

Memorandum and Articles
of
Association of

Maruti Suzuki India Limited

भारत सरकार - कॉर्पोरेट कार्य मंत्रालय

कम्पनी रजिस्ट्रार कार्यालय, राष्ट्रीय राजधानी क्षेत्र दिल्ली एवं हरियाणा

नाम परिवर्तन के पश्चात् नया निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : L34103DL 1981PLC011375

मैसर्स MARUTIUDYOG LTD

के मामले में, मैं एतद्वारा तत्पापित करता हूँ कि मैसर्स
MARUTIUDYOG LTD

जो मूल रूप में दिनांक चौबीस फरवरी, उन्नीस सौ इक्यासी को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स
MARUTI UDYOG LTD.

के रूप में निगमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 की शर्तों के अनुसार विधिक आवश्यक विनिश्चय पारित करके तथा लिखित रूप में यह
तुष्टि करके की उसे भारत का अनुषोदन, कम्पनी अधिनियम, 1956 की धारा 21 के साथ पठित, भारत सरकार, कम्पनी कार्य विभाग, नई दिल्ली की अधिसूचना
सं.सा.का.नि. 507 (अ) दिनांक 24-6-1985 एस.आर.एन. A21802988 दिनांक 17/09/2007 के द्वारा प्राप्त हो गया है, उक्त कम्पनी का नाम आज परिवर्तित रूप
में मैसर्स
MARUTI SUZUKI INDIA LIMITED

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

यह प्रमाण-पत्र, मेरे हस्ताक्षर द्वारा दिल्ली में आज दिनांक सत्रह सितम्बर, दो हजार सात को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS

Registrar of Companies, National Capital Territory of Delhi and Haryana

Fresh Certificate of Incorporation Consequent upon Change of Name

Corporate Identity Number : L34103DL 1981PLC011375

In the matter of M/s MARUTI UDYOG LTD

I hereby certify that MARUTI UDYOG LTD. which was originally incorporated on Twenty Fourth day of February Nineteen Hundred Eighty One under the Companies Act, 1956 (No. 1 of 1956) as MARUTI UDYOG LTD. having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R. 507 (E) dated 24/06/1985 vide SRN A21802988 dated 17/09/2007 the name of the said company is this day changed to Maruti Suzuki India Limited and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Delhi this Seventeenth day of September, Two Thousand Seven.



Sd/-
(TEJ PRAKASH SHAMI)

कम्पनी रजिस्ट्रार / Registrar of Companies
राष्ट्रीय राजधानी क्षेत्र दिल्ली एवं हरियाणा
National Capital Territory of Delhi and Haryana

कम्पनी रजिस्ट्रार के कार्यालय अधिलेख में उपरोक्त पता का पता :
Mailing Address as per record available in Registrar of Companies office :
MARUTI SUZUKI INDIA LIMITED
11TH FLOOR, JEEVAN PRAKASH, 25, KASTURBA GANDHI MARG,
NEW DELHI-110001
INDIA



सत्यमेव जयते

प्रारूप० आई० आर०

Form I. A.

निगमन का प्रमाण-पत्र

CERTIFICATE OF INCORPORATION

सं०..... 11375 शक..... 1902
No..... 11375 of 19..... 80 - 81

मैं एतद् द्वारा प्रमाणित करता हूँ कि आज.....
..... मारुति उद्योग लिमिटेड

कम्पनी अधिनियम 1956 (1956 का 1) के अधीन नियमित की गई है और यह कम्पनी
परिसीमित है।

I hereby certify that..... MARUTI UDYOG LIMITED

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

मेरे हस्ताक्षर से आज ता० 5 फाल्गुन, 1902 को दिया गया।

Given under my hand at... NEW DELHI ...this... TWENTY FOURTH

day of... FEBRUARY... One thousand nine hundred and... EIGHTY ONE

SEAL OF THE
REGISTRAR OF COMPANIES
DELHI & HARYANA

Sd/-
(SOORAJ KAPOOR)
कम्पनी रजिस्ट्रार

Registrar of Companies
DELHI & HARYANA

The Companies Act, 2013
and
The Companies Act, 1956 (to the extent applicable)
Company Limited by Shares
Memorandum of Association
of
Maruti Suzuki India Limited

- I. The name of the Company is Maruti Suzuki India Limited.
- II. The registered office of the Company will be situated in the Union Territory of Delhi.
- III (a). The objects to be pursued by the Company on its incorporation are:
 - 1****. To carry on the business of manufacturers, buyers, sellers and dealers in, automobiles, motor-cars, lorries, buses, vans, motor-cycles, cycle-cars, motor, scooters, carriages, amphibious vehicles, and vehicles suitable for propulsion on land, sea or in the air or in any combination thereof, vehicles of all descriptions, drones, unmanned aerial vehicles (UAVs), unmanned aircraft systems (UAS), and all related components, accessories, and technologies in relation thereto (all hereinafter comprised in the term “motor and other things”), whether propelled or assisted by means of petrol, diesel, spirit, steam, gas, electrical, animal or other power, and of internal combustion and other engines, chassis-bodies and other components, parts and accessories and all machinery, implements, utensils, appliances, apparatus, lubricants, cements, solutions, enamels, sensors, payloads, batteries, propulsion systems, control systems, and all things capable of being used for, in, or in connection with manufacture, maintenance and working of motors and other things or in the construction of any track or surface adapted for the use thereof and to establish and operate facilities for testing, training, and data processing as may be conducive to any of the foregoing activities.
 2. To carry on the business of garage keepers and suppliers of and dealers in petrol, electricity and other motive power for motors and other things.
 3. To carry on the business of iron founders, mechanical engineers and manufacturers of machinery, tool makers, brass founders, metal workers, boiler makers, millrights, machinists, iron and steel converters, smiths, wood workers, builders, electroplaters, chromium platers, lacquerers, enamellers, painters, metallurgists, electrical engineers and printers and to carry on any branch of manufacturing and engineering business.

- 4*. To carry on the business of engineering, manufacturing, assembling, selling, supplying, importing, exporting and otherwise dealing in all kinds of powertrain parts and components of automobiles which include engines (petrol, diesel, etc.) and transmission for such engines and their components like transmission case, gears, shafts and yorks.
- 5*. To manufacture, sell, import, export and generally to deal in all types of materials, equipment, appliances, devices and contrivances required for the manufacture, assembly, preparation and production of the aforesaid parts and components or for the marketing and distribution thereof.
- 6*. To carry on the business of manufacturers, assemblers, makers, importers, exporters, buyers, sellers, suppliers, stockists, agents, distributors, merchants and dealers in parts and components of automobiles and two wheelers, including, without limitation, aluminum die casting and low pressure casting parts such as cylinder blocks, transmission cases and cylinder heads for automobiles as well as materials required or used for manufacture of such parts and components.

* (As amended by scheme of amalgamation approved by the order of the Hon'ble High Court of Delhi dated 29th January 2013.)

- 7**. To act as insurance intermediary, including brokers, agents, insurance consultants, surveyors, loss assessors and third party administrators, in regard to insurance business whether it may be general insurance business or life insurance business, as the case may be, and to carry on business as corporate insurance agents in respect of all classes of insurance, including motor, marine, fire, accident, burglary, insurance and workmen's compensation indemnity.

** (As amended by scheme of amalgamation approved by the order of the Hon'ble National Company Law Tribunal dated 27th June, 2017.)

- 8***. To carry on the business of: (i) operating/maintaining/availing/providing web-based services, information technology platforms and other IT-enabled services on digital and electronic networks for facilitating sale and/or provision of goods and services, and to undertake all activities that are incidental or ancillary thereto, including, but not limited to: (a) partnering with third party operators and service providers for the operation/maintenance/availing/provision of such platforms and ancillary services; (b) levying fees/charges for providing such platforms; (c) providing advertising space to third party sellers/service providers on such platforms; and (d) facilitating payments by customers for purchase of such goods and/or availing of such services; and (ii) developing and selling / licensing software and relevant applications (including through third party providers) for automobile / mobility management, including but not limited to fleet management services.

*** (As amended pursuant to Special Resolution passed through Postal Ballot on 16th March, 2021)

- 9A****. To carry on the business of operating, managing and providing integrated fleet and mobility services including subscription services, shared mobility, last-mile connectivity, vehicle leasing, transportation and any other form of mobility solution and in connection therewith, to acquire, own, hire, lease, operate, maintain or otherwise deal in vehicles of all types and descriptions for commercial, public or private use, and to undertake any and all activities ancillary, incidental or conducive thereto.
- 9B****. To engage in the business of purchasing, selling, exchanging, marketing, auctioning, and otherwise dealing in used, pre-owned or second-hand automotive vehicles of every kind and to provide related value-added services including refurbishment, inspection, certification, valuation, warranty and facilitation of transactions through physical, digital or hybrid platforms, and to undertake all activities incidental or ancillary thereto.
- 9C****. To set up, develop, operate, manage and maintain charging infrastructure and related facilities for electric vehicles (EV) and other alternative fuel-powered vehicles, including battery charging and swapping stations and allied infrastructure; and to develop, produce, procure, distribute, market and trade in Compressed Biogas (CBG), Hydrogen Gas, Fermented Organic Manure (FOM), Organo Mineral Fertilizers (OMF), briquettes, pellets and their derivatives and to undertake all activities incidental or ancillary thereto.
- 9D****. To provide (i) consultancy, advisory and technical services (including research and development) in mobility solutions, vehicle design & engineering, vehicle testing, certification and homologation (including services to third parties and government bodies); (ii) vehicle testing facilities, proving grounds, and associated infrastructure to customers and regulatory agencies; (iii) supply chain, warehousing, logistics and inventory management services; and (iv) all kind of services including administrative, engineering, quality, information technology, compliance, risk management and to undertake all incidental, ancillary or conducive activities thereto.
- 9E****. To carry on the business of trading, acquiring, transferring, aggregating, and monetizing carbon credits, renewable energy certificates, green certificates, and other environmental instruments, including but not limited to voluntary and compliance-based carbon offsets, and to provide related advisory, aggregation or marketplace services and to undertake all activities incidental or ancillary thereto.
- 9F****. To carry on the business of collection, procurement, transportation, dismantling, segregation, recovery, reuse, recycling, remanufacturing, processing, sale, or disposal of end-of-life vehicles (ELVs), automotive and industrial scrap, including ferrous and non-ferrous metals, plastics, glass, rubber, electronic waste, and other recoverable materials; and to establish and operate facilities for the treatment, recycling or conversion of such materials into usable products or raw materials; and to undertake all activities incidental, ancillary or conducive thereto.

****(As amended pursuant to Special Resolution passed at the 44th Annual General Meeting held on 28th August 2025.)

- (b) Matters which are necessary for furtherance of the objects specified in clause 3(a) are:
1. To enter into any agreement in connection with the main objects of the Company with any company, situated in and outside India which may conveniently be implemented by the Company.
 2. To acquire by purchase, lease, exchange, hire or otherwise, lands, buildings and hereditaments of any tenure or description, and any estate or interest therein and any rights in or connection with land and either to retain the same for the purpose of the Company's business or to turn the same to account as may seem expedient.
 3. To acquire, construct, erect, laydown, maintain, enlarge, alter, work and use all such lands and buildings, easements, gas and other works, machinery, plant, mills, stock, pipes, lamps, motors fittings, meters, apparatus, materials, and things, as may be necessary, incidental or convenient, in connection with the production, use, storage, regulation, measurement, supply and distribution of any of the products of the Company.
 4. To undertake research work and to expend money in experiment and test and in improving or seeking to improve and giving publicity and placing upon the market any products which the Company may or may propose to manufacture, or distribute any patents, inventions, processes, information or rights which the Company may acquire or lease or propose to acquire.
 5. To apply for, purchase or otherwise acquire any trade marks or any patents, licences or any other forms of intellectual property rights as may be applicable, concessions and the like, conferring any exclusive or non-exclusive or limited right of any kind, which may appear to be necessary or convenient for the business of the Company, and to purchase or otherwise acquire any secret or other information as to any invention or process which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated, directly or indirectly to benefit this Company, and to use, exercise, develop, protect, prolong, renew, grant license, in respect of, sell or otherwise turn to account the trade marks, patents, rights or information so acquired.
 6. To take part in the supervision or control of the business or operations of any company or undertaking, having object(s) similar to that of the Company and for that purpose to appoint and remunerate any directors, accountants or other experts or agents, and to act as agents of any such company or undertaking.
 7. To acquire and undertake the whole or any part of the business, property and liabilities of any person or company carrying on any business which this Company is authorized to carry on, or possessed of property suitable for the purposes of this Company.
 8. To enter into any agreement in connection with any of the objects of the Company with any governments or authorities (supreme, provincial, state, municipal, local or otherwise), or any corporations, companies or persons that may seem conducive to the Company's objects or any of them, and to obtain from any such government, authority,

corporation, company or person any charters, contracts, decrees, rights, sanctions, subsidies, loans, indemnities, privileges and concessions or licences which the Company think desirable to obtain and carry out, exercise and comply with the same.

9. To enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint venture, reciprocal concession or otherwise, with any person or company carrying on or engaged in, or about to carry on or engage in, any business or transaction which the Company is authorized to carry and to lend money to, guarantee the contracts of, or otherwise to assist any such person or company, and to take and otherwise acquire shares and securities of any such company, and to sell, hold, reissue with or without guarantee, or otherwise deal with the same.
10. To sell or otherwise dispose of the undertaking of this Company or any part thereof, for such consideration as the Company may think fit and in particular for shares, debentures or securities of any company purchasing the same.
11. To promote and undertake the formation of any institution or company or companies for the purpose of acquiring all or any of the property rights and liabilities of this Company, or for any other purpose which may seem, directly or indirectly calculated to benefit this Company or form any subsidiary company or companies.

(As amended by a resolution passed in extraordinary general meeting held on 4th February 1987.)

12. To invest moneys of the Company in and subscribe for, take, acquire, hold and deal in shares, stock, debentures or securities of any other company or corporation, whatsoever and to invest moneys of the Company on any other securities and in any other manner, including the purchase of any book or other debts.
13. To receive money on deposit at interest or otherwise, and lend money to such persons, and on such terms as may seem expedient, and to guarantee their performance of contract by any such person.
14. To borrow, raise or secure the payment of money in such a manner and upon such terms as the Company shall think fit, and for that purpose or for any other purpose to grant, create, issue, make and give any mortgage or charges or any debentures or debenture stock charged or not charged upon the undertakings or all or any part of the property, and assets of the Company, both present and future, including its unpaid capital for the time being, whether the same shall have been called upon or not, and to issue or deposit with any person lending money to the Company and debentures or debenture stock by way of security, collateral or otherwise, and to purchase, redeem, or pay off any such securities.
15. To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures, and other negotiable or transferable instruments.

16. To sell, improve, manage, develop, lease mortgage, dispose of, turn to account, or otherwise deal with all or any part of the property and rights of the Company.
 17. To act as agents or brokers, and as trustees for any person, firm or company, and to undertake and perform sub-contracts.
 18. To remunerate any person, firm or body corporate rendering services to the Company either by paying commission or brokerage in cash or by allotment, shares and security of the Company credited or paid up in full or part or otherwise.
 19. To procure the Company to be registered or recognized in any foreign country or place.
 20. To pay the costs, charges and expenses preliminary and incidental to the formation, establishment and registration of the Company, and to remunerate any person or company for services rendered or to be rendered in placing or assisting to place, or guaranteeing the placing of any of the shares of the Company's capital, or any debenture or other securities of the Company, or in or about the conduct of its business.
 21. To take or otherwise acquire and hold shares, and securities in any company and sell, hold, reissue with or without guarantee or otherwise deal with the same.
 22. To establish and maintain branches, receiving offices and distributing centers either in India or outside India and to enter into contracts or agency agreements with any other person or persons, firms, company or association for establishment and maintenance of such branches, receiving offices and distributing centers for carrying on of the business of the Company.
 - 23*. To amalgamate with any other company.
- *(As amended by resolution passed through postal ballot on 24th February 2012.)
24. To do all or any of the above things in any part of the world, either as principals, agents, contractors, trustees, agents or otherwise, either alone or in conjunction with others, and to do all such other things as are incidental or conducive to the attainment of the above objects or any of them.
 25. To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees and ex-employees and officers and ex-officers (including directors and ex-directors) of the Company, or the dependants or connections of such persons, and to grant pensions and allowances, and to make payments towards insurance, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition, or for any public general or useful object.
 26. To distribute any of the property of the Company among the members in specie, and

in particular any shares, debentures or securities of other companies belonging to this Company, or of which this Company may have the power of disposing.

27. To establish, support and/or aid in the establishment of one or more institute(s) involved in automotive skill development to impart technical/other training.

*(As amended by resolution passed through postal ballot on 24th February 2012.)

28. To carry on the business of the commission agents, contractors, factors, general merchants, exporters and importers, concessionaires, general storekeepers, carriers, forwarding contractors, forwarding agents, warehousemen, designers, or agents or trustees, brokers, representatives or agents, for any person or company.

29. To act as agents or brokers and as trustees for any person or company and to undertake and perform sub-contracts and to do all or any of the above things in any part of the world, and either as principals, agents trustees contractors, or otherwise, and either alone or jointly with others and either by or through agents, sub-contractors, trustees or otherwise.

30. To carry on business as general merchants, and as importers, exporters, buyers and sellers of, either by wholesale or retail, and dealers in goods, wares, merchandise, articles, products produce, substances, commodities and things of every description, and to carry on any branch of mercantile business.

31. To do all other things as may be conducive to the attainment of any of the objects of the Company.

- IV. The liability of the members is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.

- V*. The Authorised Share Capital of the Company is Rs. 18,755,000,000 (Indian rupees eighteen billion seven hundred and fifty five million), divided into 3,751,000,000 (three billion seven hundred and fifty one) equity shares of Rs. 5 (Indian rupees five) each, with the rights, privileges and conditions attaching thereto as may be provided by the Articles of Association of the Company for the time being, with power to increase and reduce the Capital of the Company and to divide the shares in the Capital for the time being into several classes and to attach there to respectively such preferential, deferred, guaranteed, qualified or special rights, privileges and conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company”

**(As amended by scheme of amalgamation approved by the order of the Hon'ble National Company Law Tribunal dated 27th June, 2017)*

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

Name of Subscribers	Addresses, Description and Occupation, if any.	No. of shares taken by each subscriber	Signature of Subscriber	Signature of witnesses and their addresses, description and occupation
1. Munish Chander S/o Babu Lal Gupta	C-II/50, Bapa Nagar, New Delhi SERVICE	ONE	Sd/-	Praveen Aggarwal S/o Shri S.K.Aggarwal, Chartered Accountant, 2/85, Roop Nagar, New Delhi, DELHI
2. Hemant Singh S/o Shri Late Prof. Baljit Singh	DI/80, Chanakyapuri, New Delhi SERVICE	ONE	Sd/-	
3. T.S.Vijaya Raghvan S/o Shri T.Sundara Raghvan	B-608 Curzon Road Apartments K.G. Marg, New Delhi SERVICE	ONE	Sd/-	

Date : 23rd February, 1981.

Place : New Delhi.

ARTICLES OF ASSOCIATION
THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
(Incorporated under the Companies Act, 1956)

ARTICLES OF ASSOCIATION
OF
MARUTI SUZUKI INDIA LIMITED

PRELIMINARY

1. The marginal notes hereto are inserted for convenience and shall not affect the construction hereof and in these presents, unless there be something in the subject or context inconsistent therewith:

“The Act” means the Companies Act, 2013, and includes where the context so admits any re-enactment or statutory modification thereof for the time being in force.

“These Articles” means articles of association for the time being in force.

“The Board of Directors” or the “Board” means the board of directors for the time being of the Company.

“The Chairman” means the chairman of the Board of Directors for the time being of the Company.

“The Chairperson” means the chairperson of the general meeting or a committee of the Board, as the case may be.

“The Company” means Maruti Suzuki India Limited.

“The Directors” means the directors for the time being of the Company and include any person occupying the position of director by whatever name called.

“The Managing Director” or the “Managing Directors” means or mean the managing director or the managing directors, as the case may be, for the time being of the Company.

“The Office” means the registered office for the time being of the Company.

“The Register” means the register of members of the Company required to be kept pursuant to the Act.

“The Registrar” means the Registrar of Companies, Delhi & Haryana. “The Secretary” means the secretary for the time being of the Company appointed by the Board in accordance with the provisions of the Act. “Capital” means the capital for the time being raised or authorised to be raised for the purposes of the Company.

“Dividend” includes any interim dividend.

“Executor” or “Administrator” means a person who has obtained probate or letters of administration, as the case may be, from some competent court.

“Paid up capital” includes capital credited as paid.

“Persons” include any company or association or body of individuals, whether incorporated or not but does not include a firm.

“Month” means calendar month.

“Rules” means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

“Seal” means the common seal of the Company.

“Secretarial Standards” means the secretarial standards specified by the Institute of Company Secretaries of India constituted under section 3 of the Company Secretaries Act, 1980, and approved as such by the Central Government.

“Shares” means the equity shares issued by the Company from time to time, forming part of the equity share capital of the Company and the word “Share” shall be construed accordingly.

“Sweat equity shares” means Shares issued by the Company to employees or directors at a discount or for consideration other than cash for providing know how or making available rights in the nature of intellectual property rights or value additions by whatever name called.

“Suzuki” means Suzuki Motor Corporation of Japan.

“Suzuki Associate” means any trading company, bank, or other company with which Suzuki has continuous business relationship as may be designated by Suzuki other than a company owned directly or indirectly by an automobile manufacturer (except Suzuki and its subsidiaries).

“In writing” and “written” shall include printing, lithography and other modes of representing or reproducing words in a visible form.

Words importing the singular number only shall include the plural number also and vice-versa.

Words importing the masculine gender only shall include the feminine gender.

Subject to the aforesaid, any words or expressions defined in the Act shall, except where the subject or context forbids, bear the same meaning in these Articles.

2. **Table F not to apply** Save as reproduced herein the regulations contained in Table “F” in the Schedule I to the Act shall not apply to the Company.

Share capital and variation of rights

3. **Authorised Share Capital and Shares under control of Board** The authorised share capital of the Company is as mentioned in Clause V of the memorandum of association of the Company. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such Persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
4. **Directors may allot shares otherwise than for cash** Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.
5. **Power to issue Sweat equity shares** The Company may issue Sweat equity shares to employees or Directors subject to the conditions specified in the Act.
6. **Issue of certificate**
 - (1) Every person whose name is entered as a member in the Register shall be entitled to receive after allotment or the date of receipt by the Company of the application for the registration of transfer or transmission or within such period as may be prescribed:

- (a) one certificate for all his shares; or
- (b) several certificates, each for one or more of his shares .

- | | |
|--|---|
| Certificate to bear Seal | (2) Every certificate shall be under the Seal and shall specify the shares to which it relates and the amount paid-up thereon. |
| One certificate for shares held jointly | (3) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders. |
7. **Option to receive share certificate or hold shares with depository** A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialised state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.
8. **Issue of new certificate in place of one defaced, lost or destroyed** If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given.
9. **Provisions as to issue of certificates to apply mutatis mutandis to debentures, etc.** The provisions of the foregoing Articles relating to issue of certificates shall *mutatis mutandis* apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

10. **Power to pay commission in connection with securities issues**
- (i) The Company may exercise the powers of paying commissions conferred by the Act provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules made thereunder.
 - (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.
 - (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
11. **Variation of members' rights**
- (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of such number of shareholders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class as prescribed under the Act.
 - (ii) To every such separate meeting, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
12. **Issue of further shares not to affect rights of existing members**
- The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

13. **Power to issue redeemable preference shares** Subject to the provisions of the Act, the Board shall have the power to issue preference shares of one or more classes which are liable to be redeemed on such terms and in such manner as determined by the Board in accordance with the Act and the Rules made thereunder.
14. **Further issue of share capital** The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to –
- (a) persons who, at the date of offer, are holders of equity shares of the Company. Such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or
- (b) employees under any scheme of employees' stock option; or
- (c) any persons, whether or not those persons include the persons referred to in Article 14(a) or Article 14(b) above.
15. **Mode of further issue of shares** Further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.

Lien

16. **Company's lien on shares** (1) The Company shall have a first and paramount lien—
- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
- (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company:
- Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

Lien to extend to dividends etc.	(2) The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
Waiver of lien in case of registration	(3) Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.
Enforcing lien by sale	(4) The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien: Provided that no sale shall be made— (a) unless a sum in respect of which the lien exists is presently payable; or (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
17. Validity of sale	(1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
Purchaser to be registered holder	(2) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
Purchaser not affected	(3) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
Application of proceeds of sale	(4) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable
Payment of residual money	(5) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Outsider's lien not to affect Company's lien

(6) In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

Provisions as to lien to apply mutatis mutandis to debentures, etc.

(7) The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities including debentures of the Company.

Calls on shares

18. **Board may make calls**

(1) In accordance with the Act and the Rules thereunder, the Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.

Notice of call

(2) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

Board may extend time for payment

(3) The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.

Revocation or postponement of Call

(4) A call may be revoked or postponed at the discretion of the Board.

19. **Call to take effect from date of resolution**

A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

20. **Liability of joint holders of shares** The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
21. **When interest on call or instalment payable**
- (1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board.
 - (2) The Board shall be at liberty to waive payment of any such interest wholly or in part.
22. **Sums deemed to be calls**
- (1) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
 - (2) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- Effect of non-payment of such sums**
23. **Payment in anticipation of calls may carry interest** The Board -
- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate, as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.

