, debentures, deposits or other financial assistance already availed of /to be availed of by it, and the Encumbrances in respect of such indebtedness of Transferee Company shall not extend or be deemed to extend or apply to the assets so vested; provided, however, that the foregoing shall not be applicable to any security or Encumbrance that the Transferor Company is required to create (subject to receipt of any Permits) over its assets as on the Effective Date.

5. CONSIDERATION FOR AMALGAMATION

5.1 The Transferor Company is the wholly owned subsidiary of the Transferee Company. The entire issued, subscribed and paid up equity share capital of the Transferor Company is held by the Transferee Company and its nominee. On account of the foregoing, upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of the holding of equity

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shares in Transferor Company and the entire share capital of the Transferor Company shall stand cancelled.

5.2 Upon the coming into effect of this Scheme, the share certificates, if any, and / or the shares in electronic form or physical form as the case may be, representing the equity shares held by the Transferee Company in the Transferor Company shall be deemed to be cancelled without any further act or deed.

6. ACCOUNTING TREATMENT

On the Scheme becoming effective, the Transferee Company shall account for the amalgamation of the Transferor Company in its books of accounts in the following manner:

6.1 In the books of account of the Transferee Company, all the identifiable assets and liabilities of the Transferor Company would be recorded at their respective carrying values which were appearing in the consolidated financial statements of the Transferee Company immediately before the merger, whether or not recognised in the standalone financial statements of the Transferor Company. No adjustments shall be made to such carrying values nor any new assets or liabilities previously not recognized in consolidated financial statements of transferee company shall be recognized pursuant to the merger;

6.2 Any inter-company balance(s) including but not limited to inter-company loans and the investment of Transferee Company in the share capital of the Transferor Company will stand cancelled and there shall be no further obligation/outstanding in that behalf;

6.3 The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if the Transferor Company and Transferee Company came under common control ("common control date") after the beginning of the preceding period in the financial statements, the prior period information shall be restated only from the common control date.

6.4 In the books of account of the Transferee Company, the reserves pertaining to the Transferor Company would be recorded at their carrying values which were appearing in the consolidated financial statements of the Transferee Company immediately before the merger.



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7. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

During the period between the Appointed Date and the Effective Date:

- 7.1 The Transferor Company shall carry on and deemed to have carried on its business and activities and shall stand possessed of its entire business and undertakings, in trust for the Transferee Company and shall account for the same to the Transferee Company.
- 7.2 All profits or income arising or accruing to the Transferor Company and all Taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, dividend distribution tax, securities transaction tax, taxes withheld/paid in a foreign country, etc.) or losses arising or incurred by the Transferor Company shall, for all purposes, be treated as and deemed to be the profits or income, taxes or losses, as the case may be, of the Transferee Company.
- 7.3 The Transferor Company shall carry on its Business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto, and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for themselves or on behalf of its respective affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any of its properties/assets, except where the same is expressly provided in this Scheme or it is in the ordinary course of business.
- 7.4 Except by consent of the Transferee Company, or except pursuant to any prior commitment, obligation or arrangement existing or undertaken by the Transferor Company as on the date of sanction of this Scheme by the Board, or except as contemplated in this Scheme, pending sanction of this Scheme, the Transferor Company shall not make any change in its capital structure either by way of any increase (by issue of equity shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of re-organisation of capital of the Transferor Company.



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7.5 All tax payments (including, without limitation, income tax, central goods and service tax, state goods and service tax of respective states, integrated goods and service tax, sales tax, excise duty, customs duty, service tax, VAT, CENVAT credit, input tax credit, etc.), whether by way of deduction at source, minimum alternate tax credit, dividend distribution tax, advance tax, taxes withheld / paid in foreign country, securities transaction tax, or otherwise howsoever, by 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.

7.6 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central / State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which the Transferee Company may require to carry on the business of the Transferor Company and give effect to the Scheme.

8. PROFITS AND DIVIDENDS

8.1 The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim and/or final, to their respective shareholders prior to the Effective Date. Dividend by the Transferor Company shall be recommended / declared by obtaining the consent of the Transferee Company.

8.2 It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company or Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of the Transferor Company or Transferee Company and subject, wherever necessary, to the approval of the shareholders of the Transferor Company or Transferee Company.

