

HIM TEKNOFORGE LIMITED

Registered Office : Village Billanwali, Labana, Baddi, Distt. Solan, Himachal Pradesh - 173205

Tel No : +91 9815026035, +91 01795-654025; Website : himteknoforge.com

Email : teknoforge@himgroup.net ; CIN U28910HP1989PLC008963**MEETING OF THE SECURED CREDITORS**

OF

HIM TEKNOFORGE LIMITED

(Convened pursuant to order dated 5th May, 2017 passed by the Hon'ble National Company Law Tribunal, Chandigarh Bench)

SCHEDULE AND VENUE OF MEETING:

Day : Thursday
Date : June 22, 2017
Time : 3.30 p.m.
Venue : Hotel 'Sip n Dine', SCO 16-A, Sector 7-C, Madhya Marg, Chandigarh – 160 019

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

Company Application No. CA(CAA) No. 08/Chd/HP/2017

In the matter of:
Section 230-232 read with section 66 and other applicable provisions of the Companies Act, 2013

Him Teknoforge Limited
(CIN : U28910HP1989PLC008963)
Village Billanwali, Labana, Baddi,
Distt. Solan, Himachal Pradesh-173205
E-mail: teknoforge@himgroup.net
Tel. No. : 9815026035, 01795-654025

... Applicant /Transferor Company

And

Gujarat Automotive Gears Limited
(CIN : L29130HP1971PLC000904)
Village Billanwali, Baddi,
Distt. Solan, Himachal Pradesh-173205
E-mail ID : gujarat.gears@gmail.com
Tel. No. : 9815026035, 01795-654025

... Applicant /Transferee Company

**NOTICE OF THE MEETING OF THE SECURED CREDITORS OF
HIM TEKNOFORGE LIMITED**

To ,

All the Secured Creditors of Him Teknoforge Limited ("the Applicant/ Transferor Company")

Notice is hereby given that by an order dated 5th May, 2017, the Hon'ble National Company Law Tribunal, Chandigarh Bench ("**NCLT**") has directed a meeting to be held of the Secured Creditors of Him Teknoforge Limited (Transferor/Applicant Company) for the purpose of considering, and if thought fit, approving with or without modification, the Scheme of Amalgamation between Him Teknoforge Limited and Gujarat Automotive Gears Limited and their respective shareholders ("Scheme")

In pursuance of the said order and as directed therein further notice is hereby given that a meeting of the Secured Creditors of the Applicant/Transferor Company will be held at Hotel 'Sip n Dine', SCO 16-A, Sector 7-C, Madhya Marg, Chandigarh – 160 019 on Thursday, 22nd day of June, 2017 at 3.30 p.m. at which time and place you are requested to attend the meeting

TAKE NOTICE that the following resolution is proposed for the purpose of considering, and if thought fit, approving with or without modification, the scheme of amalgamation :-

"RESOLVED THAT pursuant to the provisions of Sections 230-232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (to the extent applicable) and Securities and Exchange Board of India Circular No. CIR/CFD/CMD/16/2015 dated 30th November, 2015, Observation Letter dated 30th March, 2017 issued by the BSE Limited and provisions of the Memorandum and Articles of Association of the Company and subject to the approval of the Hon'ble Chandigarh Bench of National Company Law Tribunal, and such other approvals, permissions and sanctions of regulatory and other authorities the Scheme of Amalgamation for merger of Him Teknoforge Limited with Gujarat Automotive Gears Limited, as placed before the meeting, be and is hereby approved.

RESOLVED FURTHER THAT Mr. Vijay Aggarwal, Managing Director and/or Mr. Rajiv Aggarwal, Director and /or Mr. Sanjeev Grover, Chief Financial Officer of the transferor company, be and are hereby severally and independently authorized to make such alterations, modifications or amendments to the Scheme as may be expedient or necessary for complying with the requirements or conditions imposed by the Hon'ble Chandigarh Bench of National Company Law Tribunal and / or by any other appropriate /concerned authorities.