Transfer of shares

24. **Instrument of transfer to be executed by transferor and transferee**
- (1) The instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee.
 - (2) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
25. **Board/Committee may refuse to register transfer**
- The Board or committee thereof may, subject to the right of appeal conferred by the Act decline to register -
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
 - (b) any transfer of shares on which the Company has a lien
26. **Board/Committee may decline to recognise instrument of transfer**
- In case of shares held in physical form, the Board or committee thereof may decline to recognise any instrument of transfer unless -
- (a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act;
 - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - (c) the instrument of transfer is in respect of only one class of shares.
27. **Transfer of shares when suspended**
- On giving of previous notice in accordance with the Act and the Rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine in accordance with the Act and the Rules made thereunder.

28. **Provisions as to transfer of shares to apply *mutatis mutandis* to debentures, etc.** The provisions of these Articles relating to transfer of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

Transmission of shares

29. **Title to shares on death of a member** (1) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.
- Estate of deceased member liable** (2) Nothing in Article 29(1) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
30. **Transmission** (1) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either –
- (a) to be registered himself as holder of the share; or
 - (b) to make such transfer of the share as the deceased or insolvent member could have made.
- Board's or committee's right unaffected** (2) The Board or committee thereof shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
31. **Right to election of holder of share** (1) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- Manner of testifying election** (2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

- Limitations applicable to notice** (3) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
32. **Claimant to be entitled to same advantage** A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:
Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.
33. **Provisions as to transmission to apply *mutatis mutandis* to debentures, etc.** The provisions of these Articles relating to transmission by operation of law shall *mutatis mutandis* apply to any other securities including debentures of the Company.
- Forfeiture of shares**
34. **If call or instalment not paid notice must be given** If a member fails to pay any call, or instalment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board or committee thereof may, at any time thereafter during such time as any part of the call or instalment remains unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid,

together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.

35. **Form of notice** The notice aforesaid shall:
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
36. **In default of payment of shares to be forfeited** If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board or committee thereof to that effect.
37. **Receipt of part amount or grant of indulgence not to affect forfeiture** Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.
38. **Entry of forfeiture in register of members** When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

39. **Effect of forfeiture** The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.
40. **Forfeited shares may be sold, etc.** (1) A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board or committee thereof thinks fit.
- Cancellation of forfeiture** (2) At any time before a sale, re-allotment or disposal as aforesaid, the Board or committee thereof may cancel the forfeiture on such terms as it thinks fit.
41. **Members still liable to pay money owing at the time of forfeiture** (1) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
- Member still liable to pay money owing at time of forfeiture and interest** (2) All such monies payable shall be paid together with interest thereon at such rate as the Board or committee thereof may determine, from the time of forfeiture until payment or realisation. The Board or committee thereof may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.
- Cesser of liability** (3) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

42. **Certificate of forfeiture** (1) A duly verified declaration in writing that the declarant is a Director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.
- Title of purchaser and transferee of forfeited shares** (2) The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.
- Transferee to be registered as holder** (3) The transferee shall thereupon be registered as the holder of the share; and
- Transferee not affected** (4) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.
43. **Validity of sales** Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board or committee thereof may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.
44. **Cancellation of share certificate in respect of forfeited shares** Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no

effect, and the Board or committee thereof shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

45. **Surrender of share certificates** The Board or committee thereof may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.
46. **Sums deemed to be calls** The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
47. **Provisions as to forfeiture of shares to apply *mutatis mutandis* to debentures, etc.** The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

Alteration of capital

48. **Power to alter share capital** Subject to the provisions of the Act, the Company may, by passing necessary resolution, -
- (a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;
 - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; and
 - (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

49. **Shares may be converted into stock** Where shares are converted into stock:
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
- Right of stockholders**
- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;
 - (c) such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder”/”member” shall include “stock” and “stock-holder” respectively.
50. **Reduction of capital** The Company may, by resolution as prescribed by the Act and the Rules, reduce in any manner and in accordance with the provisions of the Act and the Rules, —
- (a) its share capital; and/or
 - (b) any capital redemption reserve account; and/or
 - (c) any securities premium account.

Joint Holders

51. **Joint-holders** Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:

Liability of Joint-holders (a) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share.

Death of one or more joint-holders (b) On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.

Receipt of one sufficient (c) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.

Delivery of certificate and giving of notice to first named holder (d) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.

Vote of joint-holders (e) (i) Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally

or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof.

Executors or administrators as joint holders

(ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this Article be deemed joint-holders.

Provisions as to joint holders as to shares to apply *mutatis mutandis* to debentures, etc.

(f) The provisions of these Articles relating to joint holders of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company registered in joint names.

Capitalisation of profits

52. **Capitalisation**

(1) The Company in general meeting may, upon the recommendation of the Board, resolve —

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in Article 52(2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

Sum how applied

(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in Article 52(3) below, either in or towards:

(a) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(b) paying up in full, unissued shares or other securities of the Company to be allotted and

distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

- (c) partly in the way specified in Article 52(2)(a) and partly in that specified in Article 52(2)(b);.
- (d) A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares; or
- (e) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.

Powers of the Board for capitalisation

- (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall -
 - (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, if any; and
 - (b) generally do all acts and things required to give effect thereto.

Board's power to issue fractional certificate/ coupon etc.

- (2) The Board shall have power—
 - (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and
 - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares.

Agreement binding on members (3) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

53. **Buy-back of shares** Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

General meetings

54. **Extraordinary general meeting** All general meetings other than annual general meeting shall be called extraordinary general meeting.

55. **Powers of Board to call extraordinary general meeting** The Board may, whenever it thinks fit, call an extraordinary general meeting.

Proceedings at general meetings

56. **Presence of Quorum** (1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

Business confined to election of Chairperson whilst chair vacant (2) No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.

Quorum for general meeting (3) The quorum for a general meeting shall be as provided in the Act.

57. **Chairperson of the meetings** The Chairman, if any, of the Board shall preside as Chairperson at every general meeting of the Company.

58. **Directors to elect a Chairperson** If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairperson of the meeting, the Directors present shall elect one of their members to be Chairperson of the meeting.

59. **Members to elect a Chairperson** If at any meeting no Director is willing to act as Chairperson or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall on a show of hands or on a poll if properly demanded, elect one of their number to be the Chairperson.
60. **Casting vote of Chairperson at general meeting** On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.
61. **Minutes of proceedings of meetings and resolutions passed by postal ballot** (1) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof, in books kept for that purpose with their pages consecutively numbered.
- Certain matters not to be included in Minutes** (2) There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting -
- (a) is, or could reasonably be regarded, as defamatory of any person; or
 - (b) is irrelevant or immaterial to the proceedings; or
 - (c) is detrimental to the interests of the Company.
- Discretion of Chairperson in relation to Minutes** (3) The Chairperson shall exercise absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid Article.
- Minutes to be evidence** (4) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.

62. **Inspection of minute books of general meeting** (1) The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:
- (a) be kept at the registered office of the Company; and
 - (b) be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays.

- Members may obtain copy of minutes** (2) Any member shall be entitled to be furnished, within the time prescribed by the Act and the Rules, after he has made a request in writing in that behalf to the Company and on payment of such maximum fee as may be provided or indicated under the Act and the Rules , with a copy of any minutes referred to in Article 62(1) above:

Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.

Adjournment of meeting

63. **Chairperson may adjourn the meeting** (1) The Chairperson may, in accordance with the provisions of the Act, Rules and Secretarial Standards , adjourn the meeting from time to time and from place to place.

- Business at adjourned meeting** (2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

- Notice of adjourned meeting** (3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

- Notice of adjourned meeting not required** (4) Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- Voting rights**
64. **Entitlement to vote on show of hands and on poll** Subject to any rights or restrictions for the time being attached to any class or classes of shares -
 (a) on a show of hands, every member present in person shall have one vote; and
 (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.
65. **Voting through electronic means** A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.
66. **Vote of joint-holders** (1) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- Seniority of names** (2) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
67. **How members *noncompos mentis*** A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
68. **Votes in respect of shares of deceased or insolvent members, etc.** Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Article 30 (*Transmission*) to any shares, may vote at any general meeting in respect thereof as if he was the registered holder of such shares,

provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

69. **Business may proceed pending poll** Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
70. **Restriction on voting rights**
- (1) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
 - (2) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting be valid for all purposes.
 - (3) Any such objection made in due time shall be referred to the Chairperson of the meeting whose decision shall be final and conclusive.
71. **Restriction on exercise of voting rights in other cases to be void** A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.
72. **Equal rights of Members** Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.

Proxy

73. **Member may vote in person or otherwise**
- (1) Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.
 - (2) The instrument appointing a proxy and the power-of attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than forty eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
74. **Form of proxy**
- An instrument appointing a proxy shall be in the form as prescribed in the Rules.
75. **Proxy to be valid notwithstanding death of the principal**
- A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:
- Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

76. **Board of Directors**
- (1) Unless otherwise determined by the Company in the general meeting, the number of Directors shall not be less than three and shall not be more than fifteen. The Company may appoint more than fifteen Directors after complying with the provisions of the Act. The Directors are not required to hold any qualification shares.

- Appointment of Directors** (2) So long as Suzuki (together with its subsidiary/ies or Suzuki Associate) holds more than 50% (fifty percent.) of the paid-up shares, Suzuki shall be entitled to nominate for appointment a majority of the Directors on the Board of the Company.

The independent Directors shall be appointed as provided under the Act and other regulations.

Suzuki shall be entitled to remove the Directors nominated by it and appoint any other person(s) in his/their place.

- (3) The Chairman shall be appointed by the Board of the Company. The Chairman shall chair the general meetings of the Company and also the meetings of the Board of Directors of the Company.
- (4) The Managing Director shall be nominated by Suzuki and shall be the chief executive officer of the Company, who shall be vested with substantial powers of operational management which shall be exercised under the overall superintendence, direction and control of the Board of Directors and subject to the powers exercisable by the Board of Directors.
- (5) Not less than two-thirds of the total number of Directors shall be elected by the Company in general meeting and shall be liable to retire by rotation in accordance with the Act. A retiring Director may be re-elected. A person who is not a retiring Director shall be eligible for appointment in accordance with the Act.

(6) The Directors shall be paid such remuneration, salary and allowances as the Company may from time to time determine in accordance with the Act. Additionally, the Board shall determine from time to time the fees which may be paid to Directors for attending Board and committee meetings. Further, Directors shall also be entitled to payment / reimbursement of all reasonable travelling, hotel and other incidental expenses for attending the meetings of the Board, its committees and general meetings and any other business of the Company.

77. **Appointment of additional Directors** (1) Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional Director, provided the number of the Directors and additional Directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

Duration of office of additional Director (2) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act.

78. **Appointment of alternate Director** (1) The Board may appoint an alternate Director to act for a Director (hereinafter in this Article called “the Original Director”) during his absence for a period of not less than three months from India. No person shall be appointed as an alternate Director for an independent Director unless he is qualified to be appointed as an independent Director under the provisions of the Act.

Duration of office of alternate Director (2) An alternate Director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.

Re-appointment provisions applicable to Original Director

(3) If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the alternate Director.

79. **Appointment of Director to fill a casual vacancy**

(1) If the office of any Director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.

Duration of office of Director appointed to fill casual vacancy

(2) The Director so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated.

Powers of Board

80. **General powers of the Company vested in Board**

The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

Proceedings of the Board

81. **When meeting to be convened** (1) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- Who may summon Board meeting** (2) The Chairman or any one Director with the previous consent of the Chairman may, or the company secretary or any person authorised by the Board, with the previous consent of the Chairman, or in his absence the Managing Director or in his absence the whole-time director shall, at any time, summon a meeting of the Board.
- Quorum for Board Meetings** (3) The quorum for a Board meeting shall be as provided in the Act.
- Participation at Board meetings** (4) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or audio visual means, as may be prescribed by the Rules or permitted under law.
82. **Questions at Board meeting how decided** (1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- Casting vote of Chairman at Board meeting** (2) In case of an equality of votes, the Chairman of the Board, if any, shall have a second or casting vote.
83. **Directors not to act when number falls below minimum** The continuing Directors may act notwithstanding any vacancy in the Board but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.

84. **Chairman** If the Chairman is not present within five minutes after the time appointed for holding the meeting of the Board, the Directors present shall choose one of their number to be the Chairman of such meeting.
85. **Delegation of Powers** (1) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- Committee to conform to Board regulations** (2) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- Participation at committee meetings** (3) The participation of Directors in a meeting of the committee may be either in person or through video conferencing or audio visual means as may be prescribed by the Rules or permitted under law.
- (4) The quorum for the committee meetings shall be 1/3rd of its members or two, whichever is higher.
86. **Chairperson of committee** (1) A committee may elect a chairperson of its meetings unless the Board, while constituting a committee, has appointed a chairperson of such committee.
- Who to preside at meetings of committee** (2) If no such chairperson is elected, or if at any meeting the chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be chairperson of the meeting.
87. **Committee to meet** (1) A committee may meet and adjourn as it thinks fit.

- Questions at committee meeting how decided** (2) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present.
- Casting vote of chair person at committee meeting** (3) In case of an equality of votes, the chairperson of the committee shall have a second or casting vote.
88. **Acts of Board or committee valid not with standing defect of appointment** All acts done by the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.
89. **Passing of resolution by circulation** Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

90. **Chief Executive Officer, etc.** Subject to the provisions of the Act,—
- (a) A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board. The Board may appoint one or more chief executive officers for its multiple businesses.

The Seal

91. **The seal, its custody and use** (1) The Board shall provide for the safe custody of the seal.
- Affixation of seal** (2) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least one Director or the manager, if any or the secretary or such other person as the Board may appoint for the purpose; and such Directors or manager or the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

Dividends and Reserve

92. **Company in general meeting may declare dividends** The Company in general meeting may declare dividends. No dividend shall exceed the amount recommended by the Board.
93. **Interim dividends** Subject to the provisions of the Act, the Board may from time to time pay interim dividend to the members.
94. **Dividends only to be paid out of profits** (1) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.

- Carry forward of Profits** (2) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
95. **Division of profits** (1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
- Payments in Advance** (2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.
- Dividends to be Apportioned** (3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
96. **No member to receive dividend whilst indebted to the Company and Company's right to reimbursement the refrom** (1) The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
- Retention of Dividends** (2) The Board may retain dividends payable upon shares in respect of which any person is, under the Article 30 (*Transmission*) hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.

97. **Dividend how Remitted** (1) Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of jointholders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- Instrument of Payment** (2) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- Discharge to Company** (3) Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.
98. **Receipt of one holder sufficient** Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
- No interest on Dividends** No dividend shall bear interest against the Company.
- Waiver of Dividends** The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

Accounts and Inspection

99. **Inspection by Directors** (1) The books of account and books and papers of the Company, or any of them, shall be open to the inspection of Directors in accordance with the applicable provisions of the Act and the Rules.
- Restriction on inspection by members** (2) No member (not being a Director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorised by the Board.
- Inspection** (3) All the registers/returns may be inspected and the extracts thereof may be taken by the members and such other persons as provided under the Act and the Rules at such a maximum fee provided or indicated under the Act and the Rules.
- Service of documents** (4) On the request of a member, the Company shall deliver document(s) through a particular mode as requested by the member without charging any fee towards such mode of delivery.

Winding up

100. **Winding up of Company** Subject to the applicable provisions of the Act and the Rules made thereunder -
- (a) If the Company shall be wound up, the liquidator may, with the sanction of a resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

- (c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

101. Directors and officers right to indemnity

- (a) Subject to the provisions of the Act, every Director, Managing Director, whole-time Director, manager, company secretary and other officers of the Company shall be indemnified by the Company out of the assets of the Company, to pay all costs, losses and expenses (including travelling expense) which such Director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such Director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.
- (b) Subject as aforesaid, every Director, Managing Director, manager, company secretary or other officers of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the court or the Tribunal.

Insurance

- (c) The Company may take and maintain any insurance on behalf of its present and/or former Directors, key managerial personnel and other officers for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

General Power

102. **General Power**

Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its Articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

Name of Subscribers	Addresses, Description and occupation, if any.	Signature of Subscriber	Signature of witnesses and their addresses, description and occupation
1. Munish Chander S/o Babu Lal Gupta	C-II/50, Bapa Nagar, New Delhi SERVICE	Sd/-	Praveen Aggarwal S/o Shri S.K.Aggarwal, Chartered Accountant, 2/85, Roop Nagar, New Delhi, DELHI
2. Hemant Singh S/o Shri Late Prof. Baljit Singh	DI/80, Chanakyapuri, New Delhi SERVICE	Sd/-	
3. T.S.Vijaya Raghvan S/o Shri T.Sundara Raghvan	B-608 Curzon Road Apartments K.G.Marg, New delhi SERVICE	Sd/-	

Date : 23rd February, 1981.

Place : New Delhi.

IN THE HIGH COURT OF DELHI AT NEW DELHI
(ORIGINAL JURISDICTION)

IN THE MATTER OF THE COMPANIES ACT,1956

AND

IN THE MATTER OF THE SCHEME OF AMALGAMATION

OF

COMPANY PETITION NO. 193/2006
CONNECTED WITH
COMPANY APPLICATION (M) NO. 129/2006

IN THE MATTER OF Maruti Suzuki Automobiles India Ltd.,
having its Regd. Office at
11th Floor, Jeevan Prakash
25, Kasturba Gandhi Marg, New Delhi – 110 001

Petitioner/ Transferor Company

WITH

COMPANY PETITION NO. 217/2006
CONNECTED WITH
COMPANY APPLICATION (M) NO. 130/2006

IN THE MATTER OF Maruti Udyog Ltd.,
having its Regd. Office at
11th Floor, Jeevan Prakash,
25, Kasturba Gandhi Marg, New Delhi – 110 001

Petitioner/ Transferee Company

BEFORE HON'BLE MR. JUSTICE SANJIV KHANNA
DATED THIS THE 10TH DAY OF OCTOBER, 2006

ORDER UNDER SECTION 394 OF THE COMPANIES ACT,1956

The above petitions coming up for hearing on 10/10/06 for sanction of scheme of amalgamation proposed to be made of Maruti Suzuki Automobiles India Ltd. (hereinafter referred to as the Transferor Company) with Maruti Udyog Ltd. (hereinafter referred to as the Transferee Company), upon reading the said petition, the order dt. 14/7/06 passed in CA(M) No. 129/06 and order dt. 14/7/06 and 25/7/06 passed in CA(M) No. 130/06 whereby the requirement of convening and holding the meetings of the shareholders, secured and unsecured creditors of the Transferor Company was dispensed with and the requirement to publish citations in the newspaper was also dispensed with and the meetings

of shareholders, secured and unsecured creditors of the Transferee Company was ordered to be convened for the purpose of considering, and if thought fit, approving, with or without modification, the scheme of amalgamation annexed to the affidavits of Sh. Sanjeev Grover, Company Secretary of the Transferor Company and Sh. S. Ravi Aiyar, Chief Legal Officer and Company Secretary of the Transferee Company filed on 12th day of July,06 and the publication in the newspapers namely (1) Statesman (English) and (2) Jansatta (Hindi) both dt. 12/9/2006 each containing the advertisement of the said notice convening the said meetings directed to be held by the said order dated 14/7/2006, the affidavit of Sh. S. K. Luthra, Chairperson filed on 28/8/06 showing the publication and dispatch of the notices convening the said meetings, the reports of the chairperson of the said meeting as to the result of the said meetings and upon hearing Sh. Anirudh Das and Sh. Nishant Joshi , Advocates for the petitioner, Mr. R.D. Kashyap Dy. Registrar of Companies and Ms. Manisha Tyagi, Advocate for the Official Liquidator and it is appearing from the reports that the proposed scheme of amalgamation has been approved unanimously without any modification by the said shareholders, secured and unsecured creditors of the transferee Company present and voting either in person or by proxy and upon reading the affidavit dated 4/10/2006 of Sh. Rakesh Chandra, Regional Director, Northern Region, Ministry of Corporate Affairs, Noida on behalf of Central Government whereby he raised the objections that the Authorized share capital of the Transferor Company shall stand merged with the Authorized share capital of the Transferee Company. It is submitted that the Authorized share capital of the Transferee Company and the said reorganization is permissible after following the procedure prescribed under sections 100 and 101 read with Sections 78 of this Act. The court observed that the present case is merely of the reorganization of the shares of the Transferor Company and not of reduction. This reorganization is stipulated in para 4.1 is required to be done as the authorized share capital of the Transferor Company consists of shares of Rs. 100/-each in face value and the authorized share capital of the Transferee Company consists of Shares of Rs. 5/- each in face value. As the proposed scheme envisages merger of the authorized share capital of the Transferor Company with the Transferee Company, para 4.1 of the scheme stipulates reorganization of the authorized share capital of the Transferor Company by subdividing each share of Rs. 100/- in face value to shares of Rs. 5/- each in face value. There is no reduction of share capital of the Transferor Company or the Transferee Company. The paid up share capital of the Transferor Company remains the same. The court did not find any merit in the objections raised by the Regional Director and rejected the same; and considering the affidavit of Sh. A.K. Chaturvedi, Official Liquidator filed on 9/10/06 stating therein that the affairs of the Transferor Company have not been conducted in a manner prejudicial to the interest of its shareholders or creditors or to the public interest. However, the court observed that the observation of the Official Liquidator that no valuation report has been drawn up is of no consequence as the Transferor Company is the subsidiary of the Transferee Company and all shares of the Transferor Company are held by the Transferee Company; and there being no investigation proceedings pending in relation to the petitioner Company under Section 235 to 251 of the Company Act, 1956.

THIS COURT DOTH HEREBY SANCTION THE SCHEME OF AMALGAMTION setforth in Schedule – I annexed hereto and DOTH HEREBY DECLARE the same to be binding on all the shareholders and creditors of the Transferor and Transferee Companies and all concerned and doth approve the said scheme of amalgamation with effect from the appointed date i.e. 1.4.2006.

AND THIS COURT DOTH FURTHER ORDER :

1. That all the property, rights and powers of the Transferor Company specified in the First, Second and Third parts of the Schedule – II hereto and 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 Section 394(2) of the Companies Act, 1956 be transferred to and vest in the Transferee Company for all the estate and interest of the Transferor Company therein but subject nevertheless to all the charges now affecting the same; and
2. That all the liabilities and the duties of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the Transferee Company; and
3. That all the proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company; and
4. That the Transferee Company do without further application allot to such members of the Transferor Company as have not given such notice of dissent as is required by clause 4.2 given in the scheme of amalgamation herein the shares in the Transferee Company to which they are entitled under the said amalgamation; and
5. That the Transferor Company do within 30 days after the date 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 the process of winding up and the Registrar of Companies shall place all the documents relating to the Transferor Company and registered with him on the file kept by him in relation to the Transferee Company and files relating to the said Transferor and Transferee Companies shall be consolidated accordingly; and
6. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

SCHEME OF AMALGAMATION

BETWEEN

MARUTI UDYOG LIMITED

AND ITS SHAREHOLDERS AND CREDITORS

AND

MARUTI SUZUKI AUTOMOBILES INDIA LIMITED

AND ITS SHAREHOLDERS AND CREDITORS

PART-I

1. INTRODUCTION AND DEFINITIONS

1.1 Introduction

- A. Maruti Udyog Limited (“**Amalgamated Company**”) is an existing company within the meaning of the Companies Act, 1956, having its registered office at 11th Floor, Jeevan Prakash, 25 Kasturba Gandhi Marg, New Delhi - 110001, India. The Amalgamated Company was incorporated on February 24, 1981, vide Certificate of Incorporation No. 55-11375.
- B. The Amalgamated Company is listed on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited and is authorised to and is primarily engaged in the business of manufacture and sale of certain models of automobiles.
- C. Maruti Suzuki Automobiles India Limited (“**Amalgamating Company**”) is an existing company within the meaning of the Companies Act, 1956, having its registered office at 11th Floor, Jeevan Prakash, 25 Kasturba Gandhi Marg, New Delhi - 110001, India. The Amalgamating Company was incorporated on April 13, 2005, vide Certificate of Incorporation No. U34300DL2005PLC134915 and is a subsidiary of the Amalgamated Company.
- D. The Amalgamating Company is authorised to and is primarily engaged in the following business activities:
- (i) manufacture and sale, both within and outside India, of, and dealers in motor-cars, lorries, buses, vans and four-wheeled vehicles of all descriptions; and
 - (ii) provide technical support and specialized after sales services for the aforementioned to customers within and outside India.
- E. Recognising the strengths of each other and with the end and intent of aligning the business operations undertaken by the Amalgamating Company and the Amalgamated Company, the Amalgamating Company and the Amalgamated Company now propose by way of this Scheme to merge/amalgamate the Amalgamating Company into and with the Amalgamated Company in accordance with the terms hereof, which would cause benefits to both the entities, the employees, the shareholders and the creditors of such entities and to the public at large.
- F. The proposed amalgamation of the Amalgamating Company with the Amalgamated Company in accordance with this Scheme would also enable both companies to realise the substantial benefits of greater synergies between their businesses and would enable them to avail of the financial resources as well as the managerial, technical, distribution and marketing resources of each other.