9. LEGAL PROCEEDINGS

9.1 Any suit, petition, appeal or other proceeding of whatsoever nature and any orders of court, judicial or quasi-judicial tribunal or other governmental authorities enforceable by or against the Transferor Company including without limitation any restraining orders pending before any court, judicial or quasi-judicial tribunal or any other forum, relating to the Transferor Company, whether by or against the Transferor Company, pending as on the Effective Date, shall not abate or be discontinued or in any way prejudicially affected by reason of the amalgamation

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of the Transferor Company or of any order or direction passed or issued in the amalgamation proceedings or anything contained in this Scheme, but by virtue of the order sanctioning the Scheme, such legal proceedings shall be continued and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, as if this Scheme had not been implemented.

9.2 After the Appointed Date and until the Effective Date, the Transferor Company shall defend all legal proceedings, other than in the ordinary course of business, with the advice and instructions of the Transferee Company.

9.3 The continuance of the proceedings by or against the Transferee Company shall not affect any transaction or proceeding already completed by the Transferor Company between the Appointed Date and the Effective Date to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company as acts, deeds and things done and executed by and on behalf of the Transferee Company.

10. CONTRACTS, DEEDS, ETC.

10.1 Subject to the other provisions contained in this Scheme, all applications with regulatory authorities, contracts, deeds, bonds, agreements and other instruments of whatever nature (including any indemnity rights accruing to the Transferor Company) to which, the Transferor Company is a party subsisting or having effect immediately before the Scheme coming into effect shall be in full force and effect against or in favour of the Transferee Company, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

10.2 Upon the Scheme becoming effective, all permits, quotas, rights, entitlements, privileges, powers, facilities, subsidies, special status and other benefits or privileges (granted by any Government body, local authority or by any other person) of every kind and description of whatsoever nature in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible, or having effect immediately before the Effective Date, shall be and remain in full force and effect in favour of or against the Transferee Company, as the case may be, and may be enforced fully and effectually as if, instead of the



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Transferor Company, the Transferee Company had been a beneficiary or obligee thereto.

- 10.3 With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licences, permissions or approvals or consents required to carry on the business of the Transferor Company shall stand vested in or transferred to the Transferee Company without any further act or deed, and shall be appropriately mutated by the Transferor Company therewith in favour of the Transferee Company. The benefit of all such statutory and regulatory permissions, licences, approvals and consents including statutory licences, approvals, permissions or approvals or consents required to carry on in any manner, shall vest in and become available to the Transferee Company pursuant to the Scheme.
- 10.4 The Transferee Company shall enter into and / or issue and / or execute deeds, writings or confirmations or enter into any tripartite agreement, confirmations or novations to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Scheme, if it is so required or if it becomes necessary. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf and in the name of the Transferor Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.
- 10.5 The Transferee Company shall be entitled to the benefit of all insurance policies which have been issued in respect of the Transferor Company and the name of the Transferee Company shall be substituted as "insured" in the policies as if the Transferee Company was initially a party thereto.

11. SAVING OF CONCLUDED TRANSACTIONS

- 11.1 The transfer of business, assets, properties and liabilities under Clause 4 above and the continuance of proceedings by or against the Transferee Company under Clause 9 above shall not affect any transaction or proceedings already concluded by the Transferor Company 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 Company as acts, deeds and

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things made, done and executed by or on behalf of the Transferee Company in accordance with this Scheme.

12. STAFF, WORKMEN & EMPLOYEES

12.1 On the Scheme becoming operative, all staff and employees, if any, of the Transferor Company in service on the Effective Date shall be deemed to have become staff and employees of the Transferee Company without any interruption / break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company on the Effective Date. The Transferee Company agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of employees of the Transferor Company and such benefits to which the employees of the Transferor Company are entitled in the Transferor Company shall also be taken into account, and the Transferee Company agrees and undertakes to pay the same as and when payable.

12.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff and employees of the Transferor Company, if any, shall become the trusts / funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such Fund or Funds shall become those of the Transferee Company. In the event the Transferee Company has its own funds in respect of any of the Employee Benefit Funds, such contributions and investments shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, be transferred to the relevant funds of the Transferee Company and shall be held for the benefit of the concerned employees of the Transferor Company.

12.3 In relation to those employees of the Transferor Company for whom the Transferor Company is making contributions to the government provident fund, the Transferee Company shall stand substituted for the Transferor Company, for

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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 of the Transferor Company.

- 12.4 The Boards of Directors of the Transferor Company and the Transferee Company shall take such actions and execute or cause to do so and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause 12.

13. COMBINATION OF AUTHORISED SHARE CAPITAL

- 13.1 Upon the Scheme becoming effective, the authorised share capital of the Transferor Company will get amalgamated with that of the Transferee Company without payment of any additional fees and duties as the said fees have already been paid. The authorised share capital of the Transferee Company will automatically stand increased to that effect upon filing of the requisite forms with the Registrar of Companies and no separate procedure or instrument or deed or payment of any stamp duty and registration fees shall be required to be followed under the Act.