RESOLVED FURTHER THAT Mr. Vijay Aggarwal, Managing Director and/or Mr. Rajiv Aggarwal, Director and /or Mr. Sanjeev Grover, Chief Financial Officer of the transferor company, be and are hereby severally and independently authorized to do all such acts, deeds and things as may be considered necessary, proper or expedient for the purpose of giving effect to the Scheme.”

Copy of the said scheme of amalgamation and of the statement under Section 230 can be obtained free of charge at the registered office of the company or at the office of its counsel Sh. Anil Kumar Aggarwal, Advocate at SCO 64, 2nd Floor, Sector 20-C, Chandigarh – 160 020. Persons entitled to attend and vote at the meeting, may vote in person or by proxy, provided that all proxies in the prescribed form are deposited at the above mentioned registered office of the company not later than 48 hours before the meeting.

Forms of proxy can be had at the registered office of the company.

The Hon'ble Tribunal has appointed Justice (Retd.) S.K. Jain as Chairperson and failing him, Mr. Nitin Jain, Advocate as Alternate Chairperson of the meeting of the Secured Creditors of the Applicant Company. The Scheme, if approved in the aforesaid meeting, will be subject to the subsequent approval of the Hon'ble Tribunal.

This notice convening the meeting of the Secured Creditors of the Applicant Company along with aforesaid documents are placed on the website of the Company viz. www.himteknoforge.com.

Dated this 18th day of May, 2017.

SD/-
(Rajiv Aggarwal)
Director, Him Teknoforge Limited

Registered office:
Him Teknoforge Limited
Village Billanwali, Labana, Baddi,
Distt. Solan, Himachal Pradesh-173205

Notes:

- (i) Pursuant to Section 230 to 232 of the Companies Act, 2013, and the Companies (Compromises, Arrangements and Amalgamations), Rules, 2016, the Explanatory Statement including disclosures as per Rule 6, Scheme of Amalgamation, Valuation Report, Fairness Opinion Report, Observation letter regarding the draft scheme of amalgamation issued by Bombay Stock Exchange, proxy form and other documents mentioned in the Index are attached.
- (ii) The following documents are available at the registered office of the company for obtaining extract from or for making or obtaining copies of or for inspection, up to 1 (one) day prior to the date of the meeting at its registered office during business hours on all working days, except Saturdays, Sundays and Public Holidays, by the secured creditors namely :
 - (a) Latest audited financial statements of the transferor and transferee companies including consolidated financial statement.
 - (b) Supplementary unaudited accounting statements of the transferor and transferee companies for the period ended on 31.12.2016.
 - (c) Copy of the order of Tribunal in pursuance of which the meeting is being convened.
 - (d) Copy of the scheme of amalgamation.
 - (e) The certificate issued by auditor of the transferee company to the effect that the accounting treatment, if any, proposed in the scheme of amalgamation is in conformity with the Accounting Standards notified under the Companies Act, 2013.
 - (f) Copy of valuation report, fairness opinion report, Memorandum & Articles of Association of the transferor and transferee companies and such other information or documents necessary and relevant for making decision for or against the scheme.
 - (g) Register of Directors' shareholdings of the transferor and transferee company.
- (iii) A secured creditor who is entitled to attend and vote at the meeting is also entitled to appoint his /her proxy to attend and vote instead of himself/herself .. Proxy Form duly filled in, signed and stamped must be deposited at the registered office of the company at least 48 hours before the meeting.
- (iv) Corporate secured creditors are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the meeting.
- (v) The Notice, together with the documents accompanying the same, is being sent to all the secured creditors whose names appear in the list of secured creditors as on 28.02.2017.
- (vi) The secured creditors to whom the notice is sent may vote at the meeting either in person or by proxy.
- (vii) The Tribunal has appointed Mr. Kanwaljit Singh, Practicing Company Secretary (C.P. No. 5870), House No. 3051, Sector 71, Mohali (Pb)-160071 as the Scrutinizer to conduct the voting in a fair and transparent manner, who will submit his report to the chairman of the meeting after completion of the scrutiny of the votes cast by the secured creditors.
- (viii) The route map of the site of the meeting alongwith the landmark forms part of this notice.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
CHANDIGARH BENCH. CHANDIGARH