1.2 Definitions

1.2.1 In this Scheme, unless repugnant to the subject, context or meaning thereof, the following initially and/or fully capitalised words and expressions shall have the meanings as set out hereinbelow:

- (a) “**Act**” means the Companies Act, 1956, the rules and regulations made thereunder and will include any statutory modifications, re-enactments and/or amendments thereof.
- (b) “**Amalgamating Company**” means Maruti Suzuki Automobiles India Limited, as defined in paragraph 1.1(C) above and includes:
 - (i) any and all its assets, whether movable or immovable, whether present or future, whether tangible or intangible, all rights, title, interests, covenants, undertakings, liabilities including continuing rights, title and interests in connection with the land and the buildings thereon, whether leasehold or otherwise, plant and machinery, whether leased or otherwise, together with all present and future liabilities including contingent liabilities and debts appertaining thereto; and
 - (ii) any and all investments, loans and advances, including accrued interest thereon; and
 - (iii) any and all approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses, certificates, tenancies, trade names, trademarks, service marks, copyrights, domain names, sales tax credits, income tax credits, applications for trade names, trademarks, service marks, copyrights, privileges and benefits of all contracts, agreements and all other rights including lease rights, licenses and registrations, powers and facilities of every kind and description whatsoever, pertaining to the Amalgamating Company; and
 - (iv) any and all debts, borrowings and liabilities, present or future, whether secured or unsecured, of the Amalgamating Company; and
 - (v) any and all employees, who are on the pay roll of the Amalgamating Company, including those engaged at their respective offices, branches and depots, at their current terms and conditions; and
 - (vi) any and all advance monies, earnest monies and/or security deposits, payment against warrants or other entitlements, in connection with or relating to the Amalgamating Company.
- (c) “**Amalgamated Company**” means Maruti Udyog Limited, as defined in

paragraph 1.1(A) above.

- (d) “**Appointed Date**” means the April 01, 2006, being the date with effect from which this Scheme shall be applicable, i.e., with effect from which the Amalgamating Company shall merge with the Amalgamated Company.
- (e) “**Board of Directors**” in relation to the Amalgamating Company and/or the Amalgamated Company, as the case may be, shall, unless it be repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.
- (f) “**Effective Date**” has the meaning assigned to it in paragraph 5.7 hereof.
- (g) “**High Court**” means the Hon’ble High Court of Delhi at New Delhi.
- (h) “**NCLT**” has the meaning assigned to it in paragraph 1.2.3 hereof.
- (i) “**Scheme**” means this scheme of amalgamation, in its present form, with or without any modifications, as may be approved or imposed or directed by the shareholders, creditors or the High Court.

1.2.2 Any references in this Scheme to “upon this Scheme becoming effective” or “effectiveness of this Scheme” shall mean the Effective Date.

1.2.3 The expressions, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the Regulations made thereunder), the Depositories Act, 1996 and other applicable laws, rules, regulations, by-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time. In particular, wherever reference is made to the Hon’ble High Court in this Scheme, the reference would include, if appropriate, reference to the National Company Law Tribunal (NCLT) or such other forum or authority, as may be vested with any of the powers of a High Court under the Act.

PART-II

2. CAPITAL STRUCTURE

2.1 Amalgamated Company

The capital structure of the Amalgamated Company, as of March 31, 2006, is as under:

	Amount in Rs.
Authorized Share Capital	
31,00,00,000 equity shares of Rs. 5 each	155,00,00,000
Issued, Subscribed and Paid-up Share Capital	
288,910,060 equity shares of Rs. 5 each	144,45,50,300

2.2 Amalgamating Company

The capital structure of the Amalgamating Company, as of March 31, 2006, is as under:

	Amount in Rs.
Authorized Share Capital	
217,00,000 equity shares of Rs. 100 each	217,00,00,000
Issued, Subscribed and Paid-up Share Capital	
40,00,000 equity shares of Rs. 100 each	40,00,00,000

PART-III

3. TRANSFER AND VESTING OF THE AMALGAMATING COMPANY

3.1 Transfer and vesting of the Amalgamating Company

- 3.1.1 With effect from the Appointed Date and upon this Scheme becoming effective, the Amalgamating Company shall stand transferred to and be vested in the Amalgamated Company, as a going concern, without any further deed or act, together with all the properties, assets, rights, liabilities, benefits and interest therein, subject to any existing lien or *lis pendes*, which shall be deemed to be modified subject to the provisions of this Scheme.

Without prejudice to the generality of the above, with effect from the Appointed Date and upon this Scheme becoming effective:

- (i) all assets of the Amalgamating Company, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, shall stand vested in the Amalgamated Company and shall become the property and an integral part of the Amalgamated Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly. No stamp duty is payable on the transfer of such movable properties, being vested in the Amalgamated Company;
- (ii) all movable properties of the Amalgamating Company, other than those specified in sub-clause (i) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of the Amalgamated Company;
- (iii) all immovable properties (including land together with the buildings and structures standing thereon) of the Amalgamating Company, whether freehold or leasehold and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Amalgamated Company, without any further act or deed done by the Amalgamating Company and/or the Amalgamated Company. The Amalgamated Company shall be entitled to and exercise all rights and privileges attached thereto and shall be liable to pay the ground rent, taxes and to fulfill all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the

title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Amalgamated Company by the appropriate authorities pursuant to the sanction of this Scheme by the High Court in accordance with the terms hereof;

- (iv) all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of account or disclosed in the balance sheets of the Amalgamating Company, shall, be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company and the Amalgamated Company undertakes to meet, discharge and satisfy the same. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause;
- (v) all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses including those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Amalgamating Company, or to the benefit of which, the Amalgamating Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on, against or in favour of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto;
- (vi) any pending suit/appeal or other proceedings of whatsoever nature relating to the Amalgamating Company, whether by or against the Amalgamating Company, shall not abate be discontinued or in any way prejudicially affected by reason of the amalgamation of the Amalgamating Company or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Amalgamated Company in the same manner and to the same extent as they would or might have been continued, prosecuted and/or enforced by or against the Amalgamating Company, as if this Scheme had not been made;
- (vii) all employees of the Amalgamating Company, who are on its pay roll shall be engaged by the Amalgamated Company, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Amalgamating Company, without any interruption of service as a result of this amalgamation and transfer. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Amalgamating Company, upon this Scheme

becoming effective, the Amalgamated Company shall stand substituted for the Amalgamating Company for all purposes whatsoever, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to the funds maintained by the Amalgamating Company, in accordance with the provisions of applicable laws and in terms of this Scheme. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Amalgamating Company for such purpose, shall be treated as having been continuous;

- (viii) any and all registrations, goodwill, licenses, trademarks, service marks, copyrights, domain names, applications for copyrights, trade names and trade marks, appertaining to the Amalgamating Company shall stand transferred to and vested in the Amalgamated Company; and
- (ix) all taxes payable by the Amalgamating Company, including all or any refunds of claims shall be treated as the tax liability or refunds/claims as the case may be of the Amalgamated Company.

3.1.2 Upon this Scheme becoming effective, the secured creditors of the Amalgamating Company shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Amalgamating Company, as existing immediately prior to the amalgamation of the Amalgamating Company with the Amalgamated Company. It is hereby clarified that pursuant to the amalgamation of the Amalgamating Company with the Amalgamated Company, the secured creditors of the Amalgamating Company shall not be entitled to any further security over the properties, assets, rights, benefits and interest of the Amalgamated Company.

3.1.3 The Amalgamating Company and/or the Amalgamated Company, as the case may be, shall, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which the Amalgamating Company has been a party, in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Amalgamating Company and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company.

3.2 Conduct of Business

3.2.1 With effect from the Appointed Date and until occurrence of the Effective Date:

- (i) the Amalgamating Company undertakes to carry on and shall be deemed to

- have carried on all its business activities and stand possessed of its properties and assets, for and on account of and in trust for the Amalgamated Company;
- (ii) all profits accruing to the Amalgamating Company and all taxes thereon or losses arising or incurred by it shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of the Amalgamated Company;
 - (iii) the Amalgamating 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 itself or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal, in any of its properties/assets, except: (a) when the same is expressly provided in this Scheme; or (b) when the same is in the ordinary course of business as carried on by it as on the date of filing of this Scheme in the High Court; or (iii) when a written consent of the Amalgamated Company has been obtained in this regard;
 - (iv) except by mutual consent of the Board of Directors and subject to changes pursuant to commitments, obligations or arrangements prior to the Appointed Date or as part of this Scheme, pending sanction of this Scheme, the Amalgamating Company shall not make any change in its capital structure either by 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 reorganisation of capital of the Amalgamating Company;
 - (v) the Amalgamating Company shall not alter or substantially expand its business except with the written concurrence of the Amalgamated Company; and
 - (vi) the Amalgamating Company shall not amend its Memorandum of Association or Articles of Association, except with the written concurrence of the Amalgamated Company.
- 3.2.2 (i) With effect from the Effective Date, the Amalgamated Company shall commence and carry on and shall be authorized to carry on the business of the Amalgamating Company.
- (ii) For the purpose of giving effect to the amalgamation order passed under

Sections 391 to 394 of the Act (and other applicable provisions) in respect of this Scheme by the High Court, the Amalgamated Company shall, at any time pursuant to the orders on this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Amalgamating Company, in accordance with the provisions of Sections 391 to 394 of the Act. The Amalgamated Company shall be authorized to execute any pleadings, applications, forms, etc., as are required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.

- (iii) The Amalgamated Company unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of the Amalgamating Company, with effect from the Appointed Date, in order to give effect to the foregoing provisions.
- 3.3 Upon this Scheme becoming effective, the Amalgamating Company shall stand dissolved, without being wound-up.

PART-IV

4.1 Reorganization of Share Capital of the Amalgamating Company

Prior to amalgamation of the Amalgamating Company and on the Effective Date, the equity share capital of the Amalgamating Company of par value of Rs. 100/- each shall be sub-divided and reorganized into equity shares of Rs. 5/- each. Accordingly, the authorized share capital of the Amalgamating Company comprising of 2,17,00,000 equity shares of Rs. 100/- each shall be consolidated into 43,40,00,000 equity shares of Rs. 5/- each, post such sub-division and reorganization.

4.2 Effect of this Scheme

- 4.2.1 Upon coming into effect of this Scheme and upon vesting in and transfer of the assets and liabilities of the Amalgamating Company to the Amalgamated Company in accordance with Part-III of this Scheme, no consideration shall be payable and no shares shall be allotted by the Amalgamated Company to the Amalgamated Company.
- 4.2.2 The share capital of the Amalgamating Company to the extent held by the Amalgamated Company and the investments as shown in the balance sheet of the Amalgamated Company (being shares held in the Amalgamating Company) shall stand cancelled.

4.3 Change in Authorized Share Capital

4.3.1 Upon this Scheme becoming effective, the authorized share capital of the Amalgamating Company of an amount of Rs. 217,00,00,000/- divided into 43,40,00,000 equity shares of Rs. 5/- each shall stand merged with the authorized share capital of the Amalgamated Company.

4.3.2 Accordingly, the words and figures in Clause V of the Memorandum of Association of the Amalgamated Company shall stand modified and be substituted to read as follows:

“The Authorized Share Capital of the Company is Rs. 372,00,00,000 (RUPEES THREE HUNDRED SEVENTY TWO CRORE ONLY) divided into 74,40,00,000 (SEVENTY FOUR CRORE FORTY LAC) Equity Shares of Rs. 5 (RUPEES FIVE ONLY) each”.

4.3.3 It is hereby clarified that for the purposes of this Clause, the consent of the shareholders of the Amalgamated Company to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and that no further resolution under Section 16, Section 81, Section 94 or any other applicable provisions of the Act, would required to be separately passed, nor any additional registration fee, stamp duty, etc., shall be payable by the Amalgamated Company.

4.4 Accounting Treatment

4.4.1 The Amalgamated Company shall, upon this Scheme becoming effective, record the assets and liabilities of the Amalgamating Company at the respective values thereof as appearing in the books of the Amalgamating Company, at the close of business on the day preceding the Appointed Date. The Amalgamated Company shall record in its books of accounts, all the transactions of the Amalgamating Company in respect of assets, liabilities, income and expenses, from the Appointed Date to the Effective Date.

4.4.2 The excess, if any, of the value of the assets over the value of the liabilities of the Amalgamating Company pursuant to this Scheme, shall, be recorded as and credited to the general reserve in the books of the Amalgamated Company.

4.4.3 The share application money received by the Amalgamating Company from the Amalgamated Company for issuance of 12,390,000 equity share of Rs. 100/- each, converted into an unsecured loan payable on demand, shall stand cancelled.

4.4.4 The identity of the reserves of the Amalgamating Company, if any, shall be preserved and they shall appear in the financial statements of the Amalgamated Company in the same form and manner, in which they appeared in the financial statements of the Amalgamating Company, prior to this Scheme becoming effective. Accordingly, if prior to this Scheme becoming effective there is any reserve in the financial statements of the Amalgamating Company available for distribution as dividend,

the same would also be available in the financial statements of the Amalgamated Company for distribution as dividend pursuant to this Scheme becoming effective.

- 4.4.5 The balance of the Profit and Loss Account, as appearing in the financial statements of the Amalgamating Company shall be aggregated/set-off with the corresponding balance appearing in the financial statements of the Amalgamated Company.

PART-V

5. GENERAL TERMS AND CONDITIONS

- 5.1 The amalgamation in accordance with this Scheme of the Amalgamating Company with the Amalgamated Company 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.
- 5.2 The Amalgamated Company shall be entitled to file/revise its income tax returns and other statutory returns, if required, and shall have the right to claim refunds, advance tax credits, etc, if any, as may be required consequent to implementation of this Scheme.
- 5.3 The Amalgamated Company and the Amalgamating Company shall, with all reasonable dispatch, make respective applications to the High Court, under Sections 391 to 394 and other applicable provisions of the Act, seeking orders for dispensing with or convening, holding and/or conducting of the meetings of the classes of their respective members and/or creditors and for sanctioning this Scheme with such modifications, as may be approved by the Hon'ble High Court.
- 5.4 The reference consolidated summary balance sheet of the Amalgamated Company (i.e., inclusive of the Amalgamating Company) as on the Appointed Date, assuming that this Scheme has become effective, is attached hereto as **Annexure A**.
- 5.5 Upon this Scheme being approved by the requisite majority of the members and creditors of the Amalgamated Company and by the members and creditors of the Amalgamating Company, the Amalgamated Company and the Amalgamating Company shall, with all reasonable dispatch, file respective petitions before the Hon'ble High Court for sanction of this Scheme under Sections 391 to 394 and other applicable provisions of the Act, and for such other order or orders, as the Hon'ble High Court may deem fit for carrying this Scheme into effect. On this Scheme becoming effective, the members of both the Amalgamated Company and the Amalgamating Company shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme.

- 5.6 This Scheme is conditional upon and subject to its being sanctioned by the Hon'ble High Court and certified copy of the order of the High Court sanctioning this Scheme being filed with the Registrars of Companies, NCT of Delhi and Haryana, by the Amalgamated Company and the Amalgamating Company, respectively. This Scheme shall become effective on such date when a certified copy of the order of the Hon'ble High Court sanctioning this Scheme is filed by the Amalgamated Company and the Amalgamating Company with the Registrar of Companies, NCT of Delhi and Haryana. Such date shall be known as the "**Effective Date**".
- 5.7 Each of the Amalgamated Company and the Amalgamating Company (acting through their respective Boards of Directors) may assent to any modifications or amendments to this Scheme, which the High Court and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme. Each of the Amalgamated Company and the Amalgamating Company (acting through its respective Boards of Directors) be and is hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any orders of the High Court or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.
- 5.8 The Amalgamated Company and the Amalgamating Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the High Court or any other authority is not on terms acceptable to them.
- 5.9 All costs, expenses, charges, fees, taxes, duties, levies and all incidental expenses arising out of or incurred in carrying out and implementing the terms and conditions or provisions of this Scheme and matters incidental thereto shall be borne and paid by the Amalgamated Company.
- 5.10 The Amalgamated Company and the Amalgamating Company shall make necessary applications before the Hon'ble High Court of Delhi for sanction of this Scheme and any dispute arising out of this Scheme shall be subject to the jurisdiction of the Hon'ble High Court of Delhi located in New Delhi only.
- 5.11 Upon the sanction of this Scheme and after this Scheme has become effective, with effect from the Appointed Date, the amalgamation of the Amalgamating Company with the Amalgamated Company in compliance with Section 2(1B) of the Income Tax Act, 1961, in accordance with this Scheme, shall be deemed to have occurred.
- 5.12 In case any doubt or difference or issue shall arise between the parties hereto or any

of their shareholders, creditors and/or other persons entitled to or claiming any right to any equity shares in the Amalgamated Company and the Amalgamating Company, as to the construction thereof or as to any account, valuation or apportionment to be taken or made of any asset or liability transferred to the Amalgamated Company or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to arbitration in New Delhi under the Arbitration and Conciliation Act 1996, and the decision of the arbitral tribunal in such a case shall be final and binding on all concerned.

- 5.13 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Amalgamated Company and the Amalgamating Company and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.
- 5.14 If any part of this Scheme is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.
- 5.15 The transfer of properties and liabilities to and the continuance of proceedings by or against the Amalgamated Company as envisaged in Part-III above shall not affect any transaction or proceedings already concluded by the Amalgamating Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the Amalgamating Company, in respect thereto as done and executed on behalf of itself.

ANNEXURE A
Reference Balance Sheet

Consolidated Balance Sheet MUL_MSAIL

Annexure A

As at 31st March, 2006

(Rs. in Million)

As at 31.03.2006		
SOURCES OF FUNDS		
SHAREHOLDERS' FUNDS		
Capital	1,445	
Reserves and Surplus	<u>52,995</u>	54,440
MINORITY INTEREST		
LOAN FUNDS		
Secured Loans	720	
Unsecured Loans	<u>5,690</u>	6,410
DEFERRED TAX		
Deferred Tax Liabilities	1,991	
Deferred Tax Assets	<u>(1,211)</u>	<u>780</u>
Total		<u>61,725</u>
Application of Funds		
Fixed Assets		
Gross Block	49,554	
Less: Accumulated Depreciation	<u>(32,596)</u>	
	16,958	
Capital Work-In-Progress	<u>3,138</u>	20,096
INVESTMENTS		20,232
CURRENT ASSETS, LOANS AND ADVANCES		
Inventories	8,812	
Sundry Debtors	6,548	
Cash and Bank Balances	19,827	
Other Current Assets	487	
Loans and Advances	<u>6,499</u>	
	<u>42,173</u>	
LESS: CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities	15,975	
Provisions	<u>4,801</u>	
	<u>20,776</u>	
Net Current Assets		<u>21,397</u>
Total		<u>61,725</u>

SCHEDULE

PART I

Freehold property of the Transferor Company

NIL

PART II

Leasehold property of the Transferor Company

NIL

PART III

Stocks, debentures, and other charges in action of the

Transferor Company

NIL

OTHER ASSETS

PARTICULARS	NET BLOCK	Amt. as per B/S
Fixed Assets		
-Furniture	816,338	
-Computers	2,145,041	
-Leasehold vehicles	2,757,448	
-Vehicles	722,045	
	6,440,872	
Capital Work in Progress		
-Civil	909,462,729	
-Plant & Machinery	756,193,764	
-Capital Advances	439,339,358	
	<u>2,104,995,851</u>	
Pre Operative Expenses, pending allocation	139,742,733	2,251,179,456
Current Assets		
Cash and Bank Balance		
Cash in Hand	11,320	
Bank Balances		
-On Current Accounts	36,606,229	
-Deposit Accounts	<u>5,774,432,631</u>	
	<u>5,811,050,180</u>	
Other Current Assets		
Interest Accrued on Deposits	29,247,094	
Loans & Advances	33,726,224	
Balance with Government Authorities	57,053,718	
Other Deposits	<u>420,001</u>	
	<u>120,447,037</u>	5,931,497,217

Dated this the 10th day of October, 2006
(By order of the Court)

Sd/-
Joint Registrar (Co.)

IN THE HIGH COURT OF DELHI AT NEW DELHI
COMPANY JURISDICTION
COMPANY PETITION NO. 490 OF 2012
CONNECTED WITH
COMPANY APPLICATION (M) NO. 128 OF 2012

IN THE MATTER OF:

The Companies Act, 1956;

AND

IN THE MATTER OF:

Petition under Sections 391 to 394 of the Companies Act, 1956;

AND

IN THE MATTER OF:

Scheme of Amalgamation between Suzuki Powertrain India Limited and Maruti Suzuki India Limited and their respective shareholders and creditors.

MEMO OF PARTIES

SUZUKI POWERTRAIN INDIA LIMITED , a company incorporated under the provisions of the Companies Act, 1956, having its Registered Office at Plot No. 1, Nelson Mandela Road, Vasant Kunj, New Delhi – 110 070.	...PETITIONER/ AMALGAMATING COMPANY
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MARUTI SUZUKI INDIA LIMITED , a company incorporated under the provisions of the Companies Act, 1956, having its Registered Office at Plot No. 1, Nelson Mandela Road, Vasant Kunj, New Delhi – 110 070.	...PETITIONER/ AMALGAMATED COMPANY
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FILED THROUGH

[ANIRUDH DAS]

AMARCHAND & MANGALDAS & SURESH A. SHROFF & CO.

ADVOCATES FOR THE PETITIONER COMPANIES

AMARCHAND TOWERS

216,OKHLA INDUSTRIAL ESTATE, PHASE-III, NEW DELHI-110 020

PH.: 26920500, 51590700 FAX: 26922900, 26924900

EMAIL: am.delhi_lit@amarchand.com

PLACE: NEW DELHI

DATED: 11 OCTOBER 2012

IN THE HIGH COURT OF DELHI AT NEW DELHI

COMPANY PETITION No. 490 of 2012

Suzuki Powertrain India Limited and Anr.

..Petitioners

Through: Mr. Anirudh Das and Mr. Manu
Krishnan, Advocates for the
Petitioner Companies
Mr. K.S. Pradhan, Dy. Registrar of
Companies for the Regional Director.
Mr. Rajiv Bahl, Advocate for the
Official Liquidator

CORAM: JUSTICE S. MURALIDHAR

ORDER

29.01.2013

1. This second motion petition has been filed under Sections 391 and 394 of the Companies Act, 1956 ('Act') by Suzuki Powertrain India Limited ('Transferor company') with Maruti Suzuki India Limited ('Transferee company') [hereafter collectively referred to as the 'Petitioner companies'] seeking sanction of the Scheme of Amalgamation ('Scheme'). Approved Scheme has been enclosed with petition as 'Annexure A'.
2. The registered offices of the Petitioner companies are situated at New Delhi, within the jurisdiction of this Court.
3. The details with regard to the dates of incorporation of the Petitioner companies, their authorized, issued, subscribed and paid up capital have been enclosed with the petition.
4. Copies of the Memorandum and Articles of Association as well as the audited accounts of the Petitioner companies for the year ended 31st March 2012 respectively have also been enclosed with the petition.
5. The copies of the Resolutions passed by the Boards of Directors of the Petitioner companies approving the Scheme have also been enclosed with the petition.
6. It has been submitted that no proceedings under Sections 235 to 251 of the Act are pending against the Petitioner companies.
7. The Petitioner companies had earlier filed Company Application (M) No. 128 of 2012 seeking dispensation with the convening of the meetings of the equity shareholders of the Transferor company and for directions for convening the meetings of the unsecured creditors of the Transferor company and equity

shareholders and unsecured creditors of the Transferee Company. By order dated 22nd August 2012, this Court had dispensed with the requirement of convening meeting of the equity shareholders of the Transferor company and the secured creditors of the Transferee company. Further this Court had directed the convening of the meetings of the unsecured creditors of the Transferor company and the equity shareholders and unsecured creditors of the Transferee company.

8. The said meetings of the unsecured creditors of the Transferor company and equity shareholders and unsecured creditors of the Transferee company were held on 29th September 2012. The unsecured creditors of the Transferor company and the equity shareholders and unsecured creditors of the Transferee company have approved the Scheme.
9. The Petitioner companies thereafter filed the present petition seeking sanction of the Scheme. By order dated 17th October 2012, notice on the petition was directed to be issued to the Regional Director ['RD'] (Northern Region) and the Official Liquidator ('OL'). Notice of petition was also directed to be published in Indian Express (English) and Jansatta (Hindi). Affidavit of service and publication has been filed by the Petitioner companies showing compliance regarding service of the petition on the RD (Northern Region) and the OL, and also regarding publications of notice of petition in the aforesaid newspapers on 9th January 2013. Copies of the newspaper, in original, containing the publications have been filed along with the affidavit of service.
10. Pursuant to the notices issued, the OL sought information from the Petitioner companies. Based on the information received, the OL has filed report wherein it has been stated that the affairs of the Petitioner companies do not appear to have been conducted in a manner prejudicial to the interest of its members, creditors or to public interest.
11. In response to the notice, Mr. Rakesh Chandra, the RD has filed his affidavit dated 22nd January 2013. Relying on Clause 3.2 (VII) of Part II of the Scheme, Mr. Rakesh Chandra has stated that, upon sanction of the Scheme, all the employees of the Transferor company shall become employees of the Transferee company without any break or interruption in service upon sanctioning of the Scheme by the Court.
12. The RD has in Para 5.1 of the affidavit dated 22nd January 2013 submitted that the Transferee company may be asked to follow the procedure prescribed under the Act to amend its Memorandum of Association.
13. The RD has in para 6 of the representation affidavit dated 22nd January 2013 submitted that the Transferee company may be asked to give an undertaking to comply with statutory requirements of the Reserve Bank of India ('RBI') under the Foreign Exchange Management Act, 1999 (' FEMA') for issuance of shares to Suzuki Motor Corporation, Japan pursuant to the Scheme.
14. The RD has in para 7 of the affidavit dated 22nd January 2013 submitted that the

Transferee company may be asked to comply with the conditions stipulated by the Bombay Stock Exchange ('BSE') in its letter dated 15th June 2012 as regards the locking in of 25% of the new equity shares to be issued for a period of 3 years.