- 13.2 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 of association and article of association of the Transferee Company to give effect to the provisions of the Scheme and the Transferee Company shall not be required to seek separate consent / approval of its shareholders for the alteration of the memorandum of association and article of association of the Transferee Company, to give effect to the provisions of the Scheme as required under Sections 13, 14, 61 and 64 of the Act and other applicable provisions of the Act.

14. CHANGE IN MAIN OBJECTS CLAUSE OF MEMORANDUM OF ASSOCIATION OF THE TRANSFEREE COMPANY

- 14.1 With effect from the Appointed Date, the main object clause of the Memorandum of Association of the Transferee Company shall be deemed to be altered and amended, without any further act or deed, to include the objects as required for the purpose of carrying on the business activities of the Transferor Company pursuant to the applicable provisions of the Act. Accordingly, Part A of Clause

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III of the Memorandum of Association of the Transferee Company shall be altered and amended. The revised main object clause of the Transferee Company shall be read as under:

1. To design, develop, manufacture, assemble, test, import, export, buy, sell, lease, hire, distribute, process, use, service, repair, stock, deal, laminate, renovate, recondition, overhaul, braze and trade (through any mode) automobile parts, automobile components, automobile assemblies and automobile accessories of every description, including, precision forgings and castings of all types (including items of ferrous and non-ferrous metals), precision machined components and assemblies, for application or use in automotive and general industries, associated parts, components, accessories and products, dies, tools, fixtures for use in manufacturing of precision forgings, castings and components of all types, parts thereof including gears of all types, synchronisers, linkages, clutch parts, shifters, yokes, ball pins, cups, sleeves, castings and any accessories, materials, equipment, stores and products related thereto.
2. To establish and carry on in India and abroad the business of manufacturing and/or assembling automobile parts, automobile components, automobile assemblies and automobile accessories of every description including testing, buying, reselling, selling, trading, packing, importing, exporting, exchanging, hiring, distributing, supplying, sub-contracting, altering, improving, assembling, brazing, soldering, welding, cleaning, servicing, cutting, shaping, milling, rolling, rerolling, forging, stamping, casting, laminating, reconditioning, renovating, stockist, franchisers, agents, brokers, lessors, warehouses, wholesalers, retailers, jobworkers or otherwise to deal in all types, varieties, models, shapes, sizes, specifications, descriptions, applications, and use of replacement parts, spare parts, systems, assemblies, accessories, tools, implements, motors, power units, transmission and propulsion systems, chassis, bodies, substances, equipments, tools, dies, jigs, structures, mould, gauges, beams, and other allied goods, articles and things for motor car, trawler, trucks, tankers, buses, cycle, cars, racecars, defence vehicle, ambulance, tempos, tractors, motor lorries, motorcycles, omnibuses, vans, jeeps, scooters, locomotives, tanks, mopeds, three wheelers and other vehicles of all kinds and descriptions used for defence and transporting, passengers, goods and animals and to do all incidental acts and things necessary for the attainment of above objects.
3. To design, develop, manufacture, buy, sell, lease or hire, export, process, use, deal and trade in plant, machinery, equipment apparatus, materials, articles and commodities in relation to designing, developing, manufacturing, testing, assembling, installing, repairing, reconditioning and overhauling Automotive Components and Assemblies of all types, parts, components and accessories thereof and products related thereto to be used in Automotive and General Industries.
4. To design, and offer technical services to industries on manufacturing of precision forgings, castings, machined components and assemblies and things related to project planning and implementation, process development, productivity related activities, quality upgradation, imports and exports.
5. To carry on business in India and abroad, to import and export, trade, buy and sell, design and develop, modify, deal sell on royalty, provide contract design services and systems, computer related software consultancy and

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other information services (including conducting related evaluations and studies and making reports and specifications), install, service and maintain all type of software programs and packages including automotive computer software and like systems, computer based image processing systems and artificial intelligence, robotic and communication systems, engineering analysis, design, development and application engineering for automotive components and related products, and manufacture and produce, assemble, import and export, trade, buy and sell hardware for use in system engineering, automotive computer software and like systems.

6. To carry on, manage, supervise and control the business of transmitting, manufacturing, supplying, generating, and dealing in electricity and power generated by any source like solar or wind."

14.2 For the purposes of the amendment in the Memorandum of Association of the Transferee Company as provided in this Clause, the consent/ approval given by the members of the Transferee Company to this Scheme pursuant to Section 232 of the Act and any other applicable provisions of the Act shall be deemed to be sufficient to give effect to the provisions of the Scheme and no further resolution of members of the Transferee Company as required under Section 13 of the Act and any other applicable provisions of the Act shall be required to be passed for making such change/ amendment in the Memorandum of Association of the Transferee Company.