COMPANY APPLICATION NO. CA(CAA) No. 08/Chd/HP/2017

In the matter of:

Sections 230-232 read with Section 66 and other applicable provisions of the Companies Act, 2013

Him Teknoforge Limited
(CIN : U28910HP1989PLC008963)
Village Billanwali, Labana, Baddi,
Distt.Solan, Himachal Pradesh-173205
E-mail: teknoforge@himgroup.net
Tel. No. : 9815026035, 01795-654025

..... Applicant /Transferor Company

And

Gujarat Automotive Gears Limited
(CIN : L29130HP1971PLC000904)
Village Billanwali, Baddi,
Distt.Solan, Himachal Pradesh-173205
E-mail ID : gujarat.gears@gmail.com
Tel. No. : 9815026035, 01795-654025

.....Applicant/Transferee Company

EXPLANATORY STATEMENT UNDER SECTION 230(3) OF THE COMPANIES ACT, 2013, READ WITH SECTION 102 OF THE COMPANIES ACT, 2013 AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

Pursuant to the order dated 5th May, 2017 passed by the Hon'ble Chandigarh Bench of National Company Law Tribunal in Company Application CA (CAA) No. 08/Chd/HP/2017 referred to here *inabove, separate meetings of the shareholders, secured creditors and unsecured creditors of both the applicant companies named herein above are being convened for the purpose of considering and, if thought fit, approving, with or without modification, the scheme of amalgamation of Him Teknoforge Limited (Transferor Company) with Gujarat Automotive Gears Limited (Transferee Company) under Section 230-232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ("Act") read with the rules made thereunder.*

In the case of meeting of equity shareholders of Him Teknoforge Limited (transferor company), the shareholders will be entitled to attend and vote at the meeting in person or through proxy.

But in the case of meeting of equity shareholders of Gujarat Automotive Gears Limited (transferee company), the shareholders will be entitled to cast their votes either by voting electronically, or through postal ballot as required under Regulation 44 of the SEBI LODR Regulations read with SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 or by voting at the meeting in person/by proxy. The votes cast by the public shareholders by way of postal ballot or e-voting will be taken into consideration for declaration of the results of Tribunal convened meeting. The shareholders who have cast their votes through electronic means or postal ballot prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. The shareholders can opt for only one mode of voting i.e. either through remote e-voting / Postal Ballot Form or Polling Paper at NCLT Convened Meeting. If a shareholder has opted for remote e-voting, then he / she should not vote either by Postal Ballot Form or Polling Paper. If a shareholder has opted for Postal Ballot Form, then he / she should not vote either by remote e-voting or Polling Paper. However, in case members cast their vote both via Postal Ballot Form and e-voting, then voting through e-voting shall prevail and voting done by Ballot

Paper shall be treated as invalid, notwithstanding whichever is cast first.

In case of the meetings of secured and unsecured creditors of the transferor and the transferee company, the creditors will be entitled to attend and vote at the meeting in person or by proxy.

In accordance with the provisions of Sections 230 – 232 of the Act, the Scheme shall be acted upon only if a majority of persons representing three fourth in value of the equity shareholders, secured creditors and unsecured creditors of the Applicant Companies, voting in person or by proxy (or by postal ballot or e-voting in the case of equity shareholders of the transferee company), agree to the Scheme.

Further in accordance with the SEBI Circular no. CIR/CFD/CMD/16/2015 dated November, 30, 2015, the scheme shall be acted upon only if the votes cast by the public shareholders (through postal ballot or e-voting) in favour of the aforesaid resolution for approval of scheme are more than the number of votes cast by the public shareholders against it in the case of the transferee company.