15. The RD has in para 8 of the affidavit dated 22nd January 2013 submitted that the Competition Commission of India has approved the proposed combination under sub section (1) of Section 31 of the Competition Act, 2002.
16. The RD has in para 9 of the affidavit dated 22nd January 2013 stated that the as the Transferee company has not filed its balance sheet as on 31st March 2012 there is contravention of provision of Section 220 of the Act.
17. The Petitioner companies in response to the affidavit dated 22nd January 2013 have filed a reply dated 25th January 2013 stating that the change in the objects clause of the Memorandum of Association of the Transferee company is being effected as an integral part of the Scheme. It is further submitted that the equity shareholders of the Transferee company have approved the Scheme including the proposed change in its Memorandum of Association and that upon sanction of the Scheme, the order of this Court shall be filed with the RoC and the same shall be treated as intimation to the Registrar of Companies ('RoC') for change in the Memorandum of Association. The Petitioner companies rely on the judgments of In Re: PMP Auto Industries Limited [(1994) 80 Comp Cas 289 (Bom)], judgment dated 3rd March 2011 of this Court in Company Petition No.448 of 2010, judgment dated 17 October 2011 of this Court in Company Petition No.318 of 2011, In Re: Hotline Hol Celdings Private Limited [(2005) 127 Comp Cas 165 (Del)]; In Re: Mekaster Valves and Engineering Services Private Limited [(2009) 149 Comp Cas 593 (Guj)]. It is accordingly submitted that there is no requirement to follow the separate procedure prescribed under the Act for altering the Memorandum of Association.
18. It has also been stated that the Transferee company shall comply with the applicable rules and regulations issued by the RBI as also the provisions of the FEMA with respect to any foreign shareholding in its issued and paid up share capital as regards the issuance of shares to Suzuki Motor Corporation, Japan.
19. It has also been stated that the Transferee company undertakes to lock in 25% of new equity shares i.e. 32,92,500 equity shares for a period of three years from the date of listing of the new shares on the BSE and the Transferee company shall comply with the conditions stipulated by the BSE in its communication dated 26th June 2012.
20. It has also been stated that the Transferee company has, on 15th January 2013, filed its balance sheet as at 31st March 2012 with the RoC, with the extended period up to 15th February 2013.
21. The objections raised by the RD with respect to alteration of the Memorandum of Association of the Transferee company are without merit in view of the judgments relied upon. This Court has held that the sanction under Sections 391 to 394 of the

Act is a single window clearance and there is no requirement of a separate procedure to be followed for the amendment of the Memorandum of Association. It is noticed that the change in the object clause is being implemented as an integral part of the Scheme. The equity shareholders of the Petitioner companies have approved the Scheme in its entirety. Upon sanction of the Scheme, the order of the Court shall be filed with the RoC and the same shall constitute compliance of the provisions of the Act for change in the Memorandum of Association. The undertakings given at paras 3 (d) and para 3 (e) of the reply affidavit dated 25th January 2013 are taken on record.

22. The Petitioner companies in the affidavits dated 23rd January 2013 and 25th January 2013 have stated that no objection has been received by the Petitioner companies or its counsel to the proposed Scheme from any party. It is further submitted by the counsel for the Petitioner companies that even as on date, no objection has been received to the proposed Scheme from any other party.
23. In view of the approval accorded by the equity shareholders and unsecured creditors of the Transferee company and the equity shareholders, secured creditors and unsecured creditors of the Transferee company, the affidavit filed by the RD to the proposed Scheme and the report of the OL, there appears to be no impediments to the grant of sanction to the Scheme. Consequently, sanction is hereby granted to the Scheme under Sections 391 to 394 of the Act. The Petitioner companies will comply with the statutory requirements in accordance with law. In terms of the provisions of Sections 391 to 394 of the Act and in terms of the Scheme, the whole of the undertaking, properties, rights and powers of the Transferor company be transferred to and vest in the Transferee company without any further act of deed. Similarly, in terms of the Scheme, all liabilities and duties of the Transferor company be transferred to the Transferee company without any further act or deed. Upon the Scheme coming into effect, the Transferor company shall stand dissolved without winding up. It is however clarified that this order will not be construed as an order granting exemption from payment of stamp duty or taxes or any other charges, if payable, in accordance with any law or permission/compliance with any other requirement which may be specifically required under any law.
24. A certified copy of the order be filed with the RoC within 30 days from the date of receipt of the same.
25. Learned counsel for the Petitioner companies voluntarily states that the cost of Rs. 50,000 would be deposited in the Common Pool Fund of the OL within four weeks from today. The said statement is taken on record.
26. The petition is allowed in the above terms.
27. Order be given dasti.

29th January 2013

Co. Pet. No.490 of 2012

**Sd/-
S. Muralidhar, J.**

IN THE HIGH COURT OF DELHI AT NEW DELHI
(ORIGINAL JURISDICTION)

IN THE MATTER OF THE COMPANIES ACT, 1956

AND

IN THE MATTER OF THE SCHEME OF AMALGAMATION
OF

COMPANY PETITION NO. 490/2012

CONNECTED WITH

COMPANY APPLICATION (M) NO. 128/2012

IN THE MATTER OF

Suzuki Powertrain India Limited
Having its Registered Office at:
Plot No.1, Nelson Mandela Road,
Vasant Kunj, New Delhi-110070

.....Petitioner/Amalgamating Company

AND

IN THE MATTER OF

Maruti Suzuki India Limited
Having its Registered Office at:
Plot No.1, Nelson Mandela Road,
Vasant Kunj, New Delhi-110070

.....Petitioner/Amalgamated Company

BEFORE HON'BLE DR. JUSTICE S. MURLIDHAR

DATED THIS 29TH DAY OF JANUARY, 2013

ORDER UNDER SECTION 394 OF THE COMPANIES ACT, 1956

The above petition came up for hearing on 29/01/2013 for sanction of scheme of amalgamation among Suzuki Powertrain India Limited (hereinafter referred to as the Petitioner Company) and Maruti Suzuki India Limited (hereinafter referred to as the Petitioner Company). The Court examined the petition, the order dated 22/08/2012 passed

in CA(M) No. 128/2012 whereby the Hon'ble Court directed the convening of the meeting for the Unsecured Creditors of the Petitioner / Amalgamating Company and meetings of the Equity Shareholders and the Unsecured Creditors of the Petitioner / Amalgamated Company, and dispensed with the requirement of convening and holding the meeting of the equity shareholders of the Petitioner / Amalgamating Company for the purpose of considering and if thought fit, approving with or without modification(s), the Scheme of Amalgamation annexed to the affidavit dated 7/8/2012 of Mr. Vineet Agarwal, Authorized Signatory of the Petitioner / Amalgamating Company and Mr. S. Ravi Aiyar, Authorized Signatory of the Petitioner / Amalgamated Company and the publication in the newspapers namely The Indian Express (English) and Jansatta (Hindi) both dated 09/01/2013 containing the notice of the Petition.

This Court also examined the affidavit dated 22/01/2013 of the Regional Director, Northern Region, Ministry of Corporate Affairs, Noida and approved the Scheme of Amalgamation, in view of the undertakings given by the Petitioner Companies in the reply affidavit dated 25.01.2013.

Upon hearing Mr. Anirudh Das with Mr. Manu Krishnan, Advocates for the Petitioner Companies, Mr. K. S. Pradhan, Dy. Registrar of Companies for the Regional Director and Mr. Rajiv Bahl, Advocates for the Official Liquidator and in the view of the approval of Scheme of Amalgamation without any modification and in view of the report dated 23.01.2013 of the Official Liquidator stating therein that the affairs of the Petitioner Companies have not been conducted in a manner prejudicial interest of its members, creditors or public interest and there being no investigation proceedings pending in relation to the Petitioner Companies under Section 235 to 251 of the Companies Act, 1956.

THIS COURT DOTH HEREBY SANCTION THE SCHEME OF Amalgamation set forth in Schedule I annexed hereto and Doth hereby declare the same to be binding on all shareholders and creditors of the Petitioner/Amalgamating Company and Petitioner / Amalgamated Company and all concerned and doth approve the Scheme of Amalgamation with effect from the appointed date i.e. 01/04/2012.

AND THIS COURT DOTH FURTHER ORDER:

1. That all the property, rights and the powers on the merger of the entire undertaking of the Petitioner/Amalgamating Company with the Petitioner / Amalgamated Company specified in Schedule – II hereto be transferred without further act or deed to the Petitioner / Amalgamated Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and vest in the Petitioner / Amalgamated Company for all the estate and interest on the merger of the entire undertaking of the Petitioner/Amalgamating Company therein but subject nevertheless to all charges now affecting the same; and
2. That all the liabilities and duties on the entire undertaking of the Petitioner/

Amalgamating Company be transferred without further act or deed to the Petitioner / Amalgamated Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and become liabilities of the Petitioner / Amalgamated Company; and

3. That all the proceedings now pending by or against the Petitioner / Amalgamating Company be continued by or against the Petitioner / Amalgamated Company; and
4. That the Petitioner / Amalgamated Company do without further applications allot to such members of the Petitioner / Amalgamating Company as have not given such notice of dissent as is required by Clause 4.3 given in the Scheme of Amalgamation herein the shares in the Petitioner / Amalgamated Company to which they are entitled under the said amalgamation; and
5. That the Petitioner / Amalgamated Company do within 30 days after the date 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, Petitioner / Amalgamating Company shall be dissolved without undergoing the process of winding up and concerned Registrar of Companies shall place all documents relating to the Petitioner / Amalgamating Company and registered with him on the file kept in relation to the Petitioner / Amalgamated Company and the files relating to the said Petitioner / Amalgamating Company and Petitioner / Amalgamated Company shall be consolidated accordingly; and
6. That it is clarified that this order will not be construed as an order granting from exemption from payment of stamp duty, taxes or any other charges, if payable in accordance with the law; or permission / compliance with any other requirement which may be specifically required under any law; and
7. That any person interested shall be at liberty to apply to this court in the above matter for any directions that may be necessary.

SCHEME OF AMALGAMATION
(UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956)

BETWEEN

SUZUKI POWERTRAIN INDIA LIMITED

AND

MARUTI SUZUKI INDIA LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PART-I

1 OVERVIEW, OBJECTIVES AND BENEFITS OF THIS SCHEME

1.1 Brief overview of each company

1.1.1 Suzuki Powertrain India Limited (“Amalgamating Company”):

- (i) The Amalgamating Company is an unlisted public limited company incorporated under the Companies Act (as defined hereinafter), having its registered office at Plot No. 1, Nelson Mandela Road, Vasant Kunj, New Delhi - 110070. The Amalgamating Company was originally incorporated as Suzuki Metal India Limited on November 14, 2002 and changed its name to Suzuki Powertrain India Limited with effect from June 08, 2005. The CIN of the Amalgamating Company is U27109DL2002PLC117679.
- (ii) The Amalgamating Company is authorised to and is primarily engaged in the business of engineering, manufacturing, assembling and selling all kinds of powertrain parts and components for automobiles, which includes engines and transmission for such engines and their components like transmission case, gears, shafts and yorks.

1.1.2 Maruti Suzuki India Limited (“Amalgamated Company”):

- (i) The Amalgamated Company is a public limited company incorporated under the Companies Act, having its registered office at Plot No. 1, Nelson Mandela Road, Vasant Kunj, New Delhi - 110070. The Amalgamated Company was incorporated as Maruti Udyog Limited on February 24, 1981 and changed its name to Maruti Suzuki India Limited with effect from September 17, 2007. The CIN of the Amalgamated Company is L34103DL1981PLC011375. The equity shares of the Amalgamated Company are listed on the Stock Exchanges (as defined hereinafter).
- (ii) The Amalgamated Company is authorised to and is primarily engaged in the business of manufacturing and dealing in automobiles, and other component, parts and accessories related thereto.

1.2 Overview, Objectives and Benefits of this Scheme

- 1.2.1 Pursuant to and under the provisions of Sections 391 to 394 of the Companies Act and the relevant provisions made thereunder, Suzuki Powertrain India Limited and Maruti Suzuki India Limited propose, through this Scheme (as defined hereinafter), to amalgamate Suzuki Powertrain India Limited into and with Maruti Suzuki India Limited.

1.2.2 This Scheme is segregated into the following five (5) parts:

- (i) Part-I sets-forth the overview, objectives and benefits of this Scheme;
- (ii) Part-II sets-forth the capital structure of the Amalgamating Company and the Amalgamated Company and also deals with the change in authorised share capital of the Amalgamated Company.
- (iii) Part-III deals with the amalgamation of the Amalgamating Company into and with the Amalgamated Company, in accordance with Section 2(1B) of the Income Tax Act, 1961 and Sections 391 to 394 of the Companies Act;
- (iv) Part-IV deals with the payment of consideration by the Amalgamated Company to the shareholders of the Amalgamating Company, listing of the entire equity share capital of the Amalgamated Company issued pursuant to amalgamation, and certain specified accounting treatments in the books of the Amalgamated Company pursuant to and in terms of this Scheme; and
- (v) Part-V deals with the general terms and conditions applicable to this Scheme.

1.2.3 This Scheme of Amalgamation shall result in:

- (i) consolidation of the businesses presently being carried on by the Amalgamating Company and the Amalgamated Company, which shall be beneficial to the interests of the shareholders, creditors and employees of both the companies and to the interests of public at large, as such amalgamation would create greater synergies between the businesses of both the companies and would enable them to have large asset base, access to better financial resources as well as enable them to manage their businesses more efficiently by effectively pooling the management, administrative, technical skills and resources of each other;
- (ii) creation of value for shareholders of the Amalgamated Company;
- (iii) creation of better synergies across the group and optimal utilisation of resources;
- (iv) better administration and cost reduction (including reduction in administrative and other common costs);
- (v) alignment, coordination and streamlining of day to day operations of business of both the companies; and
- (vi) creation of synergies of operations besides economies of administrative and managerial costs by combining operations, which will result in improved performance and enhance shareholders' value.

1.3 Definitions

In this Scheme, unless repugnant to the subject, context or meaning thereof, the following capitalised words and expressions shall have the meanings set forth below:

- 1.3.1 “**Appointed Date**” means April 01, 2012 being the date with effect from which this Scheme shall, upon sanction of the same by the Court, be operative, i.e., with effect from which the Amalgamating Company shall stand amalgamated/merged into and with the Amalgamated Company;
- 1.3.2 “**Amalgamated Company**” has the meaning ascribed to such a term in Clause 1.1.2;
- 1.3.3 “**Amalgamating Company**” has the meaning ascribed to such a term in Clause 1.1.1, and notwithstanding anything to the contrary in this Scheme, means and includes:
- (i) all immovable properties including land & buildings, and movable assets including plant, machinery and equipment, whether leased or otherwise held, title, interests, financial assets, investments, loans, advances (including accrued interest), covenants, undertakings and rights, including rights arising under contracts, wherever located (including in the possession of vendors, third parties or elsewhere), whether real, personal or mixed, tangible, intangible or contingent; For avoidance of doubt, the assets will include the immovable properties set forth in **Schedule 1**.
 - (ii) all debts, liabilities, guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, including, without limitation, whether arising out of any contract or tort based on negligence or strict liability;
 - (iii) all contracts, agreements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, sales orders, purchase orders, sales tax credits, income-tax credits, privileges and benefits of all contracts, agreements and all other rights including lease rights, powers and facilities of every kind and description whatsoever or other instruments of whatsoever nature to which the Amalgamating Company is a party;
 - (iv) all technical know-how, trade marks, trade names, service marks, copyrights, patents, designs, domain names, including applications for trade marks, trade names, service marks, copyrights, designs and domain names, used by or held for use by the Amalgamating Company;
 - (v) all permits, licenses, consents, approvals, authorisations, quotas, rights,

entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges and similar rights, and any waiver of the foregoing, issued by any legislative, executive or judicial unit of any governmental or semi-governmental entity or any department, commission, board, agency, bureau, official or other regulatory, administrative or judicial authority used or held for use by the Amalgamating Company;

- (vi) any and all permanent employees, who are on the payrolls of the Amalgamating Company, employees/personnel engaged on contract basis and contract labourers and interns/trainees, engaged by the Amalgamating Company, at its respective offices, branches or otherwise, and any other employees/personnel and contract labourers and interns/trainees hired by the Amalgamating Company after the date hereof; and
- (vii) all books, records, files, papers, directly or indirectly relating to the Amalgamating Company.

1.3.4 “**Board of Directors**” in relation to the Amalgamating Company and/or the Amalgamated Company, as the case may be, means their respective board of directors, and unless repugnant to the subject, context or meaning thereof, shall be deemed to include every committee (including committee of directors) or any person authorised by the board of directors or by any such committee;

1.3.5 “**Companies Act**” means the Companies Act, 1956, the rules and regulations made thereunder, and includes any alterations, modifications, amendments made thereto, and/or any re-enactment thereof;

1.3.6 “**Court**” means the Hon’ble High Court of Judicature of Delhi at New Delhi;

1.3.7 “**Effective Date**” means the date on which all the conditions and matters referred to in Clause 5.5 of this Scheme have been fulfilled. Any references in this Scheme to “upon this Scheme becoming effective” or “effectiveness of this Scheme” means and refers to the Effective Date;

1.3.8 “**Record Date**” means the date to be fixed by the Board of Directors of the Amalgamated Company in terms of Clause 5.7, in consultation with the Amalgamating Company;

1.3.9 “**Scheme**” means this Scheme of Amalgamation in its present form (along with any annexures, schedules, etc., annexed or attached hereto), with such modifications and amendments as may be made from time to time, and with appropriate approvals and sanctions of the Court and other relevant regulatory authorities, as may be required under the Companies Act and under all other applicable laws; and

1.3.10 “**Stock Exchanges**” means the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited.

1.4 **Interpretation**

1.4.1 Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Companies Act, the Income-Tax Act, 1961, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made there under), the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time. In particular, wherever reference is made to the Court in this Scheme, the reference would include, if appropriate, reference to the National Company Law Tribunal or such other forum or authority, as may be vested with any of the powers of the Court under Sections 391 to 394 of the Companies Act and/or rules made thereunder.

1.4.2 In this Scheme, unless the context otherwise requires:

- (i) references to “persons” shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
- (ii) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- (iii) references to one gender includes all genders; and
- (iv) words in the singular shall include plural and vice versa.

PART-II

2 CAPITAL STRUCTURE

2.1 Amalgamating Company

The capital structure of the Amalgamating Company, as of May 31, 2012, is as under:

Share Capital	Amount in Rs.
Authorised	
1,500,000,000 equity shares of Rs. 10 each	15,000,000,000
Total	15,000,000,000
Issued, Subscribed and Paid-up	
1,317,000,000 equity shares of Rs. 10 each	13,170,000,000
Total	13,170,000,000

The shares of the Amalgamating Company are, at present, not listed on any stock exchange, whether in India or in any other country.

2.2 Amalgamated Company

The capital structure of the Amalgamated Company, as of May 31, 2012 is as under:

Share Capital	Amount in Rs.
Authorised Capital	
744,000,000 equity shares of Rs. 5 each	3,720,000,000
Total	3,720,000,000
Issued, Subscribed and Paid-up	
288,910,060 equity shares of Rs. 5 each	1,444,550,300
Total	1,444,550,300

The shares of the Amalgamated Company are, at present, listed on the Stock Exchanges.

2.3 Reorganisation of share capital of the Amalgamating Company

Immediately prior to the amalgamation of the Amalgamating Company, and on Effective Date, the equity share capital of the Amalgamating Company of par value Rs. 10 (Indian rupees ten) each shall be sub-divided and reorganised into equity shares of Rs. 5 (Indian rupees five) each. Accordingly, the authorised share capital of the Amalgamating Company comprising of 1,500,000,000 equity shares of Rs. 10 (Indian rupees ten) each shall be consolidated into 3,000,000,000 equity shares of Rs. 5 (Indian rupees five) each, post such sub-division and reorganisation.

2.4 **Transfer of share capital of the Amalgamating Company to Amalgamated Company**

2.4.1 Upon this Scheme becoming effective and with effect from the Appointed Date, the authorised share capital of the Amalgamating Company, reorganised in terms of Clause 2.3, shall stand transferred to and be merged with the authorised share capital of the Amalgamated Company, without any liability for payment of any additional fees or stamp duty.

2.4.2 Upon this Scheme coming into effect and with effect from the Appointed Date, and consequent to transfer of the existing authorised share capital of the Amalgamating Company in accordance with Clause 2.4.1, the authorised share capital of the Amalgamated Company of Rs. 3,720,000,000 (Indian rupees three billion seven hundred and twenty million), divided into 744,000,000 equity shares of Rs. 5 (Indian rupees five) each, shall stand enhanced by an aggregate amount of Rs. 15,000,000,000 (Indian rupees fifteen billion), and the resultant authorised share capital of the Amalgamated Company shall be Rs. 18,720,000,000 (Indian rupees eighteen billion seven hundred and twenty million), divided into 3,744,000,000 equity shares of Rs. 5 (Indian rupees five) each. Accordingly, clause 5 of the Memorandum of Association of the Amalgamated Company shall stand modified and be substituted by the following:

“The Authorised Share Capital of the Company is Rs. 18,720,000,000 (Indian rupees eighteen billion seven hundred and twenty million), divided into 3,744,000,000 equity shares of Rs. 5 (Indian rupees five) each, with the rights, privileges and conditions attaching thereto as may be provided by the Articles of Association of the Company for the time being, with power to increase and reduce the Capital of the Company and to divide the shares in the Capital for the time being into several classes and to attach there to respectively such preferential, deferred, guaranteed, qualified or special rights, privileges and conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company”

2.5 **Alteration of the main objects**

The main objects of the Amalgamated Company shall stand altered by adding three (3) new paragraphs namely Paragraphs 5, 6 and 7, which shall stand inserted immediately after paragraph 4 and shall read as under:

“5 To carry on the business of engineering, manufacturing, assembling, selling, supplying, importing, exporting and otherwise dealing in all kinds of powertrain parts and components of automobiles which include engines (petrol, diesel, etc.) and transmission for such engines and their components like transmission case, gears, shafts and yorks.

6. *To manufacture, sell, import, export and generally to deal in all types of materials, equipment, appliances, devices and contrivances required for the manufacture, assembly, preparation and production of the aforesaid parts and components or for the marketing and distribution thereof.*
7. *To carry on the business of manufacturers, assemblers, makers, importers, exporters, buyers, sellers, suppliers, stockists, agents, distributors, merchants and dealers in parts and components of automobiles and two wheelers, including, without limitation, aluminum die casting and low pressure casting parts such as cylinder blocks, transmission cases and cylinder heads for automobiles as well as materials required or used for manufacture of such parts and components.”*

2.6 It is hereby clarified that consent of the shareholders of the Amalgamating Company and the Amalgamated Company to this Scheme shall be sufficient for the purposes of effecting the aforesaid reorganisation and transfer of share capital and the amendments to the Memorandum of Association of the Amalgamated Company, and that no further resolutions under Sections 16, and 94 or any other applicable provisions of the Companies Act, would be required to be separately passed, nor shall any additional registration fee, stamp duty, etc, be payable by the Amalgamated Company for this purpose.

3 AMALGAMATION OF AMALGAMATING COMPANY INTO AND WITH THE AMALGAMATED COMPANY

3.1 Transfer and vesting of assets and liabilities and entire business of the Amalgamating Company

With effect from the Appointed Date and upon this Scheme becoming effective, all the assets and liabilities and the entire business of the Amalgamating Company, shall stand transferred to and vest in the Amalgamated Company, as a going concern, without any further act or deed, as per the provisions contained herein.

3.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, with effect from the Appointed Date and upon this Scheme becoming effective:

- (i) all assets of the Amalgamating Company, that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, shall stand vested in the Amalgamated Company and shall become the property and an integral part of the Amalgamated Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
- (ii) all other movable properties of the Amalgamating Company, including investments in shares and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of the Amalgamated Company, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. It is hereby clarified that investments, if any, made by the Amalgamating Company and all the rights, title and interest of the Amalgamating Company in any leasehold properties shall, pursuant to Section 394(2) of the Companies Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Amalgamated Company, unless the lessor of such leasehold properties is the Amalgamated Company, in

which case, the relevant leases shall become redundant and shall cease to have any effect.

- (iii) all immovable properties of the Amalgamating Company, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Amalgamating Company, whether freehold or leasehold (unless the lessor of such leasehold properties is the Amalgamated Company, in which case, the relevant leases shall become redundant and shall cease to have any effect) or otherwise and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Amalgamated Company, without any further act or deed done or being required to be done by the Amalgamating Company and/or the Amalgamated Company. The Amalgamated Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfill all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Amalgamated Company by the appropriate authorities pursuant to the sanction of this Scheme by the Court in accordance with the terms hereof.
- (iv) all debts, liabilities, contingent liabilities, duties and obligations, whether secured or unsecured or whether provided for or not in the books of account or disclosed in the balance sheets of the Amalgamating Company, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company, and the Amalgamated Company shall, and undertake to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause 3.2.

All loans, advances and other obligations due from the Amalgamating Company to the Amalgamated Company or *vice versa* shall stand cancelled and shall have no effect.

- (v) all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies) for the purpose of carrying on the business of the Amalgamating Company, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every

kind and description of whatsoever nature in relation to the Amalgamating Company, or to the benefit of which, the Amalgamating Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on, against or in favour of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligor thereto. In relation to the same any procedural requirements required to be fulfilled solely by the Amalgamating Company (and not by any of its successors) shall be fulfilled by the Amalgamated Company as if it is the duly constituted attorney of that Amalgamating Company.

- (vi) any pending suits/appeals or other proceedings of whatsoever nature relating to the Amalgamating Company, whether by or against such Amalgamating Company, shall not abate, be discontinued or in any way prejudicially affected by reason of the amalgamation of the Amalgamating Company or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Amalgamated 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 Amalgamating Company, as if this Scheme had not been implemented.
- (vii) all permanent employees, who are on the payrolls of the Amalgamating Company, and employees/personnel engaged on contract basis, contract labourers and interns/trainees of the Amalgamating Company, shall become employees, employees/personnel engaged on contract basis, contract labourers or interns/trainees, as the case may be, of the Amalgamated Company with effect from the Effective Date, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Amalgamating Company, without any interruption of service as a result of this amalgamation and transfer. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Amalgamating Company, upon this Scheme becoming effective, the Amalgamated Company shall stand substituted for the Amalgamating Company for all purposes whatsoever, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to such other funds maintained by the Amalgamating Company, in accordance with the provisions of applicable laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Amalgamating Company for such purpose shall be treated as having been continuous.