14.3 The Transferee Company shall file with the Registrar of Companies, all requisite forms and complete the compliance and procedural requirements under the Act, if any.

15. WINDING UP

On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up and its name shall be struck off from the records of the appropriate Registrar of Companies.

PART C - GENERAL TERMS AND CONDITIONS

16. VALIDITY OF RESOLUTIONS

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

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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.

17. APPLICATION TO THE TRIBUNAL

The Transferor Company and the Transferee Company shall, as may be required, make all necessary applications and / or petitions to Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Act read with applicable Rules for sanction of this Scheme and all matters ancillary or incidental thereto.

18. MODIFICATION OR AMENDMENTS TO THE SCHEME

Subject to approval of Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, the Transferee Company and the Transferor Company with the approval of their respective Board of Directors which includes the Committee of Directors, may consent, from time to time, on behalf of all persons concerned, to any modifications / amendments or additions / deletions to the Scheme which may otherwise be considered necessary, desirable or appropriate by the Board of Directors to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds matters, and things necessary for bringing this Scheme into effect or agree to any terms and / or conditions or limitations that the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, may deem fit to approve of, to direct and or impose. The aforesaid powers of the Transferee Company and the Transferor Company to give effect to the modification / amendments to the Scheme may be exercised by their respective Board of Directors or any person authorised in that behalf by the concerned Board of Directors subject to approval of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable.



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19. CONDITIONALITY OF THE SCHEME

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

- 19.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the members and / or creditors of the Transferor Company and the Transferee Company as may be directed by the Tribunal or any other competent authority, as may be applicable.
- 19.2 The Scheme being sanctioned by the Tribunal or any other competent authority, as may be applicable, under Sections 230 to 232 of the Companies Act, 2013.
- 19.3 Certified copies of the Orders of the Tribunal or any other competent authority, as may be applicable, being filed with the Registrar of Companies by the Transferor Company and the Transferee Company.

20. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and / or the Scheme not being sanctioned by the Tribunal or any other competent authority, this Scheme shall stand revoked, cancelled and be of no effect. In such event, each party shall bear and pay its respective costs, charges and expenses for and / or in connection with the Scheme.

21. TAXES / DUTIES / CESS ETC.

- 21.1 With effect from the Appointed Date, all income tax paid (including advance tax and self-assessment tax), income tax refund due or receivable, tax deducted at source, alternative minimum tax, minimum alternate tax, wealth tax, carried forward losses, depreciation, capital losses, pending balances of amortizations, tax holiday benefits, incentives, credits (including tax credits), minimum alternate tax credit entitlement, tax losses (if available) etc., under the Income Tax Act, 1961 in respect of any assessment and/or appeal, (whether as per books or as per the Income Tax Act, 1961) and any rights / refunds under Income Tax Act, 1961 including applications for rectification, appeals filed with tax authorities of the Transferor Company or other provisions of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company

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and shall be treated as paid by the Transferee Company and it shall be entitled to claim credit, refund or adjustment for the same as may be applicable.

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- 21.2 Upon this Scheme being effective, the Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, including tax deducted / collected at source returns, service tax returns, excise tax returns, sales tax / VAT/ GST returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds or credits etc. if any. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired.

22. WITHDRAWAL OF THIS SCHEME

The Transferor Company and the Transferee Company may through mutual consent and acting through their respective Board of Directors shall be at the liberty to withdraw this Scheme from the Tribunal.

23. 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 Board of Directors of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and / or provisions of this Scheme. If any Part or provision of this Scheme hereof is invalid, ruled illegal by Tribunal or such other competent authority, or unenforceable under present or future laws, then it is the intention of the Parties that such Part or provision, as the case may be, shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such Part or provision, as the case may be, shall cause this Scheme to become materially adverse to any Party, in which case the Parties shall attempt to bring about a modification in the Scheme, as will best preserve for the Parties the benefits and obligations of the Scheme, including but not limited to such Part or provision.

24. COSTS, CHARGES & EXPENSES

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

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Transferor Company or the Transferee Company as may be mutually agreed by
the respective Board of Directors.

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25. FURTHER ASSURANCES

The Transferor Company and the Transferee Company shall co-operate with each other and shall take all reasonable steps, acts, deeds, and things as deemed necessary or desirable including making applications, submissions, etc., to give effect to the Scheme and the transactions contemplated hereunder.

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