With regard to provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special scheme or benefits created or existing for the benefit of the employees of the Amalgamating Company, if any, upon this Scheme becoming effective, the Amalgamated Company shall stand substituted for the Amalgamating Company for all purposes whatsoever, including but not limited to those relating to the obligation to make contributions to such funds and schemes in accordance with the provisions of such funds and schemes in the respective trust deeds or other documents. The existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme and any other special scheme or benefits created by the Amalgamating Company for its employees shall be continued on the same terms and conditions or be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Amalgamated Company or as may be created by the Amalgamated Company for such purpose. Pending such transfer, the contributions required to be made in respect of such employees shall continue to be made by the Amalgamated Company to the existing funds maintained by the Amalgamating Company.

The Amalgamated Company undertakes that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits to the employees of the Amalgamating Company, the past services of such employees with the Amalgamating Company shall also be taken into account and it shall pay the same accordingly, as and when such amounts are due and payable. Upon this Scheme becoming effective, the Amalgamating Company will transfer/handover to the Amalgamated Company, copies of employment information, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files relating to its and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause.

The Amalgamated Company shall continue to abide by any agreement(s)/ settlement(s) entered into by the Amalgamating Company with any of its employees prior to the Appointed Date and from the Appointed Date till the Effective Date.

- (viii) any and all registrations, goodwill, licenses, trademarks, service marks,

copyrights, domain names, applications for copyrights, trade names and trade marks, appertaining to the Amalgamating Company, if any, shall stand transferred to and vested in the Amalgamated Company.

- (ix) all taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credits, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, etc.) payable by or refundable to or being the entitlement of the Amalgamating Company, including all or any refunds or claims shall be treated as the tax liability or refunds/credits/claims, as the case may be, of the Amalgamated Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, tax losses including brought forward business loss, unabsorbed depreciation etc., as would have been available to the Amalgamating Company, shall pursuant to this Scheme becoming effective, be available to the Amalgamated Company.
- (x) the accounts of the Amalgamated Company as on the Appointed Date shall be reconstructed in accordance with the terms of this Scheme. The Amalgamated Company shall be entitled to revise its Income Tax returns, Wealth tax returns, TDS returns, and other statutory returns as may be required under respective statutes pertaining to Indirect Taxes, such as Sales-Tax, Value Added Tax, Excise Duties, Service Tax, etc.
- (xi) all approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description in relation to the Amalgamating Company, or to the benefit of which the Amalgamating Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect in favour of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause 3.2, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Amalgamated Company pursuant to the sanction of this Scheme by the Court, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Amalgamated Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.
- (xii) benefits of any and all corporate approvals as may have already been taken by the Amalgamating Company, whether being in the nature of compliances

or otherwise, including without limitation, approvals under sections 81(1A), 293(1)(a), 293(1)(d), 295, 297, and 372A of the Companies Act, read with the rules and regulations made thereunder, shall stand transferred to the Amalgamated Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Amalgamated Company.

(xiii) all estates, assets, rights, title, interests and authorities accrued to and/or acquired by the Amalgamating Company shall be deemed to have been accrued to and/or acquired for and on behalf of the Amalgamated Company and shall, upon this Scheme coming into effect, pursuant to the provisions of Section 394(2) and other applicable provisions of the Companies Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Amalgamated Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Amalgamated Company.

3.3 Upon this Scheme becoming effective and the consequent amalgamation of the Amalgamating Company into and with the Amalgamated Company, the secured creditors of the Amalgamated Company shall only continue to be entitled to security over such properties and assets forming part of the Amalgamated Company, as existing immediately prior to the amalgamation of the Amalgamating Company into and with the Amalgamated Company and the secured creditors of the Amalgamating Company shall continue to be entitled to security over such properties, assets, rights, benefits and interest of and in the Amalgamating Company, as existing immediately prior to the amalgamation of the Amalgamating Company into and with the Amalgamated Company. It is hereby clarified that all the assets of Amalgamated Company and the Amalgamating Company which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any new indebtedness that may be incurred by the Amalgamated Company. For this purpose, no further consent from the existing secured creditors shall be required and sanction of this Scheme shall be considered as a specific consent of such secured creditors.

3.4 The Amalgamating Company and/or the Amalgamated Company, as the case may be, shall, at any time after this Scheme comes into effect in accordance with the provisions hereof, if so required under any law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which the Amalgamating Company has been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions hereof, be deemed to be authorised to execute any such writings on behalf of the Amalgamating Company and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company.

3.5 The Amalgamating Company and/or the Amalgamated Company, as the case may be, shall, at any time after this Scheme comes into effect in accordance with the provisions hereof, if so required under any law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Amalgamating Company. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Amalgamated Company pursuant to the sanction of this Scheme by the Court, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Amalgamated Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Amalgamating Company and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

3.6 **Conduct of Businesses till Effective Date**

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

- (i) the Amalgamating Company undertakes to carry on and shall be deemed to have carried on all its business activities and stand possessed of its properties and assets, for and on account of and in trust for the Amalgamated Company;
- (ii) all profits or income arising or accruing in favour of the Amalgamating Company and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax credit, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, etc.) or losses arising or incurred by the Amalgamating 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 Amalgamated Company;
- (iii) the Amalgamating 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 commitment of any nature whatsoever, borrow any amount or incur any other liabilities or expenditure, issue any additional guarantee, indemnity, letters of comfort or commitment either for itself or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any of its properties/assets, except:

- (a) when the same is expressly provided in the Scheme; or
 - (b) when the same is in the ordinary course of business as carried on by the Amalgamating Company, as on the date of filing of the Scheme in the Court; or
 - (c) when written consent of the Amalgamated Company has been obtained in this regard.
- (iv) except by mutual consent of the Boards of Directors of the Amalgamating Company and the Amalgamated Company, or except pursuant to any prior commitment, obligation or arrangement existing or undertaken by the Amalgamating Company and/or the Amalgamated Company as on the date of sanction of this Scheme by the Board of Directors of the Amalgamated Company, or except as contemplated in this Scheme, pending sanction of this Scheme, the Amalgamating Company and/or the Amalgamated Company shall not make any change in their capital structures 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 such company(ies);
- (v) the Amalgamating Company shall not alter or substantially expand its business, except with the written concurrence of the Amalgamated Company; and
- (vi) the Amalgamating Company shall not amend its memorandum of association or articles of association, except with the written concurrence of the Amalgamated Company.
- 3.6.2 (i) With effect from the Effective Date, the Amalgamated Company shall carry on and shall be entitled to carry on the business of the Amalgamating Company.
- (ii) For the purpose of giving effect to the amalgamation order passed under Sections 391 to 394 and other applicable provisions of the Companies Act in respect of this Scheme by the Court, the Amalgamated Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Amalgamating Company, in accordance with the provisions of Sections 391 to 394 of the Companies Act. The Amalgamated Company is and shall always be deemed to have been authorised to execute any pleadings, applications, forms, etc., as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.

- (iii) Upon this Scheme becoming effective the Amalgamated Company unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of the Amalgamating Company with effect from the Appointed Date, in order to give effect to the foregoing provisions.
- 3.7 Upon this Scheme becoming effective, the Amalgamating Company shall stand dissolved, without any further act or deed, without being wound-up.

PART-IV

4 CHANGE IN SHARE CAPITAL, CONSIDERATION, LISTING AND ACCOUNTING TREATMENT

4.1 In consideration of the provisions of Part-III of this Scheme and as an integral part of this Scheme, the share capital of the Amalgamated Company shall be restructured in the manner set forth in this Clause 4.

4.2 Upon this Scheme becoming effective and after the allotment of the new equity shares by the Amalgamated Company in terms of Clause 4.3, the issued, subscribed and paid-up capital of the Amalgamated Company shall stand increased from Rs. 1,444,550,300 (Indian rupees one billion four hundred forty four million five hundred fifty thousand and three hundred), divided into 288,910,060 equity shares of Rs. 5 (Indian rupees five) each to Rs. 1,510,400,300 (Indian rupees one billion five hundred ten million four hundred thousand and three hundred), divided into 302,080,060 equity shares of Rs. 5 (Indian rupees five) each.

4.3 Payment of Consideration

4.3.1 Upon this Scheme becoming effective, in consideration of the transfer and vesting of all assets and liabilities of the Amalgamating Company into and with the Amalgamated Company in terms of Part-III of this Scheme, the Amalgamated Company shall issue, in aggregate, 13,170,000 fully paid-up equity shares of Rs. 5 (Indian rupees five) each, to the shareholders of the Amalgamating Company whose names are recorded in the register of members of the Amalgamating Company on the Record Date, in a manner that each such equity shareholder of the Amalgamating Company shall be issued 1 (one) fully paid-up equity shares of Amalgamated Company, for every 70 (seventy) fully paid-up equity shares of Rs. 10 each held by such equity shareholder in the Amalgamating Company as on the Record Date. It may however be noted that: (i) the Amalgamated Company shall not receive any shares in terms of the aforementioned entitlement, in its capacity as a shareholder of the Amalgamating Company, and such of its shareholding in the Amalgamating Company shall stand cancelled without any consideration in terms of Clause 4.3.3, and (ii) the nominee shareholders of Suzuki Motor Corporation, Japan, in the Amalgamating Company, shall not receive any shares in terms of the aforementioned entitlement, as these nominee shareholders hold certain nominal number of shares in the Amalgamating Company merely to ensure that the Amalgamating Company has at least seven (7) shareholders, which is the minimum number of shareholders a public limited company can have in terms of the Companies Act.

4.3.2 The issuance of fully paid-up equity shares to the shareholders of the Amalgamating Company in terms of Clause 4.3.1 is based on the share swap ratio of 1:70, approved by the Boards of Directors of the Amalgamated Company and the Amalgamating

Company, based on their independent judgment and after taking into consideration the suggestions provided by Ernst & Young Pvt. Ltd. and KPMG India Private Limited on June 12, 2012, on the share swap ratio. The Amalgamated Company had further engaged Kotak Mahindra Capital Company Limited as the merchant banker to provide a fairness opinion on such share swap ratio as per the regulatory requirement. In connection with such engagement, Kotak Mahindra Capital Company Limited has issued an opinion dated June 12, 2012, which stated that as of such date the share swap ratio as mentioned above is fair. The Board of Directors of the Amalgamated Company and the Amalgamating Company based on and relying upon the aforesaid expert advice/opinions, and on the basis of their independent evaluation and judgment, have come to the conclusion that the proposed share swap ratio is fair and reasonable and have approved the same at their respective meetings held on June 12, 2012.

- 4.3.3 Upon this Scheme becoming effective, in the (consolidated/merged) balance sheet of the Amalgamated Company, investments of the Amalgamated Company being equity shares held in the Amalgamating Company, whether held in its own name or through nominees, shall stand cancelled in entirety without any consideration and without any further act or deed [and without any liability towards capital gains tax under the Income Tax Act, 1961].

4.4 Issuance mechanics and other relevant provisions

- 4.4.1 In the event that the Amalgamating Company and/or the Amalgamated Company change their capital structures either by way of any increase (by issue of equity shares, bonus shares, convertible securities or otherwise), decrease, reduction, reclassification, sub-division, consolidation, or re-organisation in any other manner, which would have the effect of bringing some change to the capital structures of such company(ies), during the pendency of this Scheme, the share swap ratio mentioned in Clause 4.3 shall further be modified/adjusted accordingly to take into account the effect of such corporate actions.
- 4.4.2 Subject to applicable laws, the equity shares of Amalgamated Company that are to be issued in terms of Clause 4.3 shall be issued in dematerialised form, unless a shareholder gives a notice to the Amalgamated Company on or before the Record Date, requesting for issuance of such equity shares in physical form. The shareholders shall provide such confirmation, information and details as may be required by the Amalgamated Company to enable it to issue the aforementioned equity shares.
- 4.4.3 In case the aggregate number of equity shares in the Amalgamated Company to be issued to the shareholders of the Amalgamating Company in terms of Clause 4.3, contains a fraction of a share, then the Board of Directors of the Amalgamated Company shall round off such fraction to the next whole number and

accordingly determine the total number of shares to be issued to the shareholders of the Amalgamating Company. Further, in case any shareholder's holding in the Amalgamating Company is such that the shareholder becomes entitled to a fraction of an equity share of the Amalgamated Company, then the Board of Directors of the Amalgamated Company shall consolidate all such fractional entitlements and the resultant share(s) shall be issued and allotted to one of the directors or officers of the Amalgamated Company or to such other person as the Board of Directors of the Amalgamated Company may decide in this behalf, to be held in trust for all such members who were entitled to such fractional entitlements. Such trustee, who is allotted such consolidated shares, shall be bound by the express understanding to cause the sale of such shares within a period of one(1) year from the Record Date. Such sale of shares shall be made at such price(s), at such time(s) and to such person or persons, as the trustee may deem proper and the trustee shall deposit the net sale proceeds of such sale with the Amalgamated Company (after deduction of the expenses incurred in relation to such sale, if any), which shall then be distributed by the Amalgamated Company to the shareholders (as on the Record Date) respectively entitled to the same in proportion to their fractional entitlements. [Such distribution of money by the Amalgamated Company to its shareholders at such point in time shall not be treated as deemed dividend].

- 4.4.4 Equity shares to be issued by the Amalgamated Company pursuant to this Clause 4.3 in respect of such of the equity shares of the shareholders of the Amalgamating Company which are held in abeyance shall also be kept in abeyance.
- 4.4.5 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Amalgamating Company, the Board of Directors of the Amalgamating Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in the Amalgamating Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor/transferee of the shares in the Amalgamating Company and in relation to the equity shares issued by the Amalgamated Company after the effectiveness of this Scheme. The Board of Directors of the Amalgamated Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Amalgamated Company on account of difficulties faced in the transition period.
- 4.4.6 The equity shares to be issued and allotted by the Amalgamated Company in terms of Clause 4.3 shall be subject to the provisions of the Memorandum and Articles of Association of the Amalgamated Company and shall rank *pari passu* in all respects with the existing equity shares of the Amalgamated Company.
- 4.5 **Provisions with respect to listing of the equity shares to be issued by the**

Amalgamated Company

Post effectiveness of this Scheme, the equity shares to be issued and allotted by the Amalgamated Company in terms of Clause 4.3 of this Scheme, shall be listed within a period of ninety(90) days from the Record Date (or such longer period as may be required for the purpose by the relevant /appropriate Stock Exchanges), and shall be admitted for trading on the Stock Exchanges by virtue of this Scheme and the Order passed by the Court approving this Scheme. The listing shall however be subject to compliance with the conditions and other requirements of the Stock Exchanges, Securities and Exchange Board of India, and such other regulatory authorities, if any.

4.6 Accounting Treatment

4.6.1 Upon this Scheme becoming effective, the Amalgamated Company shall account for the amalgamation in its books of account in accordance with the method of accounting as prescribed under pooling of interest method in Accounting Standard (AS) 14 on Accounting for Amalgamations prescribed by the Central Government under Companies (Accounting Standard) Rules, 2006, as amended from time to time.

4.6.2 The accounting treatment will be as under:

- (i) upon coming into effect of this Scheme, for the purpose of accounting for and dealing with the value of the assets, liabilities, reserves, etc, as dealt with hereinbelow in the books of account of the Amalgamated Company, financial statements of the Amalgamating Company as on the close of business of the date immediately preceding the Appointed Date shall be prepared;
- (ii) all the assets, liabilities and reserve of the Amalgamating Company as recorded in its financial statements as stated hereinabove, shall be recorded in the books of accounts of the Amalgamated Company as such, subject to suitable adjustments being made to ensure uniformity of accounting policies, if any;
- (iii) the Amalgamated Company shall credit the aggregate par value of the equity shares issued to the shareholders of the Amalgamating Company pursuant to this Scheme to the 'equity share capital account' in its books of accounts; and
- (iv) surplus or deficit, if any, arising as a result of such amalgamation, i.e., excess or shortfall of the value of net assets of the Amalgamating Company transferred to the Amalgamated Company over the paid-up value of shares to be issued and allotted to the shareholders of the Amalgamating Company by the Amalgamated Company, shall be adjusted in reserves.

- 4.6.3 The identity of the reserves of the Amalgamating Company, if any, and to the extent deemed appropriate by the Board of Directors of the Amalgamated Company, shall be preserved and they shall appear in the financial statements of the Amalgamated Company in the same form and manner, in which they appeared in the financial statements of the Amalgamating Company, as on the date immediately preceding the Appointed Date. Accordingly, if prior to this Scheme becoming effective there is any reserve in the financial statements of the Amalgamating Company available for distribution to shareholders, whether as bonus shares or dividend or otherwise, the same would continue to remain available for such distribution by the Amalgamated Company, subsequent to this Scheme becoming effective.
- 4.6.4 The Amalgamated Company shall record in its books of account, all transactions of the Amalgamating Company in respect of assets, liabilities, income and expenses, from the Appointed Date to the Effective Date.
- 4.6.5 Any inter-company payables and receivables between the Amalgamating Company and the Amalgamated Company shall be cancelled and the Amalgamated Company shall accordingly not record any of such payables and receivables in its books.
- 4.6.6 In case of any differences in accounting policies followed by the Amalgamating Company from that of the Amalgamated Company, impact of the same till the date immediately preceding the Appointed Date will be quantified and be appropriately adjusted and reported in accordance with applicable accounting rules and principles in the books of the Amalgamating Company, so as to ensure that the financial statements of the Amalgamated Company reflect the financial position on the basis of consistent accounting policies.
- 4.6.7 Notwithstanding the above, the Board of Directors of the Amalgamated Company, in consultation with its statutory auditors, is authorised to account any of the balances in any other manner, if such accounting treatment is considered more appropriate.

4.7 **Miscellaneous Provisions**

- 4.7.1 It is hereby clarified that pursuant to amalgamation of the Amalgamating Company into and with the Amalgamated Company, the control over the Amalgamated Company shall not change.

PART-V

5 GENERAL TERMS AND CONDITIONS

5.1 This Scheme, has been drawn up to comply with the conditions relating to 'Amalgamation' as specified under the tax laws, specifically Section 2(1B) of the Income-tax Act, 1961, which include the following:

- (i) all the properties of the amalgamating company immediately before the amalgamation becomes the properties of the amalgamated company by virtue of the amalgamation;
- (ii) all the liabilities of the amalgamating company immediately before the amalgamation become the liabilities of the amalgamated company by virtue of the amalgamation;
- (iii) shareholders holding not less than three-fourths in value of the shares in the amalgamating company or companies (other than shares already held therein immediately before the amalgamation by, or by a nominee for, the amalgamated company or its subsidiary) become shareholders of the amalgamated company by virtue of the amalgamation;

otherwise than as a result of the acquisition of the property of one company by the other company pursuant to the purchase of such property by the other company or as a result of the distribution of such property to the other company after the winding up of the first mentioned company,

and other relevant sections of the Income-tax Act, 1961. If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the provisions of the tax laws shall prevail. This Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of this Scheme. Notwithstanding the other provisions of this Scheme, the power to make such amendments/modifications as may become necessary, shall vest with the Board of Directors of the Amalgamated Company, which power shall be exercised reasonably in the best interests of the companies concerned and their shareholders, and which power can be exercised at any time, whether before or after the Effective Date.

1.2 Upon this Scheme becoming effective, the accounts of the Amalgamated Company as on the Appointed Date shall be reconstructed in accordance with the terms of this Scheme. The Amalgamated Company shall be entitled to revise its income tax returns, TDS returns, and other statutory returns as may be required under

respective statutes pertaining to indirect taxes, such as sales-tax, value added tax, excise duties, service tax, etc, and shall also have the right to claim refunds, advance tax credits, credit of tax under Section 115JB of the Income Tax Act, 1961, credit of tax deducted at source, credit of foreign taxes paid/withheld, etc, if any, as may be required consequent to implementation of this Scheme.

- 5.3 The Amalgamated Company and/or the Amalgamating Company, shall, with all reasonable dispatch, make respective applications to the Court, under Sections 391 to 394 and other applicable provisions of the Companies Act, seeking orders for dispensing with or convening, holding and/or conducting of the meetings of the classes of their respective shareholders and/or creditors and for sanctioning this Scheme with such modifications, as may be approved by the Court.
- 5.4 Upon this Scheme being approved by the requisite majority of the shareholders and creditors of the Amalgamated Company and the Amalgamating Company (wherever required), the Amalgamating Company and the Amalgamated Company shall, with all reasonable dispatch, file respective petitions before the Court for sanction of this Scheme under Sections 391 to 394 and other applicable provisions of the Companies Act, and for such other order or orders, as the Court may deem fit for carrying this Scheme into effect. Upon this Scheme becoming effective, the shareholders of both, the Amalgamated Company and the Amalgamating Company, shall be deemed to have also accorded their approval under all relevant provisions of the Companies Act for giving effect to the provisions contained in this Scheme.
- 5.5 The effectiveness of this Scheme is conditional upon and subject to:
- (i) this Scheme being approved by the respective requisite majorities of the various classes of shareholders and/or creditors (if required) of the Amalgamating Company and of the Amalgamated Company as required under the Companies Act, and the requisite orders of the Court being obtained; and
 - (ii) such certified copies of the Orders of the Court being filed with the Registrar of Companies, NCT of Delhi and Haryana at New Delhi, by the Amalgamated Company and the Amalgamating Company respectively.
- 5.6 Upon the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred on the Appointed Date, as the case may be and become effective and operative only in the sequence and in the order mentioned hereunder:
- (i) alteration of the main objects of the Amalgamated Company as provided in Clause 2.5;
 - (ii) amalgamation of the Amalgamating Company into and with the Amalgamated

Company in accordance with Part-III of this Scheme;

- (iii) transfer of the authorised share capital of the Amalgamating Company to the Amalgamated Company as provided in Clause 2.4, and consequential increase in the authorised share capital of the Amalgamated Company as provided thereunder; and
- (iv) issuance and allotment of fully paid-up equity shares of the Amalgamated Company to the shareholders of the Amalgamating Company in terms of Clause 4.3 of this Scheme.

5.7 After this Scheme is sanctioned but before it becomes effective, the Board of Directors of the Amalgamated Company shall, in consultation with the Amalgamating Company, determine the record date, for issue and allotment of fully paid-up equity shares of the Amalgamated Company to the shareholders of the Amalgamating Company in terms of Clause 4.3. On determination of such record date, the Amalgamating Company shall provide to the Amalgamated Company, the list of its shareholders as on such record date, who are entitled to receive the fully paid-up equity shares in the Amalgamated Company in terms of this Scheme in order to enable the Amalgamated Company to issue and allot such fully paid-up equity shares to such shareholders of the Amalgamating Company.

5.8 The transfer of properties and liabilities to, and the continuance of proceedings by or against the Amalgamated Company, as envisaged in Part-III above shall not affect any transaction or proceedings already concluded by the Amalgamating Company on or before the Appointed Date, and after the Appointed Date till the Effective Date, to the end and intent that the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the Amalgamating Company in respect thereto as done and executed on behalf of itself.

5.9 (i) The Amalgamating Company and the Amalgamated Company shall be entitled to declare and pay dividends, whether interim and/or final, to their respective shareholders prior to the Effective Date. In other words, the shareholders of the Amalgamating Company shall not be entitled to dividend (whether interim and/or final), if any, declared and paid by the Amalgamated Company to their shareholders prior to the Effective Date and vice versa.

(ii) The holders of the shares of the Amalgamating Company and the Amalgamated Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association, including the right to receive dividends.

(iii) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer

any right on any shareholder of the Amalgamating Company and/or the Amalgamated Company to demand or claim any dividends which, subject to the provisions of the Companies Act, shall be entirely at the discretion of the respective Boards of Directors of the Amalgamating Company and the Amalgamated Company respectively, and if applicable, subject to the approval of the shareholders of the Amalgamating Company and the Amalgamated Company respectively.

- 5.10 The reference consolidated summary balance sheet of the Amalgamated Company (i.e., inclusive of the Amalgamating Company) as on the Appointed Date, assuming that this Scheme has become effective is attached hereto as **Schedule 2**.
- 5.11 Though this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable and come into operation from the Appointed Date.
- 5.12 The Amalgamated Company and the Amalgamating Company (acting through their respective Boards of Directors) may assent to any modifications or amendments to this Scheme, which the Court and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme. The Amalgamated Company and the Amalgamating Company (acting through its respective Boards of Directors) be and are hereby authorised to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any orders of the Court or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.
- 5.13 Notwithstanding anything else to the contrary in this Scheme, the Amalgamated Company and the Amalgamating Company (acting through its respective Boards of Directors) shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Court or any other authority is not acceptable to them.
- 5.14 All costs, expenses, charges, fees, taxes, duties, levies and all incidental expenses arising out of or incurred in carrying out and implementing the terms and conditions or provisions of this Scheme and matters incidental thereto shall be borne and paid by the Amalgamated Company.
- 5.15 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Amalgamated Company, the Amalgamating Company, and/or their respective shareholders, and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.
- 5.16 If any part of this Scheme is invalid, ruled illegal by any court of competent

jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the Amalgamated Company and the Amalgamating Company (acting through their respective Boards of Directors) shall attempt to bring about appropriate modification to this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.

- 5.17 Upon the Scheme becoming effective, the Amalgamated Company shall be entitled to use all labels, packaging, point of sale material, sign board, samples, closures, other publicity material, etc, lying unused with the Amalgamating Company, and which the Amalgamating Company is otherwise entitled to use under any statute/regulation, till such time as all of such packaging, labels, closures, etc, are exhausted.

Schedule 1

*List of immovable properties of the Amalgamating Company as on March 31, 2012
(refer to Clause 1.3.3(i))*

(in Rs.)

<i>Particulars</i>	<i>Location</i>	<i>WDV (as March 31, 2012)</i>
Free hold land	Manesar	105,430,929
Building	Manesar	1,106,318,673

Schedule 2:

Summary Balance Sheet of Maruti Suzuki India Limited (amalgamated company) as at 1st April 2012, post merger with Suzuki Powertrain India Limited (amalgamating company)

Rs. in Million
Amalgamated

EQUITY AND LIABILITIES**SHAREHOLDERS' FUNDS**

Share Capital	1,510
Reserves and Surplus	163,423
	164,933

NON-CURRENT LIABILITIES

Long Term Borrowings	3,253
Deferred Tax Liabilities (Net)	4,089
Other Long Term Liabilities	966
Long Term Provisions	1,725
	10,033

CURRENT LIABILITIES

Short Term Borrowings	10,783
Trade Payables	35,274
Other Current Liabilities	20,060
Short Term Provisions	5,256
	71,373

TOTAL

246,339

ASSETS**NON-CURRENT ASSETS**

Fixed Assets	
Tangible Assets	91,123
Intangible Assets	2,470
Capital Work in Progress	9,063
	102,655
Non-Current Investments	9,982
Long Term Loans and Advances	15,145
Other Non-Current Assets	263
	128,045

CURRENT ASSETS

Current Investments	47,541
Inventories	21,994
Trade Receivables	10,544
Cash and Bank Balances	25,412
Short Term Loans and Advances	8,938
Other Current Assets	3,865
	118,294
TOTAL	246,339

Note:

The changes on account of difference in accounting policies of amalgamating company and the amalgamated company are not expected to be material and significant and hence no adjustments in the opening net worth of 01.04.12 have been considered necessary.

IN THE HIGH COURT OF DELHI AT NEW DELHI
COMPANY JURISDICTION
COMPANY PETITION NO. 490 OF 2012
CONNECTED WITH
COMPANY APPLICATION (M) NO. 128 OF 2012

IN THE MATTER OF:

The Companies Act, 1956;

AND

IN THE MATTER OF:

Petition under Sections 391 to 394 of the Companies Act, 1956;

AND

IN THE MATTER OF:

Scheme of Amalgamation between Suzuki Powertrain India Limited and Maruti Suzuki India Limited and their respective shareholders and creditors.

AND

IN THE MATTER OF

SUZUKI POWERTRAIN INDIA LIMITED , a company incorporated under the provisions of the Companies Act, 1956, having its Registered Office at Plot No. 1, Nelson Mandela Road, Vasant Kunj, New Delhi – 110 070.	...PETITIONER/ AMALGAMATING COMPANY
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AND

MARUTI SUZUKI INDIA LIMITED , a company incorporated under the provisions of the Companies Act, 1956, having its Registered Office at Plot No. 1, Nelson Mandela Road, Vasant Kunj, New Delhi – 110 070.	...PETITIONER/ AMALGAMATED COMPANY
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SCHEDULE II
Schedule of Properties
(As on 1st April, 2012)

Particulars	Amount (Rs.)
PART - I	
Short Description of the Free Hold Property of the Transferor Company	
Casting Plant at Plot No. 26B, Sector 3A, IMT Manesar, Gurgaon, Haryana, 122051	105,430,929
PART - II	
Short Description of the Lease hold property of the Transferor Company	Nil
PART - III	
Short Description of all the stocks, shares, debentures and other Charges in action of the Transferor Company	
<u>Fixed Assets</u>	
• Land	105,430,929
• Building	964,031,410
• Plant and Equipment	16,341,473,878
• Dies	289,898,913
• EDP Equipments & Software	20,698,035
• Furniture & Fixtures	6,711,177
• Office Equipments	12,545,606
• Vehicles	10,221,661
• Leased – Plant & Machinery	263,914,707
• Intangible Assets – Technical Know how	370,792,135
Capital Work in progress	2,948,508,199
Long Term Loans & Advances	230,791,328
<u>Current Assets</u>	
• Inventories	4,028,553,701
<u>Sundry Debtors</u>	
• Outstanding for a period exceeding six months from the due date	10,872,642
• Other Receivables	3,355,863,813

<u>Cash and Bank Balances</u>	
Balance with Banks in Current Accounts	
• HDFC Bank A/c No. 00440310000146	71,729,933
• BOTM A/c No. 023353	503,202
• HSBC Bank A/c No. 054-252-663-001	89,485,597
• Standard Chartered Bank A/c No. 52205570204	2,719,397
• Citibank A/c No. 16070009	716,831
• Mizuho Corporate Bank A/c No. H10793400765	2,832,265
• Barclays Bank A/c No. 000003036659	185,122
• PNB A/c No. 420900CA00024986	135,111
In Export Earners Foreign Currency Account	22,729,575
• EEFC A/c BOTM A/c No. 0000600261	
Fixed Deposits	860,000,000
Loans & Advances (Considered Good)	
<u>Unsecured</u>	
• Trade advances to related parties	555,127,168
• Advances to Vendors	139,562,340
• Balance with Customs, port trust, other Government authorities and others	641,182,819
• Advance payment of taxes(net of provisions)	58,549,116
• Prepaid Expenses	16,078,414
• Advances recoverable in cash or in kind	6,912,839
Other Current Assets (Considered Good)	
<u>Unsecured</u>	
• Interest accrued on deposits	394,422
• Interest accrued on tooling advance	705,510
• Claims recoverable – Insurance	69,094,050
• Duty drawback receivable	52,085,411
• Receivable for sale of fixed assets	16,150,051

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,

PRINCIPAL BENCH, AT NEW DELHI

COMPANY PETITION NO. CP(CAA)19/(PB)/2017

CONNECTED WITH

COMPANT APPLICATION NO. (M) 127 OF 2016

PRESENT: CHIEF JUSTICE (RTD.) SHRI M.M. KUMAR, HON'BLE

PRESIDENT & SMT DEEPA KRISHAN, MEMBER (TECHNICAL)

In the matter of:

Section 230 – 232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

AND

IN THE MATTER OF SCHEME OF AMALGAMATION

OF

IN THE MATTER OF:

1) MARUTI INSURANCE BUSINESS AGENCY LIMITED,

[CIN No. U74999DL2002PLC113813],

A Company incorporated under the provisions

of the Companies Act, 1956 and having its

Registered Office at Plot No. 1,

Nelson Mandela Road,

Vasant Kunj,

New Delhi – 110 070.

....Petitioner/ Transferor Company-1

AND

- 2) **MARUTI INSURANCE DISTRIBUTION SERVICES LIMITED,**
[CIN No. U74999DL2002PLC113812],
A Company incorporated under the provisions
of the Companies Act, 1956 and having its
Registered Office at Plot No. 1,
Nelson Mandela Road,
Vasant Kunj,
New Delhi – 110 070. **....Petitioner/ Transferor Company-2**

AND

- 3) **MARUTI INSURANCE AGENCY NETWORK LIMITED,**
[CIN No. U67200DL2004PLC126710],
A Company incorporated under the provisions
of the Companies Act, 1956 and having its
Registered Office at Plot No. 1,
Nelson Mandela Road,
Vasant Kunj,
New Delhi – 110 070. **....Petitioner/ Transferor Company-3**

AND

- 4) **MARUTI INSURANCE AGENCY SOLUTIONS LIMITED,**
[CIN No. U67200DL2004PLC126711],
A Company incorporated under the provisions
of the Companies Act, 1956 and having its
Registered Office at Plot No. 1,
Nelson Mandela Road,
Vasant Kunj,
New Delhi – 110 070. **....Petitioner/ Transferor Company-4**

AND

- 5) **MARUTI INSURANCE AGENCY SERVICES LIMITED,**
[CIN No. U74999DL2006PLC151108],
A Company incorporated under the provisions
of the Companies Act, 1956 and having its
Registered Office at Plot No. 1,
Nelson Mandela Road,
Vasant Kunj,
New Delhi – 110 070. **....Petitioner/ Transferor Company-5**

AND

- 6) **MARUTI INSURANCE AGENCY LOGISTICS LIMITED,**
[CIN No. U66000DL2007PLC169581],
A Company incorporated under the provisions
of the Companies Act, 1956 and having its
Registered Office at Plot No. 1,
Nelson Mandela Road,
Vasant Kunj,
New Delhi – 110 070. **....Petitioner/ Transferor Company-6**

AND

- 7) **MARUTI INSURANCE BROKER LIMITED,**
[CIN No. U741040DL2010PLC201708],
A Company incorporated under the provisions
of the Companies Act, 1956 and having its
Registered Office at Plot No. 1,
Nelson Mandela Road,
Vasant Kunj,
New Delhi – 110 070. **....Petitioner/ Transferor Company-7**

WITH

8) **MARUTI SUZUKI INDIA LIMITED,**

[CIN No. L34103DL1981PLC011375],

A Company incorporated under the provisions

of the Companies Act, 1956 and having its

Registered Office at Plot No. 1,

Nelson Mandela Road,

Vasant Kunj,

New Delhi – 110 070.

....Petitioner/ Transferee Company

AND

Their respective Shareholders and Creditors

Counsel for the Petitioners: Mr. Anirudh Das, Advocate

Order:

- 1) This Petition filed by the Petitioner Companies is coming up finally before us on 30.05.2017 for the purpose of approval of Scheme of Amalgamation between the Transferor Companies No. 1-7 and the Transferee Company. This Scheme of Amalgamation shall result in economization and reduction of administrative and managerial costs; alignment, coordination and streamlining of day to day management of all the companies; and creation of better synergies across the group and optimal utilization of resources.
- 2) A perusal of petition discloses that initially the application seeking the directions for dispensing with convening of the meeting of Equity Shareholders, Secured and Unsecured Creditors of Petitioner Companies were filed before the Hon'ble High Court of Delhi being CA (M) No. 127 of 2016. Hon'ble Delhi High Court vide its order dated 24.12.2016 was pleased to dispense with the requirement of convening of meetings of the Equity Shareholders, Secured and Unsecured Creditors of Petitioner Companies in view of consents having been obtained and produced before it or on the grounds of their non-existence which obviously does not necessitate convening of a meeting in any event as the case may be.
- 3) The petitioner has filed the petition for sanctioning of the Scheme of Amalgamation before the National Company Law Tribunal, Principal Bench, New Delhi subsequent to the order of dispensing with the meetings by the Hon'ble High court of Delhi on 24.12.2016.
- 4) On 01.03.2017 National Company Law Tribunal, Principal Bench, New Delhi issued Notice in the Second Motion petition being CP (CAA)/19(PB)/2017 moved by the Petitioners under Sections 391 to 394 of the Companies Act, 1956 read with relevant Rules of the Companies (Court) Rules, 1959 in connection with the Scheme of Amalgamation, to the Regional Director, Northern Region, Ministry of Corporate Affairs; Registrar of Companies, NCT of Delhi and Haryana; Income Tax Department having jurisdictions over the respective files of Petitioner companies; Official Liquidator; Concerned Stock Exchanges in which the shares of the petitioner companies are being traded; SEBI and to all such Sectoral Regulatory Authorities who may govern the working of respective companies. The Petitioner was also directed vide said order to carry out publication in English Daily 'Indian Express' and Hindi Daily 'Jansatta'.
- 5) Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi, after receiving the report from the Registrar of Companies on 07.04.2017 has filed his report on 27.04.2017. It was stated in the Report that the Transferor Companies 1-7 are wholly owned subsidiaries of the Transferee Company. Also, as per clause 4.1.1 of the Scheme it has been inter-alia stated that upon this Scheme becoming effective and upon transfer and vesting of all assets and liabilities of Amalgamating Companies into and with the Amalgamated Company in accordance with Part-III

of the Scheme, no consideration shall be payable by the Amalgamated Company, since the Amalgamated Company (itself and through its nominee shareholders) is the only shareholder in each of the Amalgamating Companies, and accordingly no shares shall be allotted by the Amalgamated Company either to itself or to any of its nominee shareholders holding shares in such Amalgamating Companies. Therefore, the transferee company is advised to comply with relevant provisions of the Companies Act, 2013. It was also observed that the petitioner companies had not stated anything about the pendency of prosecution against them and their directors under Companies Act, 2013.

6) The Regional Director in his report expressed that the Registrar of Companies at para 23 of his report has inter alia stated as under:

(a) Refer to Clause 3.1 (vii) of the Scheme, all permanent employees who are on payrolls of the Transferor companies shall become the employees of the Transferee Company. In this regard, the companies may be asked to clarify as to the treatment of other class of employees other than permanent employees, if any, which has not been included in the Scheme.

(b) Refer to clause 2.11 of the Scheme, the main objects of the Transferee Company shall stand altered. In this regard, it is submitted that any change in the main objects of the Transferee Company shall not be automatic and compliances as are required to be made under Companies Act, 2013 and the rules made thereunder shall be required to be adhered to. Also, as per disclosure in auditors report of Transferor Companies No.1 to 6, the Insurance Regulatory Development Authority (IRDA) has cancelled their license, and application for grant of license of Transferor company no. 7 was rejected by IRDA. Details regarding the same however, have not been furnished.

Further, as per disclosure in auditors report of petitioner Transferor companies no. 1 to 6, the companies are NBFC companies under section 45-IA of Reserve Bank of India Act, 1934 as more than 50% of the assets are Financial Assets in Mutual funds and more than 50% of the turnover is derived from financial activities i.e., Mutual Fund investments. The same is evident from the Balance Sheet and Profit and Loss Account of the Companies as on 31.03.2016 (Table 23.1, below). However, these companies are not yet registered as NBFC with Reserve Bank of India. Therefore, NOC from the RBI should have been obtained to ensure that the companies should not carry on NBFC activities without registration with RBI.

(c) In the view of the above, the companies are prima facie carrying out activities ultra vires to their main objects which is insurance business. It further raises doubts about the affairs of the Company. The companies may be asked to clarify the same. Therefore, necessary permissions/licenses if any required from the IRDA, RBI need to be sought by the petitioner companies prior to

the sanction of the Scheme.

- (d) According to the Auditors Report of Transferor Company no-1, there are disputed dues of income tax as given below:

Name of the statute	Natue of dues	Amount(Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Department	Income Tax	1,55,96,531	2006-07	Hon'ble High Court of Delhi

In this regard the Hon'ble Tribunal may direct the Petitioner companies to clarify the same.

Company	Assets		% (Approx)		Income			%
	Total Assets (Netted off by Intangible Assets)	Financial Assets			Gross Income	Income from Financial Assets		
As per Balance sheet and Profit and Loss Account as at 31.03.2016.								
Transferor company no. 1	115,76,10,544	Non-Current Investments	75,52,58,232	65	78,99,035	Revenue from Capital Gain on sale of mutual funds and shares	40,32,877	51
		Current Investments	31,32,00,371	27				
As per Balance Sheet and Profit and Loss Account as at 31.03.2016.								
Transferor company no. 2	20,74,00,696	Non-Current Investments	5,84,84,898	28	1,26,17,300	Revenue from Capital Gain on sale of mutual funds and shares	1,14,78,246	90
		Current Investments	14,20,00,000	68				
As per Balance Sheet and Profit and Loss Account as at 31.03.2016.								
Transferor company no. 3	32,47,83,772	Non-Current Investments	18,97,29,746	59	1,21,47,455	Revenue from Capital Gain on sale of mutual funds and shares	1,12,62,058	93
		Current Investments	13,12,64,670	40				
As per Balance Sheet and Profit and Loss Account as at 31.03.2016.								
Transferor company no. 4	24,03,99,108	Non-Current Investments	13,41,63,552	56	99,29,578	Revenue from Capital Gain on sale of mutual funds and shares	89,53,586	90
		Current Investments	9,93,02,725	41				

As per Balance Sheet and Profit and Loss Account as at 31.03.2016.								
Transferor company no. 5	5,76,29,768	Non-Current Investments	4,32,46,173	75	15,34,769	Revenue from Capita Gain on sale of mutual funds and shares	10,18,666	66
		Current Investments	1,30,41,956	22				
As per Balance Sheet and Profit and Loss Account as at 31.03.2016.								
Transferor company no. 6	14,43,42,703	Non-Current Investments	11,74,88,921	81	43,83,139	Non-operating revenue	34,89,388	90
		Current Investments	2,11,27,360	15				

As per the above figure from the balance sheet it appears that the Petitioner Transferor Companies No. 1 to 6 are doing NBFC activities but their objects are related to insurance business which is ultra vires to main objects, hence it is in violation of section 13 of Companies Act 2013”

7. An affidavit was filed by the Petitioners on 28.05.2017 in response to the report of the Regional Director. In response to paragraph 6 of the Representation Affidavit, the Petitioner /Transferor Companies 1 to 7 and the Petitioner/Transferee Company submit that as of date, there are no prosecution proceedings pending against the Petitioner Companies or their respective Directors under the provisions of the Companies Act, 2013 (“2013 Act”).

At paragraph 7(a) of the Representation Affidavit, the Regional director while referring to Clause 3.1 (vii) of the Scheme has stated that there is no clarification as regard treatment of other class of employees other than permanent employees. In this respect, it is submitted that all employees of the Petitioner/Transferor Companies 1 to 7 shall become the employees of the Petitioner/Transferee Company with effect from the Effective Date on terms and conditions as are no less favourable than those on which they are currently engaged by the respective Petitioner/Transferor Companies.

The Regional Director at paragraph 7 (b), while referring to Clause 2.11 of the Scheme has stated that the change in the object clause of the Petitioner/Transferee Companies can only be made after compliance of the provisions of the 2013 Act. It is respectfully submitted that these observations of the Regional director are misconceived and not tenable in law. The changes in the main object clause of the Petitioner/Transferee Company is being proposed as an integral part of the Scheme under Sections 230-232 of the 2013 Act. It is trite law that such change in the objects

can be sanctioned by this Hon'ble Tribunal being an integral part of the Scheme. It is further submitted by the Petitioners that the sanction order of this Hon'ble Tribunal when filed with the Registrar of Companies under INC 28 shall be treated as intimation to the Registrar of Companies of the change in the objects of the Petitioner/Transferee Company.

In further response to paragraph 7(b) of the Representation Affidavit, it is submitted that the aspect of cancellation of the licenses of the Petitioner/Transferor Companies 1 to 6 by the Insurance Regulatory Department Authority (“**IRDA**”) and the non-grant of the license to the Petitioner/Transferor Company 7 are matters of fact and which have been clearly disclosed in the accounts of the Petitioner Companies for the financial year ended 31 March 2016. In this regard, the relevant extracts from the audited accounts of the Petitioner Companies are annexed and marked as ANNEXURE “A” COLLY.

The Regional Director has further at paragraph 7(b) of the Representation Affidavit, while relying on the statement in the audited accounts of the Petitioner/Transferor Companies 1 to 6, stated that the said companies are not registered with the Reserve Bank of India (“**RBI**”) as NBFC. It is submitted that the observation of the Regional Director are misconceived.

The Regional Director has merely relied on ANNEXURE “A” of the audited accounts without setting out further explanations as provided by the respective companies to the auditors. A mere bald statement has been made while relying upon the Circular dated 19 October 2006 of the Reserve Bank of India with respect to the definition of “principal business”. The Regional Director does not account for the explanation as provided by the respective companies to the auditor nor the provision of the Reserve Bank of India Act, 1934. Copy of the relevant extracts of the statement of the auditor and explanation thereto with respect to the Petitioner/Transferor Companies 1 to 6 are annexed as ANNEXURE “B” COLLY. There is no substantiation with respect to the statement set out by the Regional Director. It is respectfully submitted that in terms of Section 45-IA of the RBI Act, no NBFC can carry on the business as a non-banking financial institutions without obtaining a certificate from the RBI. It is the submission of the Petitioner/Transferor Companies 1 to 6 that they are not financial institutions or NBFC's under the RBI Act. In any event of the matter, it is respectfully submitted that the sanction of the present Scheme by this Hon'ble Tribunal is not a bar for any matter with respect to business of the Petitioner/Transferor Companies 1 to 6 being examined by the statutory authority. Such matters would be proceeded with against, if warranted in law against the Petitioner/Transferee Company and/or the relevant officers of the Petitioner/Transferor Companies 1 to 6. The mere

sanction of the Scheme by this Hon'ble Tribunal will not absolve the Petitioner/Transferee Company from any liability that may arise in future on account of the violation of any statutory provision by the Petitioner/Transferor Companies 1 to 6.

At paragraph 7(c) of the Representation Affidavit, it has been submitted by the Regional Director that the Petitioner/Transferor Companies are prima facie carrying out activities ultra vires the main objects, which is insurance business. As stated above, and as set out in the audited accounts of the Petitioner Companies, the Petitioner/Transferor Companies 1 to 6 had their license issued by the IRDA cancelled in the year 2010. The Petitioner/Transferor Company 7 was not issued any license by the IRDA and its application was rejected. The Petitioner/Transferor Companies 1 to 6 however made certain investments in debt related mutual funds and which clearly a permissible business activity in terms of the objects incidental or ancillary to the attainment of the main objects of each of the objects from the Memorandum of Association of the Petitioner/Transferor Companies 1 to 6 are annexed as ANNEXURE "C" COLLY.

8. The Official Liquidator has filed his report in 24.04.2017 wherein it has been stated that there is pending tax liability in case of Transferor Company No. 1. It was also observed that the BSE vide its letter dated 30th March 2016 and NSE vide its letter dated 30.03.2016 has conveyed certain observations to be complies with. The Official Liquidator stated that it has not received any complaint against the proposed Scheme of amalgamation from any person/party interested in the Scheme in any manner and that the affairs of the Companies do not appear to have been conducted in a manner prejudicial to the interest of its members or to public interest.
9. A reply was filed by the Petitioners to the report of the Official Liquidator on 25.05.2017. In response to the observation it was stated that Petitioner Company No. 1 is disputing income tax liability for Assessment Year 2006-07 and which proceedings are pending presently before the Hon'ble Delhi High Court in an appeal filed by the Income Tax Department. This has been disclosed in the last audited accounts of the Petitioner/Transferor Company 1. It is further submitted that subject to sanction of the Scheme by the Hon'ble Tribunal, all pending proceedings of Transferor Companies shall be continued by or against the transferee Company in terms of Clause 3.1 (vi) of the Scheme and as provided for in Section (3) (d) of the Companies Act, 2013.
10. We have heard the learned counsels for the parties and also considered the representations made by the Regional Director, Northern Region vide his report dated 27.03.2017. Vide said representation/report of Regional Director, Northern

Region, Ministry of Corporate Affairs, New Delhi it has been stated that there is no objection to the sanctioning of the proposed Scheme.

11. In view of the foregoing and also taking into consideration undertaking given by the Petitioner and upon Considering the approval accorded by the members and creditors of the Petitioner to the proposed Scheme, and the affidavits filed by the Regional Director, Northern Region, Ministry of Corporate Affairs, whereby no objections have been raised to the proposed Scheme, there appears to be no impediment to grant sanction to the Scheme. Consequently, sanction is hereby granted to the Scheme under section 230 and 232 of the Companies Act, 2013. The petitioners shall however remain bound to comply with the statutory requirement in accordance with law.
12. Notwithstanding the above, if there is any deficiency found or, violation committed qua any enactment, statutory rule or regulation, the sanction granted by this court to the Scheme will not in the way of action being taken, albiet, in accordance with law, the concerned persons, directors and officials of the petitioners.
13. While approving the Scheme as above, we further clarify that this order should not be construed as an order in any way granting exemption from payment of stamp duty, taxes including income tax or any other charges, if any, and payment in accordance with law or in respect to any permission/ compliance with any other requirement which may be specifically required under any law.
14. THIS TRIBUNAL DO FURTHER ORDER
 - a) That all the property, rights and powers of the Transferor Company Nos. 1 to 7 be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to section 232 of Act, be transferred to and vested in the Transferee Company for all estate and interest of the Transferor Companies Nos. 1 to 7 therein but subject nevertheless to all charges now affecting the same; and
 - b) That all the liabilities of the Transferor Companies Nos. 1 to 7 be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to section 232 of the Act, be transferred to and become the liabilities and duties of the Transferee Company; and
 - c) That all proceedings now pending by or against the Transferor Company Nos. 1 to 7 be continued by or against the Transferee Company; and

- d) That Petitioner Companies shall within thirty days of the date of the 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 Companies Nos. 1 to 7 shall be dissolved and the Registrar of Companies shall place all documents relating to the Transferor Companies Nos. 1 to 7 and registered with him on file kept by him in relation to the Transferee Company and files relating to the Petitioner Companies shall be consolidated accordingly;
- a) That any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary.

The petition stands disposed of in the above terms.

27.06.2017

Sd-
(CHIEF JUSTICE (Rtd) M.M. KUMAR)
PRESIDENT

(SMT. DEEPA KRISHAN)
MEMBER (TECHNICAL)

SCHEME OF AMALGAMATION
(UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956)

BETWEEN

MARUTI INSURANCE BUSINESS AGENCY LIMITED
MARUTI INSURANCE DISTRIBUTION SERVICES LIMITED
MARUTI INSURANCE AGENCY NETWORK LIMITED
MARUTI INSURANCE AGENCY SOLUTIONS LIMITED
MARUTI INSURANCE AGENCY SERVICES LIMITED
MARUTI INSURANCE AGENCY LOGISTICS LIMITED
MARUTI INSURANCE BROKER LIMITED

(together the “Amalgamating Companies”)

AND

MARUTI SUZUKI INDIA LIMITED

(the “Amalgamated Company”)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PART - I

1 OVERVIEW, OBJECTIVES AND BENEFITS OF THIS SCHEME

1.1 Brief overview of each company

1.1.1 Maruti Insurance Business Agency Limited (“Amalgamating Company No. 1”):

- (i) Amalgamating Company No. 1 is an unlisted public limited company incorporated under the 1956 Act, having its registered office at Plot No. 1, Nelson Mandela Road, Vasant Kunj, New Delhi – 110070. Amalgamating Company No. 1 was incorporated as Maruti Insurance Brokers Limited on January 14, 2002 and changed its name to Maruti Insurance Business Agency Limited with effect from May 22, 2007. The CIN of Amalgamating Company No. 1 is U74999DL2002PLC113813.
- (ii) Amalgamating Company No. 1 is authorised to engage in the business of acting as an insurance intermediary, including a corporate insurance agent, in regard to all classes of insurance.

1.1.2 Maruti Insurance Distribution Services Limited (“Amalgamating Company No. 2”)

- (i) Amalgamating Company No. 2 is an unlisted public limited company incorporated under the 1956 Act, having its registered office at Plot No. 1, Nelson Mandela Road, Vasant Kunj, New Delhi – 110070. The Amalgamating Company No. 2 was incorporated on January 14, 2002. The CIN of Amalgamating Company No. 2 is U74999DL2002PLC113812.
- (ii) Amalgamating Company No. 2 is authorised to engage in the business of acting as an insurance intermediary, including a corporate insurance agent, in regard to all classes of insurance.

1.1.3 Maruti Insurance Agency Network Limited (“Amalgamating Company No. 3”)

- (i) Amalgamating Company No. 3 is an unlisted public limited company incorporated under the 1956 Act, having its registered office at Plot No. 1, Nelson Mandela Road, Vasant Kunj, New Delhi – 110070. The Amalgamating Company No. 3 was incorporated on June 1, 2004. The CIN of Amalgamating Company No. 3 is U67200DL2004PLC126710.
- (ii) Amalgamating Company No. 3 is authorised to engage in the business of acting as a corporate insurance agent in regard to all classes of insurance.

1.1.4 Maruti Insurance Agency Solutions Limited (“**Amalgamating Company No. 4**”)

- (i) Amalgamating Company No. 4 is an unlisted public limited company incorporated under the 1956 Act, having its registered office at Plot No. 1, Nelson Mandela Road, Vasant Kunj, New Delhi – 110070. The Amalgamating Company No. 4 was incorporated on June 1, 2004. The CIN of Amalgamating Company No. 4 is U67200DL2004PLC126711.
- (ii) Amalgamating Company No. 4 is authorised to engage in the business of acting as a corporate insurance agent in regard to all classes of insurance.

1.1.5 Maruti Insurance Agency Services Limited (“**Amalgamating Company No. 5**”)

- (i) Amalgamating Company No. 5 is an unlisted public limited company incorporated under the 1956 Act, having its registered office at Plot No. 1, Nelson Mandela Road, Vasant Kunj, New Delhi – 110070. The Amalgamating Company No. 5 was incorporated on July 17, 2006. The CIN of Amalgamating Company No. 5 is U74999DL2006PLC151108.
- (ii) Amalgamating Company No. 5 is authorised to engage in the business of acting as a corporate insurance agent in regard to all classes of insurance.

1.1.6 Maruti Insurance Agency Logistics Limited (“**Amalgamating Company No. 6**”)

- (i) Amalgamating Company No. 6 is an unlisted public limited company incorporated under the 1956 Act, having its registered office at Plot No. 1, Nelson Mandela Road, Vasant Kunj, New Delhi – 110070. The Amalgamating Company No. 6 was incorporated on October 18, 2007. The CIN of Amalgamating Company No. 6 is U66000DL2007PLC169581.
- (ii) Amalgamating Company No. 6 is authorised to engage in the business of acting as a corporate insurance agent in regard to all classes of insurance.

1.1.7 Maruti Insurance Broker Limited (“**Amalgamating Company No. 7**”)

- (i) Amalgamating Company No. 7 is an unlisted public limited company incorporated under the 1956 Act, having its registered office at Plot No. 1, Nelson Mandela Road, Vasant Kunj, New Delhi – 110070. The Amalgamating Company No. 7 was incorporated on April 19, 2010. The CIN of Amalgamating Company No. 7 is U74140DL2010PLC201708.
- (ii) Amalgamating Company No. 7 is authorised to engage in the business of

acting as an insurance intermediary, including a broker, in regard to all classes of insurance.

1.1.8 Maruti Suzuki India Limited (“**Amalgamated Company**”):

- (i) The Amalgamated Company is a public limited company incorporated under the 1956 Act, having its registered office at Plot No. 1, Nelson Mandela Road, Vasant Kunj, New Delhi – 110070. The Amalgamated Company was incorporated as Maruti Udyog Limited on February 24, 1981 and changed its name to Maruti Suzuki India Limited with effect from September 17, 2007. The CIN of the Amalgamated Company is L34103DL1981PLC011375. The equity shares of the Amalgamated Company are listed on the Stock Exchanges.
- (ii) The Amalgamated Company is authorised to and is primarily engaged in the business of manufacturing and dealing in passenger cars and other automobiles, and other component, parts and accessories related thereto.

1.2 **Overview, Objectives and Benefits of this Scheme**

1.2.1 Pursuant to and under the provisions of Sections 391 to 394 of the 1956 Act, and other relevant provisions of 1956 Act and 2013 Act, as the case may be, the Amalgamating Companies and Amalgamated Company propose, through this Scheme, to amalgamate the Amalgamating Companies into and with the Amalgamated Company.

1.2.2 This Scheme is segregated into the following 5 (five) parts:

- (i) Part - I sets-forth the overview, objectives and benefits of this Scheme;
- (ii) Part - II sets-forth the capital structure of the Amalgamating Companies and the Amalgamated Company [and also deals with the change in authorised share capital of the Amalgamated Company];
- (iii) Part - III deals with the amalgamation of the Amalgamating Companies into and with the Amalgamated Company, in accordance with Section 2(1B) of the Income-tax Act, 1961 and Sections 391 to 394 of the 1956 Act;
- (iv) Part - IV deals with the cancellation of shareholding of the Amalgamated Company in the Amalgamating Companies and certain specified accounting treatments in the books of the Amalgamated Company pursuant to and in terms of this Scheme; and
- (v) Part - V deals with the general terms and conditions applicable to this Scheme.

1.2.3 This Scheme of Amalgamation shall result in:

- (i) economisation and reduction of administrative and managerial costs;
- (ii) alignment, coordination and streamlining of day to day management of all the companies; and
- (iii) creation of better synergies across the group and optimal utilisation of resources.

1.3 Definitions

In this Scheme, unless repugnant to the subject, context or meaning thereof, the following capitalised words and expressions shall have the meanings set forth below:

- 1.3.1 “**1956 Act**” means the Companies Act, 1956 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto;
- 1.3.2 “**2013 Act**” means the Companies Act, 2013 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto and/or any re-enactment thereof;
- 1.3.3 “**Appointed Date**” means [April 01, 2016] being the date with effect from which this Scheme shall, post effectiveness of this Scheme, be operative, and the date with effect from which the Amalgamating Companies shall, as a consequence of effectiveness of this Scheme, stand amalgamated / merged into and with the Amalgamated Company;
- 1.3.4 “**Amalgamated Company**” has the meaning assigned to such a term in Clause 1.1.8;
- 1.3.5 “**Amalgamating Companies**” means Amalgamating Company No. 1, Amalgamating Company No. 2, Amalgamating Company No. 3, Amalgamating Company No. 4, Amalgamating Company No. 5, Amalgamating Company No. 6 and Amalgamating Company No. 7 together, and “**Amalgamating Company**” means any of the Amalgamating Companies;
- 1.3.6 “**Amalgamating Company No. 1**”, “**Amalgamating Company No. 2**”, “**Amalgamating Company No. 3**”, “**Amalgamating Company No. 4**”, “**Amalgamating Company No. 5**”, “**Amalgamating Company No. 6**” and “**Amalgamating Company No. 7**” have the meaning assigned to such terms in Clause 1.1.1 to 1.1.7 respectively, and notwithstanding anything to the contrary in this Scheme, such terms mean and include, insofar as each such Amalgamating Company, their respective:
 - (i) assets, wherever located (including in the possession of vendors, third parties

or elsewhere), whether real, personal or mixed, tangible, intangible, present, future or contingent, including but not limited to immovable properties, land and buildings, movable assets and other plant, machinery and equipment, whether licensed, leased or otherwise held, title, interests, financial assets, investments, loans, application monies, advance monies, earnest monies and/or security deposits or advances (including accrued interest) and other payments (in any such case whether paid by or deemed to have been paid by the Amalgamating Company), covenants, undertakings and rights and benefits, including rights and benefits pertaining to any security arrangements, receivables, claims against any third parties, guarantees (including bank and performance guarantees), letters of credit, reversions, tenancies and other such arrangements or facilities;

- (ii) debts, borrowings, duties, guarantees, assurances, commitments, obligations and liabilities (including deferred tax liabilities and contingent liabilities), both present and future of every kind, nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or un-matured, liquidated or un-liquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, whether provided for or not in the books of accounts or disclosed in the balance sheet including, without limitation, whether arising out of any contract or tort based on negligence or strict liability or under any licences or permits or schemes;
- (iii) contracts, agreements, engagements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, sales tax credits, income tax credits, privileges and benefits of all contracts, agreements and all other rights, including license rights, lease rights, powers and facilities of every kind and description whatsoever or other understandings, deeds and instruments of whatsoever nature to which the Amalgamating Company is a party, including agreements with any government entity, department, commission, board, agency, bureau, official, etc., sale agreements, agreements to sell, equipment purchase agreements, hire purchase agreements, lending agreements and other agreements with the customers, sales orders, purchase orders and other agreements and contracts with the supplier of goods or service providers and all rights, title, interests, claims and benefits there under of whatsoever nature to which the Amalgamating Company is a party;
- (iv) intellectual property rights, registrations, trademarks, trade names, service marks, copyrights, patents, designs, technical know-how, domain names, including applications for trademarks, trade names, service marks, copyrights, designs and domain names, used by or held for use by the Amalgamating Company, whether or not recorded in the books of

accounts of the Amalgamating Company, and other intellectual 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, list of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to the business activities and operations of the Amalgamating Company, whether used or held for use by it;

- (v) permits, licenses, consents, approvals, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, subsidies, tax deferrals, and benefits (including sales tax and service tax), sales tax credits, income tax credits, income tax benefits and exemptions (including the right to claim tax holiday under the Income Tax Act, 1961), no-objection certificates, certifications, easements, tenancies, privileges and similar rights, whether statutory or otherwise, and any waiver of the foregoing, issued by any legislative, executive or judicial unit of any governmental or semi-governmental entity or any department, commission, board, agency, bureau, official or other regulatory, administrative or judicial authority used or held for use by the Amalgamating Company;
- (vi) permanent employees who are on the payrolls of the Amalgamating Company, at its respective offices, branches or otherwise; and
- (vii) books, records, papers, files, whether in physical or electronic form, directly or indirectly relating to the Amalgamating Company.

1.3.7 “**Board of Directors**” in relation to the Amalgamating Companies and/or the Amalgamated Company, as the case may be, means their respective board of directors, and unless repugnant to the subject, context or meaning thereof, shall be deemed to include every committee (including committee of directors) or any person authorised by the board of directors or by any such committee;

1.3.8 “**Court**” means the High Court of Judicature of Delhi at New Delhi;

1.3.9 “**Effective Date**” has the meaning assigned to such term in Clause 5.2. Any references in this Scheme to “upon this Scheme becoming effective” or “effectiveness of this Scheme” means and refers to the Effective Date;

1.3.10 “**Scheme**” means this Scheme of Amalgamation in its present form (along with all annexures, schedules, etc., annexed or attached hereto), with such modifications and amendments as may be made from time to time in accordance with the provisions of applicable laws; and

1.3.11 “**Stock Exchanges**” means the National Stock Exchange of India Limited and the

BSE Limited.

1.4 Interpretation

1.4.1 Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the meaning assigned to such terms and expressions under the 1956 Act or the 2013 Act, as applicable, and if not defined therein then under other relevant statutes, such as the Income-tax Act, 1961, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made there under), the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof. In particular, wherever reference is made to the Court in this Scheme, the reference would include, if appropriate, reference to the National Company Law Tribunal or such other forum or authority, as may be vested with any of the powers of the Court under Sections 391 to 394 of the 1956 Act and other applicable provisions of the 2013 Act.

1.4.2 In this Scheme, unless the context otherwise requires:

- (i) references to “persons” shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
- (ii) the headings, sub-headings and bold typeface are inserted only for ease of reference and shall not affect the construction or interpretation of this Scheme;
- (iii) the term “Clause” refers to the specified clause of this Scheme;
- (iv) reference to any legislation, statute, regulation, rule, notification or any other provision of law means and includes references to such legal provisions as amended, supplemented or re-enacted from time to time, and any reference to a legal provision shall include any subordinate legislation made from time to time under such a statutory provision;
- (v) references to one gender includes all genders; and
- (vi) words in the singular shall include plural and *vice versa*.

PART – II

2 CAPITAL STRUCTURE

2.1 Amalgamating Company No. 1

The capital structure of the Amalgamating Company No. 1, as of [September 30, 2015]¹, is as under:

Share Capital	Amount in Rs.
Authorised	
500,000 equity shares of Rs. 10 each	5,000,000
Total	5,000,000
Issued, Subscribed and Paid-up	
150,000 equity shares of Rs. 10 each	1,500,000
Total	1,500,000

The shares of the Amalgamating Company No. 1 are, at present, not listed on any stock exchange, whether in India or in any other country.

2.2 Amalgamating Company No. 2

The capital structure of the Amalgamating Company No. 2, as of [September 30, 2015]², is as under:

Share Capital	Amount in Rs.
Authorised	
500,000 equity shares of Rs. 10 each	5,000,000
Total	5,000,000
Issued, Subscribed and Paid-up	
150,000 equity shares of Rs. 10 each	1,500,000
Total	1,500,000

The shares of the Amalgamating Company No. 2 are, at present, not listed on any stock exchange, whether in India or in any other country.

¹ To be updated as of the last day of the month prior to the month in which the Scheme is filed with the Court.

² To be updated as of the last day of the month prior to the month in which the Scheme is filed with the Court.

2.3 Amalgamating Company No. 3

The capital structure of the Amalgamating Company No. 3, as of [September 30, 2015]³, is as under:

Share Capital	Amount in Rs.
Authorised	
500,000 equity shares of Rs. 10 each	5,000,000
Total	5,000,000
Issued, Subscribed and Paid-up	
150,000 equity shares of Rs. 10 each	1,500,000
Total	1,500,000

The shares of the Amalgamating Company No. 3 are, at present, not listed on any stock exchange, whether in India or in any other country.

2.4 Amalgamating Company No. 4

The capital structure of the Amalgamating Company No. 4, as of [September 30, 2015]⁴, is as under:

Share Capital	Amount in Rs.
Authorised	
500,000 equity shares of Rs. 10 each	5,000,000
Total	5,000,000
Issued, Subscribed and Paid-up	
150,000 equity shares of Rs. 10 each	1,500,000
Total	1,500,000

The shares of the Amalgamating Company No. 4 are, at present, not listed on any stock exchange, whether in India or in any other country.

³ To be updated as of the last day of the month prior to the month in which the Scheme is filed with the Court.

⁴ To be updated as of the last day of the month prior to the month in which the Scheme is filed with the Court.

2.5 Amalgamating Company No. 5

The capital structure of the Amalgamating Company No. 5, as of [September 30, 2015]⁵, is as under:

Share Capital	Amount in Rs.
Authorised	
500,000 equity shares of Rs. 10 each	5,000,000
Total	5,000,000
Issued, Subscribed and Paid-up	
150,000 equity shares of Rs. 10 each	1,500,000
Total	1,500,000

The shares of the Amalgamating Company No. 5 are, at present, not listed on any stock exchange, whether in India or in any other country.

2.6 Amalgamating Company No. 6

The capital structure of the Amalgamating Company No. 6, as of [September 30, 2015]⁶, is as under:

Share Capital	Amount in Rs.
Authorised	
500,000 equity shares of Rs. 10 each	5,000,000
Total	5,000,000
Issued, Subscribed and Paid-up	
150,000 equity shares of Rs. 10 each	1,500,000
Total	1,500,000

The shares of the Amalgamating Company No. 6 are, at present, not listed on any stock exchange, whether in India or in any other country.

⁵ To be updated as of the last day of the month prior to the month in which the Scheme is filed with the Court.

⁶ To be updated as of the last day of the month prior to the month in which the Scheme is filed with the Court.

2.7 Amalgamating Company No. 7

The capital structure of the Amalgamating Company No. 7, as of [September 30, 2015]⁷, is as under:

Share Capital	Amount in Rs.
Authorised	
500,000 equity shares of Rs. 10 each	5,000,000
Total	5,000,000
Issued, Subscribed and Paid-up	
500,000 equity shares of Rs. 10 each	5,000,000
Total	5,000,000

The shares of the Amalgamating Company No. 7 are, at present, not listed on any stock exchange, whether in India or in any other country.

2.8 Amalgamated Company

The capital structure of the Amalgamated Company, as of [September 30, 2015]⁸ is as under:

Share Capital	Amount in Rs.
Authorised Capital	
3,744,000,000 equity shares of Rs. 5 each	18,720,000,000
Total	18,720,000,000
Issued, Subscribed and Paid-up	
302,080,060 equity shares of Rs. 5 each	1,510,400,300
Total	1,510,400,300

The shares of the Amalgamated Company are, at present, listed on the Stock Exchanges.

2.9 Reorganisation of share capital of the Amalgamating Companies

Immediately prior to the amalgamation of the Amalgamating Companies into and with the Amalgamated Company, and on Effective Date, the authorised share capital

⁷ To be updated as of the last day of the month prior to the month in which the Scheme is filed with the Court.

⁸ To be updated as of the last day of the month prior to the month in which the Scheme is filed with the Court.

of each Amalgamating Company (i.e., authorised share capital of Rs. 5,000,000 (Indian rupees five million) divided into 500,000 (five hundred thousand) equity shares with par value Rs. 10 (Indian rupees ten) each shall be sub-divided and reorganised into 1,000,000 (one million) equity shares with par value of Rs. 5 (Indian rupees five) each. Accordingly, the authorised share capital of each Amalgamating Company comprising of 500,000 (five hundred thousand) equity shares of Rs. 10 (Indian rupees ten) each shall be 1,000,000 (one million) equity shares of Rs. 5 (Indian rupees five) each, post such sub-division and reorganisation.

2.10 Transfer of share capital of the Amalgamating Companies to Amalgamated Company

2.10.1 Upon this Scheme becoming effective and with effect from the Appointed Date, the authorised share capital of each Amalgamating Company, reorganised in terms of Clause 2.9, shall stand transferred to and be merged with the authorised share capital of the Amalgamated Company, without any liability for payment of any additional fees or stamp duty.

2.10.2 Upon this Scheme coming into effect and with effect from the Appointed Date, and consequent to transfer of the existing authorised share capital of the Amalgamating Companies in accordance with Clause 2.10.1, the authorised share capital of the Amalgamated Company of Rs. 18,720,000,000 (Indian rupees eighteen billion seven hundred and twenty million), divided into 3,744,000,000 (three billion seven hundred and forty four million) equity shares of Rs. 5 (Indian rupees five) each, shall stand enhanced by an aggregate amount of Rs. 35,000,000 (Indian rupees thirty five million), and the resultant authorised share capital of the Amalgamated Company shall be Rs. 18,755,000,000 (Indian rupees eighteen billion seven hundred and fifty five million), divided into 3,751,000,000 (three billion seven hundred and fifty one) equity shares of Rs. 5 (Indian rupees five) each. Accordingly, Clause V of the Memorandum of Association of the Amalgamated Company shall stand modified and be substituted by the following:

“The Authorised Share Capital of the Company is Rs. 18,755,000,000 (Indian rupees eighteen billion seven hundred and fifty five million), divided into 3,751,000,000 (three billion seven hundred and fifty one) equity shares of Rs. 5 (Indian rupees five) each, with the rights, privileges and conditions attaching thereto as may be provided by the Articles of Association of the Company for the time being, with power to increase and reduce the Capital of the Company and to divide the

shares in the Capital for the time being into several classes and to attach there to respectively such preferential, deferred, guaranteed, qualified or special rights, privileges and conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company”

2.11 Alteration of the main objects

The main objects of the Amalgamated Company shall stand altered by addition of a new paragraph namely Paragraph 8, which shall stand inserted immediately after paragraph 7 and shall read as under:

“8 To act as insurance intermediary, including brokers, agents, insurance consultants, surveyors, loss assessors and third party administrators, in regard to insurance business whether it may be general insurance business or life insurance business, as the case may be, and to carry on business as corporate insurance agents in respect of all classes of insurance, including motor, marine, fire, accident, burglary, insurance and workmen’s compensation indemnity.”

- 2.12 It is hereby clarified that the consent of the shareholders of the Amalgamating Companies and the Amalgamated Company to this Scheme shall be sufficient for the purposes of effecting the aforesaid amendments to the Memorandum of Association of the Amalgamated Company, and that no further resolutions, whether under Sections 13 of the 2013 Act, any other applicable provisions of the 1956 Act or the 2013 Act or under the Articles of Association of the Amalgamated Company, shall be required to be separately passed, nor shall the Amalgamated Company be required to pay any additional registration fees, stamp duty, etc.

PART – III

3 AMALGAMATION OF AMALGAMATING COMPANIES INTO AND WITH THE AMALGAMATED COMPANY

3.1 Transfer and vesting of assets and liabilities and entire business of the Amalgamating Companies

With effect from the Appointed Date and upon this Scheme becoming effective, all the present and future assets and liabilities, whether or not recorded in the books of accounts of the Amalgamating Companies, and the entire business of the Amalgamating Companies, shall stand transferred to and vested in the Amalgamated Company, as a going concern, without any further act or deed, as per the provisions contained herein.

- 3.2 Without prejudice to the generality of the above and to the extent applicable,

unless otherwise stated herein, with effect from the Appointed Date and upon this Scheme becoming effective:

(i) all assets of the Amalgamating Companies, that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, shall stand vested in the Amalgamated Company and shall become the property and an integral part of the Amalgamated Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.

(ii) all other movable properties of the Amalgamating Companies, other than those described in sub-clause (i) above, including investments in shares and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of the Amalgamated Company, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. The Amalgamated Company may, if it so deems appropriate, give notice in such form as it deems fit and proper, to each such debtor or obligor, that pursuant to the sanction of this Scheme by the Courts, such debt, loan, advance, claim, bank balance, deposit or other asset be paid or made good or held on account of the Amalgamated Company as the person entitled thereto, to the end and intent that the right of the Amalgamating Companies to recover or realise all such debts (including the debts payable by such debtor or obligor to the Amalgamating Companies) stands transferred and assigned to the Amalgamated Company and that appropriate entries should be passed in the books of accounts of the relevant debtors or obligors to record such change. It is hereby clarified that investments, if any, made by the Amalgamating Companies and all the rights, title and interest of the Amalgamating Companies in any licensed properties or leasehold properties shall, pursuant to Section 394(2) of the 1956 Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Amalgamated Company, unless the lessor of such leasehold properties is the Amalgamated Company, in which case, the relevant leases shall become redundant and shall cease to have any effect.

- (iii) all immovable properties of the Amalgamating Companies, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Amalgamating Companies, whether freehold or leasehold (unless the lessor of such leasehold properties is the Amalgamated Company, in which case, the relevant leases shall become redundant and shall cease to have any effect) or otherwise and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Amalgamated Company, without any further act or deed done or being required to be done by the Amalgamating Companies and/or the Amalgamated Company. The Amalgamated Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfill all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Amalgamated Company by the appropriate authorities pursuant to the sanction of this Scheme by the Court in accordance with the terms hereof.
- (iv) all debts, liabilities, contingent liabilities, duties and obligations, whether secured or unsecured or whether provided for or not in the books of account or disclosed in the balance sheets of the Amalgamating Companies, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company without any further act, instrument or deed, and the Amalgamated Company shall meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause 3.2.

All loans, advances and other obligations due from the Amalgamating Companies to the Amalgamated Company or *vice versa* or from one Amalgamating Company to other Amalgamating Companies shall stand cancelled and shall have no effect.

- (v) all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, leases, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies) for the purpose of carrying on the business of the Amalgamating Companies, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Amalgamating Companies, or to the benefit of which, the

Amalgamating Companies may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on, against or in favour of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the relevant Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligor thereto. Without prejudice to the generality of the foregoing, all leave and licence agreements/deeds, lease agreements/deeds, bank guarantees, performance guarantees and letters of credit, agreements with any government entity, department, commission, board, agency, bureau or official, hire purchase agreements, lending agreements and such other agreements, deeds, documents and arrangements pertaining to the business of the Amalgamating Companies or to the benefit of which the Amalgamating Companies may be eligible and which are subsisting or having effect immediately before the Effective Date, including all rights and benefits (including benefits of any deposit, advances, receivables or claims) arising or accruing therefrom, shall, with effect from Appointed Date and upon this Scheme becoming effective, by operation of law pursuant to the vesting orders of the Court, be deemed to be contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses of the Amalgamated Company. In relation to the same any procedural requirements required to be fulfilled solely by the relevant Amalgamating Company (and not by any of its successors) shall be fulfilled by the Amalgamated Company as if it is the duly constituted attorney of that Amalgamating Company. All agreements entered into by the Amalgamating Companies shall stand transferred and vested in favour of the Amalgamated Company on the same terms and conditions. The Amalgamated Company and the other parties to such agreements shall continue to comply with the terms, conditions and covenants thereunder.

- (vi) any notices, disputes, pending suits/appeals or other proceedings of whatsoever nature relating to the Amalgamating Companies, whether by or against the Amalgamating Companies, shall not abate, be discontinued or in any way prejudicially affected by reason of the amalgamation of the relevant Amalgamating Company or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Amalgamated 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 relevant Amalgamating Company, as if this Scheme had not been implemented.
- (vii) All employees who are on the payrolls of the Amalgamating Companies shall become employees of the Amalgamated Company with effect from the Effective Date, on such terms and conditions as are no less favourable than those on which they are currently engaged by the relevant Amalgamating

Company, without any interruption of service as a result of this amalgamation and transfer. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Amalgamating Companies, upon this Scheme becoming effective, the Amalgamated Company shall stand substituted for the relevant Amalgamating Company for all purposes whatsoever, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to such other funds maintained by such Amalgamating Company, in accordance with the provisions of applicable laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Amalgamating Companies for such purpose shall be treated as having been continuous.

With regard to provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special scheme or benefits created or existing for the benefit of the employees of the Amalgamating Companies, if any, upon this Scheme becoming effective, the Amalgamated Company shall stand substituted for the relevant Amalgamating Company for all purposes whatsoever, including but not limited to those relating to the obligation to make contributions to such funds and schemes in accordance with the provisions of such funds and schemes in the respective trust deeds or other documents. The existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme and any other special scheme or benefits created by the Amalgamating Companies for its employees shall be continued on the same terms and conditions or be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Amalgamated Company or as may be created by the Amalgamated Company for such purpose. Pending such transfer, the contributions required to be made in respect of such employees shall continue to be made by the Amalgamated Company to the existing funds maintained by the relevant Amalgamating Company.

The Amalgamated Company undertakes that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits to the employees of the Amalgamating Companies, the past services of such employees with the relevant Amalgamating Company shall also be taken into account and it shall pay the same accordingly, as and when such amounts are due and payable. Upon this Scheme becoming effective, the Amalgamating Companies will transfer/handover to the Amalgamated Company, copies of employment information, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents

reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or on-going leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files relating to its and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause.

The Amalgamated Company shall continue to abide by any agreement(s)/ settlement(s) entered into by the Amalgamating Companies with any of its employees prior to the Appointed Date and from the Appointed Date till the Effective Date.

- (viii) all the intellectual property rights of any nature whatsoever, including any and all registrations, goodwill, licenses, trademarks, service marks, copyrights, domain names, applications for copyrights, trade names and trade marks, appertaining to the Amalgamating Companies, if any, shall stand transferred to and vested in the Amalgamated Company.
- (ix) all taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credits, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, etc.) payable by or refundable to or being the entitlement of the Amalgamating Companies, including all or any refunds or claims shall be treated as the tax liability or refunds/credits/claims, as the case may be, of the Amalgamated Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, tax losses including brought forward business loss, unabsorbed depreciation etc., as would have been available to the Amalgamating Companies, shall pursuant to this Scheme becoming effective, be available to the Amalgamated Company.
- (x) the accounts of the Amalgamated Company as on the Appointed Date shall be reconstructed in accordance with the applicable provisions and terms of this Scheme. The Amalgamated Company shall be entitled to revise its income tax returns, wealth tax returns, TDS returns, and other statutory returns as may be required under respective statutes pertaining to Indirect Taxes, such as Sales-Tax, Value Added Tax, Excise Duties, Service Tax, etc.
- (xi) all approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description whatsoever in relation to the Amalgamating Companies,

or to the benefit of which an Amalgamating Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect in favour of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the relevant Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause 3.2, the said third party or authority shall be obligated to, and shall make and duly record the necessary substitution/endorsement in the name of the Amalgamated Company pursuant to the sanction of this Scheme by the Court, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Amalgamated Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

- (xii) benefits of any and all corporate approvals as may have already been taken by the Amalgamating Companies, whether being in the nature of compliances or otherwise, including without limitation, approvals under sections 81(1A), 293(1)(a), 293(1)(d), 295, 297, and 372A of the 1956 Act, and any other approvals under either the 1956 Act or the 2013 Act, shall stand transferred to the Amalgamated Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Amalgamated Company.
- (xiii) all estates, assets, rights, title, interests and authorities accrued to and/or acquired by the Amalgamating Companies shall be deemed to have been accrued to and/or acquired for and on behalf of the Amalgamated Company and shall, upon this Scheme becoming effective, pursuant to the provisions of Section 394(2) of the 1956 Act and other applicable provisions of the 1956 Act or the 2013 Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Amalgamated Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Amalgamated Company.
- (xiv) all lease/license or rent agreements entered into by the Amalgamating Companies with various landlords, owners and lessors, together with security deposits and advance/prepaid lease/license fee, etc., shall stand automatically transferred and vested in favour of the Amalgamated Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The Amalgamated Company shall continue to pay rent, or lease or license fee as provided for in such agreements, and the Amalgamated Company and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and

covenants thereunder. Without limiting the generality of the foregoing, the Amalgamated Company shall also be entitled to refund of security deposits paid under such agreements by the Amalgamating Companies.

- (xv) all electricity connections and tariff rates in respect thereof sanctioned by various public sector and private companies, boards, agencies and authorities to the Amalgamating Companies, together with security deposits and all other advances paid, shall stand automatically transferred and vested in favour of the Amalgamated Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The relevant electricity companies, boards, agencies and authorities shall issue invoices in the name of the Amalgamated Company with effect from the billing cycle commencing from the month immediately succeeding the month in which an intimation of the approval of this Scheme by the Courts is filed by the Amalgamated Company with them. The Amalgamated Company and the relevant electricity companies, boards, agencies and authorities shall continue to comply with the terms, conditions and covenants associated with the grant of such connection. Without limiting the generality of the foregoing, the Amalgamated Company shall also be entitled to refund of security deposits paid to or placed with such electricity companies, boards, agencies, municipal corporation, statutory and other authorities by the Amalgamating Companies.

3.3 Upon this Scheme becoming effective and the consequent amalgamation of the Amalgamating Companies into and with the Amalgamated Company, the secured creditors of the Amalgamated Company shall only continue to be entitled to security over such properties and assets forming part of the Amalgamated Company, as existing immediately prior to the amalgamation of the Amalgamating Companies into and with the Amalgamated Company and the secured creditors of the Amalgamating Companies shall continue to be entitled to security over such properties, assets, rights, benefits and interest of and in the relevant Amalgamating Company, as existing immediately prior to the amalgamation of such Amalgamating Company into and with the Amalgamated Company. It is hereby clarified that all the assets of Amalgamated Company and the Amalgamating Companies which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any new indebtedness that may be incurred by the Amalgamated Company. For this purpose, no further consent from the existing secured creditors shall be required and sanction of this Scheme shall be considered as a specific consent of such secured creditors.

3.4 The Amalgamated Company shall, at any time after this Scheme becomes effective in accordance with the provisions hereof and as the successor entity of the relevant Amalgamating Company, if so required under any law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party

to any contract or arrangement in relation to which an Amalgamating Company has been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions hereof, be deemed to be authorised to execute any such writings in the name of and on behalf of the Amalgamating Companies and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Companies *inter alia* in its capacity as the successor entity of the Amalgamating Companies.

3.5 The Amalgamated Company shall, at any time after this Scheme becomes effective in accordance with the provisions hereof and as the successor entity of the relevant Amalgamating Company, if so required under any law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by such Amalgamating Companies. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Amalgamated Company pursuant to the sanction of this Scheme by the Court, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Amalgamated Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Amalgamating Companies and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard *inter alia* in its capacity as the successor entity of the Amalgamating Companies.

3.6 **Conduct of businesses till Effective Date**

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

- (i) each Amalgamating Company undertake to carry on and shall be deemed to have carried on all its business activities and stand possessed of its properties and assets, for and on account of and in trust for the Amalgamated Company;
- (ii) all profits or income arising or accruing in favour of or received by an Amalgamating Company and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax credit, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, etc.) or losses arising or incurred by an Amalgamating Companies 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 Amalgamated Company;

- (iii) each Amalgamating 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 commitment of any nature whatsoever, borrow any amount or incur any other liabilities or expenditure, issue any additional guarantee, indemnity, letters of comfort or commitment either for itself or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any of its properties/assets, except:
 - (a) when the same is expressly provided in the Scheme;
 - (b) when the same is in the ordinary course of business as carried on by such Amalgamating Company; or
 - (c) when written consent of the Amalgamated Company has been obtained in this regard.
- (iv) except by mutual consent of the Boards of Directors of the relevant Amalgamating Company and the Amalgamated Company, or except pursuant to any prior commitment, obligation or arrangement existing or undertaken by such an Amalgamating Company and/or the Amalgamated Company as on the date of filing of this Scheme with the Court, or except as contemplated in this Scheme, pending sanction of this Scheme by the Court, the Amalgamating Companies and/or the Amalgamated Company shall not make any change in their capital structures 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 such company(ies). In the event that the Amalgamating Companies and/or the Amalgamated Company change their capital structures either by way of any increase (by issue of equity shares, bonus shares, convertible securities or otherwise), decrease, reduction, reclassification, sub-division, consolidation, or re-organisation in any other manner, which would have the effect of bringing some change to the capital structures of such company(ies), the relevant provisions of this Schemes shall stand modified/adjusted accordingly to take into account the effect of such corporate actions;
- (v) each Amalgamating Company shall not alter or substantially expand its business, except with the written concurrence of the Amalgamated Company; and
- (vi) each Amalgamating Company shall not amend its memorandum of association or articles of association, except with the written concurrence of the Amalgamated Company.

- 3.6.2 (i) With effect from the Effective Date, the Amalgamated Company shall be authorized and entitled to carry on and shall carry on the businesses of the Amalgamating Companies.
- (ii) For the purpose of giving effect to the amalgamation order passed under Sections 391 to 394 of the 1956 Act and other applicable provisions of the 1956 Act or the 2013 Act in respect of this Scheme by the Court, the Amalgamated Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Amalgamating Companies, in accordance with the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable. The Amalgamated Company is and shall always be deemed to have been authorised to execute any pleadings, applications, forms, etc., as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme, pursuant to the sanction of this Scheme by the Court.
- (iii) Upon this Scheme becoming effective the Amalgamated Company unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of the Amalgamating Companies with effect from the Appointed Date, in order to give effect to the foregoing provisions.
- 3.7 Upon this Scheme becoming effective, the Amalgamating Companies shall stand dissolved, without any further act or deed, without being wound-up.

PART - IV

4 CANCELLATION OF SHAREHOLDING AND ACCOUNTING TREATMENT

4.1 Cancellation of shareholding

- 4.1.1 Upon this Scheme becoming effective and upon transfer and vesting of all assets and liabilities of the Amalgamating Companies into and with the Amalgamated Company in accordance with Part - III of this Scheme, no consideration shall be payable by the Amalgamated Company, since the Amalgamated Company (itself and through its nominee shareholders) is the only shareholder in each of the Amalgamating Companies, and accordingly, no shares shall be allotted by the Amalgamated Company either to itself or to any of its nominee shareholders holding shares in such Amalgamating Companies.
- 4.1.2 [Upon this Scheme becoming effective, in the (consolidated/merged) balance sheet of the Amalgamated Company, investments of the Amalgamated Company being

shares held in the Amalgamating Companies (either held in its own name or through its nominee shareholders) shall stand cancelled in their entirety.]

4.2 [Accounting Treatment]

4.2.1 Upon this Scheme becoming effective, the Amalgamated Company shall account for the amalgamation in its books of account in accordance with the method of accounting as prescribed under [‘pooling of interest’ method] in Accounting Standard (AS) 14 on Accounting for Amalgamations prescribed by the Central Government under Companies (Accounting Standard) Rules, 2006 and Indian Accounting Standard (Ind AS) 103 on Business Combination prescribed by the Central Government under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

4.2.2 The accounting treatment will be as under:

- (i) upon coming into effect of this Scheme, for the purpose of accounting for and dealing with the value of the assets, liabilities, reserves, etc., as dealt with herein below in the books of account of the Amalgamated Company, [financial statements] of the Amalgamating Companies as on the close of business of the date immediately preceding the Appointed Date shall be prepared;
- (ii) all the assets, liabilities and reserves of the Amalgamating Companies as recorded in their respective financial statements referred to in sub-clause (i) above shall be recorded in the books of accounts of the Amalgamated Company as such, subject to suitable adjustments being made to ensure uniformity of accounting policies, if any;
- (iii) investment in the share capital of the Amalgamating Companies in the books of accounts of the Amalgamated Company shall stand cancelled.
- (iv) the amount of any inter-company balances between the Amalgamating Companies and the Amalgamated Company, appearing in the books of account of the Amalgamated Company and the Amalgamating Companies as on Appointed Date, shall stand cancelled without any further act or deed. For the avoidance of doubt, it is hereby clarified that with effect from Appointed Date, there will be no accrual of interest or other charges in respect of any loans, advances and other obligations as between the Amalgamating Companies and the Amalgamated Company.
- (v) surplus or deficit, if any, arising as a result of this amalgamation, i.e., excess or shortfall of the value of net assets of the Amalgamating Companies

transferred to the Amalgamated Company shall be recorded as and credited to the capital reserve or goodwill, as the case may be, in the financial statements of the Amalgamated Company.

- 4.2.3 The identity of the reserves of the Amalgamating Companies, if any, and to the extent deemed appropriate by the Board of Directors of the Amalgamated Company, shall be preserved and they shall appear in the financial statements of the Amalgamated Company in the same form and manner, in which they appeared in the financial statements of the relevant Amalgamating Company mentioned in Clause 4.2.2(i), as on the date immediately preceding the Appointed Date. Accordingly, if prior to this Scheme becoming effective there is any reserve in the financial statements of an Amalgamating Company mentioned in Clause 4.2.2(i), which are available for distribution to shareholders, whether as bonus shares or dividend or otherwise, the same would continue to remain available for such distribution by the Amalgamated Company, subsequent to this Scheme becoming effective.
- 4.2.4 The balances of the profit and loss accounts of each Amalgamating Company (as appearing in financial statements mentioned in Clause 4.2.2(i) shall be aggregated, and added to or set-off from, as the case may be, the corresponding balance appearing in the financial statements of the Amalgamated Company.
- 4.2.5 The Amalgamated Company shall record in its books of account, all transactions of the Amalgamating Companies in respect of assets, liabilities, income and expenses, from the Appointed Date to the Effective Date.
- 4.2.6 In case of any differences in accounting policies followed by an Amalgamating Company from that of the Amalgamated Company, impact of the same till the date immediately preceding the Appointed Date will be quantified and be appropriately adjusted and reported in accordance with applicable accounting rules and principles in the books of the relevant Amalgamating Company, so as to ensure that the financial statements of the Amalgamated Company reflect the financial position on the basis of consistent accounting policies.
- 4.2.7 Notwithstanding the above, the Board of Directors of the Amalgamated Company, in consultation with its statutory auditors, is authorised to account any of the balances in any other manner, if such accounting treatment is considered more appropriate.

4.3 **Miscellaneous Provisions**

It is hereby clarified that pursuant to amalgamation of the Amalgamating Companies into and with the Amalgamated Company, the control over the Amalgamated Company shall not change.

5 GENERAL TERMS AND CONDITIONS

5.1 [Tax related provisions]

- 5.1.1 This Scheme, has been drawn up to comply with: (i) the conditions relating to ‘Amalgamation’ as specified under the tax laws, specifically Section 2(1B) of the Income-tax Act, 1961, and (ii) all relevant sections of the Income-tax Act, 1961. If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the provisions of the tax laws shall prevail. This Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of this Scheme. Notwithstanding the other provisions of this Scheme, the power to make such amendments / modifications as may become necessary, shall vest with the Board of Directors of the Amalgamated Company and the Amalgamating Companies, which power shall be exercised reasonably in the best interests of the companies concerned and their shareholders, and which power can be exercised at any time, whether before or after the Effective Date.
- 5.1.2 Notwithstanding anything to the contrary contained in the provisions of this Scheme, the Amalgamated Company shall be entitled to carry forward, avail of, or set-off any unabsorbed tax losses, unabsorbed tax depreciation, credits for minimum alternate tax and input tax credits of the Amalgamating Companies that remain unutilized as on Appointed Date. Further, any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions as would have been available to the Amalgamating Companies on or before Appointed Date shall be available to the Amalgamated Company.
- 5.1.3 Upon this Scheme becoming effective, the Amalgamated Company shall be entitled to claim refunds or credits, including Input Tax Credits, with respect to taxes paid by, for, or on behalf of, the Amalgamating Companies under applicable laws, including but not limited to income tax, sales tax, value added tax, service tax, CENVAT or any other tax, whether or not arising due to any *inter se* transaction, even if the prescribed time limits for claiming such refunds or credits have lapsed. For the avoidance of doubt, Input Tax Credits already availed of or utilised by the Amalgamating Companies and the Amalgamated Company in respect of *inter se* transactions shall not be adversely impacted by the cancellation of *inter se* transactions pursuant to this Scheme.
- 5.1.4 Upon this Scheme becoming effective, any advance tax, self-assessment tax, minimum alternate tax and/or TDS credit available or vested with the Amalgamating Companies, including any taxes paid and taxes deducted at source and deposited by

the Amalgamating Companies on *inter se* transactions during the period between Appointed Date and the Effective Date shall be treated as tax paid by the Amalgamated Company and shall be available to the Amalgamated Company for set-off against its liability under the Income-tax Act, 1961 and any excess tax so paid shall be eligible for refund together with interest. Further, TDS deposited, TDS certificates issued or TDS returns filed by the Amalgamating Companies on transactions shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued and TDS returns were filed by the Amalgamated Company. Any TDS deducted by, or on behalf of, the Amalgamating Companies on *inter se* transactions will be treated as tax deposited by the Amalgamated Company.

- 5.1.5 Upon this Scheme becoming effective, any service tax or any other tax charged by, for, or on behalf of, the Amalgamating Companies on *inter se* transactions and in respect of which CENVAT credit or any Input Tax Credit is not available or has not been claimed by the Amalgamating Companies, shall be treated as service tax paid in cash by the Amalgamated Company, without any further action on the part of the relevant Amalgamating Company and the Amalgamated Company.
- 5.1.6 The Amalgamated Company is expressly permitted to file or revise its corporate income tax, TDS, wealth tax, service tax, excise, VAT, entry tax, professional tax or any other statutory returns, statements or documents, credit for advance tax paid, tax deducted at source, claim for sum prescribed under Section 43B of the Income-tax Act, 1961 on payment basis, deduction for provisions written back by Amalgamated Company previously disallowed in the hands of Amalgamating Companies under the Income-tax Act, 1961, credit of tax paid under Section 115JB read with Section 115JAA of the Income-tax Act, 1961, credit of foreign taxes paid/ withheld etc., if any, pertaining to the Amalgamating Companies upon this Scheme becoming effective, and where necessary to give effect to this Scheme, even if the prescribed time limits for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum. The Amalgamated Company is expressly permitted to amend, if required, its TDS/TCS or other statutory certificates and shall have the right to claim refunds, tax credits, set-offs and/or adjustments relating to its income or transactions entered into by it with effect from Appointed Date. The taxes or duties paid by, for, or on behalf of, the Amalgamating Companies relating to the period on or after Appointed Date shall be deemed to be the taxes or duties paid by the Amalgamated Company and the Amalgamated Company shall be entitled to claim credit or refund for such taxes

5.2 **Effective Date**

This Scheme shall become effective on the date on which certified copies of the relevant order(s) of the Court approving this Scheme are filed by each of the Amalgamating Companies and Amalgamated Company with the Registrar of Companies, NCT of Delhi & Haryana ("**Effective Date**"). In case the Amalgamating

Companies and Amalgamated Company make such filings on different dates, then the last date on which such filings are made with Registrar of Companies, NCT of Delhi & Haryana, shall be deemed as the Effective Date.

5.3 Compliance with relevant SEBI Circulars

The Amalgamated Company shall comply with the provisions of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013, as modified by SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 while *inter alia* procuring the approval of the shareholders of the Amalgamated Company.

5.4 Sequencing of Events

Upon the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred on the Appointed Date, and become effective and operative only in the sequence and in the order mentioned hereunder:

- (i) alteration of the main objects of the Amalgamated Company as provided in Clause 2.11;
- (ii) amalgamation of the Amalgamating Companies into and with the Amalgamated Company in accordance with Part - III of this Scheme;
- (iii) cancellation of investments of the Amalgamated Company being shares held in the Amalgamating Companies (either held in its own name or through its nominee shareholders) in terms of Clause 4.1.2 of this Scheme.

5.5 Modifications to this Scheme and removal of difficulties

The Amalgamated Company and the Amalgamating Companies (acting through their respective Boards of Directors) may: (i) assent to any modifications or amendments to this Scheme, which the Court and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise during the course of sanction and/or giving effect and/or implementing this Scheme, or (ii) waive any of the requirements of this Scheme, where such waiver is necessary or desirable for settling any question or doubt or difficulty that may arise during the course of sanction and/or giving effect and/or implementing this Scheme, provided such waiver is in the interest of Amalgamated Company and the Amalgamating Companies. The Amalgamated Company and the Amalgamating Companies (acting through its respective Boards of Directors) be and are hereby authorised to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any orders of the Court or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this

Scheme and/or any matters concerning or connected therewith.

5.6 Withdrawal of this Scheme

Notwithstanding anything else to the contrary in this Scheme, the Amalgamated Company and the Amalgamating Companies (acting through its respective Boards of Directors) shall be at liberty to withdraw from this Scheme for any reason as they deem fit, including in case any condition or alteration imposed by the Court or any other authority is not acceptable to them.

5.7 Costs and Expenses

All costs, expenses, charges, fees, taxes, duties, levies and all incidental expenses arising out of or incurred in carrying out and implementing the terms and conditions or provisions of this Scheme and matters incidental thereto shall be borne and paid by the Amalgamated Company.

5.8 Binding Effect

Upon this Scheme becoming effective it shall be binding on the Amalgamating Companies, Amalgamated Company, their respective shareholders, creditors and all other stakeholders. In the event of any inconsistency between the provisions of this Scheme and any of the terms and conditions of any earlier arrangement, agreement or contract between the Amalgamating Companies, Amalgamated Company, and/or their shareholders, creditors and other stakeholders, then the provisions of this Scheme shall prevail.

5.9 Severability

If any part of this Scheme is invalid, ruled illegal by any court / governmental authority, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the Amalgamated Company and the Amalgamating Companies (acting through their respective Boards of Directors) shall attempt to bring about appropriate modification to this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.

5.10 Declaration of Dividend

- (i) The Amalgamating Companies and the Amalgamated Company shall be entitled to declare and pay dividends, whether interim and/or final, to their respective shareholders prior to the Effective Date.
- (ii) The holders of the shares of the Amalgamating Companies and the

Amalgamated Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association, including the right to receive dividends.

- (iii) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Amalgamating Companies and/or the Amalgamated Company to demand or claim any dividends which, subject to the provisions of the 1956 Act or the 2013 Act, as applicable, shall be entirely at the discretion of the respective Boards of Directors of the Amalgamating Companies and the Amalgamated Company, and if applicable as per the provisions of the Articles of Association, and the 1956 Act or the 2013 Act, as applicable, be subject to the approval of the shareholders of the Amalgamating Companies and the Amalgamated Company respectively.

5.11 **Miscellaneous**

- 5.11.1 The transfer of properties and liabilities to, and the continuance of proceedings by or against the Amalgamated Company, as envisaged in Part - III above shall not affect any transaction or proceedings already concluded by the Amalgamating Companies on or before Appointed Date, and after Appointed Date till the Effective Date, to the end and intent that the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the Amalgamating Companies in respect thereto as done and executed on behalf of itself.
- 5.11.2 Though this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable and come into operation from the Appointed Date.
- 5.11.3 Upon this Scheme becoming effective, the resolutions, if any, of the Amalgamating Companies, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Amalgamated Company and if any such resolutions have any monetary limits approved under the provisions of the 1956 Act or the 2013 Act, as applicable, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Amalgamated Company and shall constitute the aggregate of the said limits in the Amalgamated Company.
- 5.12 Without prejudice to the generality of other provisions of this Scheme and notwithstanding anything to the contrary contained in this Scheme, the Board of

Directors of the Amalgamated Company shall have the option and shall be entitled to make suitable accounting entries at the time of closing of the books of accounts for the first financial year post the effectiveness of this Scheme as they may deem fit to give effect to the intent herein.

- 5.13 The relevant Registrar/Sub-Registrar of Assurances, Tehsildar/Collector, municipal corporation, panchayat and other land authorities where the immovable properties of the Amalgamating Companies are located shall, post effectiveness of this Scheme, cause the record of title to be mutated in the land records so as to give effect to this Scheme and to vest such immovable properties in the Amalgamated Company.
- 5.14 The Amalgamated Company and/or the Amalgamating Companies, shall, with all reasonable dispatch, make respective applications to the Court, under Sections 391 to 394 of the 1956 Act and other applicable provisions of the 1956 Act or the 2013 Act, seeking orders for dispensing with or convening, holding and/or conducting of the meetings of the classes of their respective shareholders and/or creditors and for sanctioning this Scheme with such modifications, as may be approved by the Court.
- 5.15 Upon this Scheme being approved by the requisite majority of the shareholders and creditors of the Amalgamated Company and the Amalgamating Companies (wherever required), the Amalgamating Companies and the Amalgamated Company shall, with all reasonable dispatch, file respective petitions before the Court for sanction of this Scheme under Sections 391 to 394 of the 1956 Act and other applicable provisions of the 1956 Act or the 2013 Act, and for such other order or orders, as the Court may deem fit for carrying this Scheme into effect. Upon this Scheme becoming effective, the shareholders of both, the Amalgamated Company and the Amalgamating Companies, shall be deemed to have also accorded their approval under all relevant provisions of the 1956 Act or the 2013 Act, as applicable, for giving effect to the provisions contained in this Scheme.