1. SALIENT FEATURES OF THE SCHEME

The salient features of the scheme are more particularly specified in the scheme of amalgamation. Key features of the scheme are as under:-

- (i) Upon the scheme becoming effective, the transferor company will stand merged with the transferee company and all the assets and liabilities of the transferor company shall stand transferred to the transferee company at their respective book values, except the holding of shares held by the transferor company in the share capital of the transferee company, which will stand cancelled and extinguished. The transferor company shall stand dissolved without the process of winding up.
- (ii) On and from the Effective Date, all employees of the transferor company on the rolls of the Transferor Company on the Effective Date shall become the employees of the transferee company on such date without any break or interruption in service and on terms and conditions not less favourable than those on which they are respectively engaged by the transferor company as on the Effective Date.
- (iii) Subject to other provisions of this Scheme, all contracts including commercial and technical, deeds, bonds, agreements, Memorandum of Understanding ("MoU"), awards, rights and concessions, insurance policies and other instruments of whatsoever nature relating to the Undertaking to which the transferor company is a party and subsisting or having effect on or before the Effective Date shall be in full force and effect against or in favour of transferee company and may be enforced as fully and effectually, as if, instead of the transferor company, transferee company had at all material times been a party thereto.
- (iv) Upon the coming into effect of this Scheme, if any suit, writ petition, appeal, revision or other proceedings of whatever nature (hereinafter called the "Proceedings") by or against the transferor company be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking of the transferor company or of anything contained in the Scheme, but the proceedings may be continued, prosecuted and enforced by or against transferee company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the transferor company as if the Scheme had not been made. On and from the Effective Date, the transferee company shall and may initiate any legal proceedings for and on behalf of the transferor company, in its own name.
- (v) Consequent to the amalgamation and upon the Scheme becoming effective, the name of

transferee company shall be changed from "Gujarat Automotive Gears Limited" to "Him Teknoforge Limited" without following any further procedure or doing any further act or thing as may be required under the provisions of the Act as transferee company shall carry on the entire business of the transferor company.

- (vi) The authorized share capital of the transferor company will merge with the authorized share capital of the transferee company and the capital clause of the memorandum of association of the transferee company will alter as stated in the scheme.

2. PARTIES INVOLVED IN THE SCHEME OF AMALGAMATION

Two companies and their shareholders are involved in the proposed scheme of amalgamation namely:

1. Him Teknoforge Limited
2. Gujarat Automotive Gears Limited

The first company is proposed to be merged with the second company.

3. DETAILS OF APPOINTED DATE, EFFECTIVE DATE AND SHARE EXCHANGE RATIO

Appointed Date: 1st April, 2016

Effective Date: The Scheme will become effective from the later of the dates on which certified copies of the order of the Tribunal sanctioning the scheme under Section 232 of the Companies Act, 2013 are filed with the concerned Registrar of Companies, Himachal Pradesh.

Share Exchange Ratio :

Upon the Scheme coming into effect, and in consideration of the transfer of all the assets and liabilities of the transferor company to the transferee company, the transferee company shall without any further application, act, instrument or deed, issue and allot to the equity shareholders (except the transferee company) of the transferor company (whose names are registered in the register of members of the transferor company on the record date, or his / her legal heirs, executors or administrators or successors as the case may be) equity shares of the face value of Rs. 2/- each credited as fully paid up of the transferee company in the ratio of 3 fully paid up equity shares of the face value of Rs. 2/- each of the transferee company for every 13 fully paid up equity shares of the face value of Rs. 10/- each held in the transferor company.

Upon the Scheme coming into effect, the paid up equity share capital of the transferee company shall stand cancelled and reduced upto the extent of 5,65,285 equity shares of the face value of Rs. 2/- each or such other equity shares held on the effective date by the transferor company in the share capital of the transferee company without any further act or deed.

4. VALUATION REPORT

Valuation report for the purpose of determining the share exchange ratio has been submitted by M/s R.J. Rathi & Co., Chartered Accountants, which contain the basis of valuation. The fairness opinion report has been submitted by M/s Pantomath Capital Advisors Private Limited, SEBI Registered Category-I Merchant Banker.

The share valuation has been arrived at after considering the well established valuation methods such as Net Asset Value Method (NAV), Earning Capitalization Value Method, Discounted Cash Flow Method. The fair equity share exchange ratio has been arrived at on the basis of a relative valuation of the equity share of the transferor and transferee company based on the various

methodologies as stated above and various qualitative factors relevant to each company and the business dynamics and growth potentials of the business of the companies.

5. DETAILS OF CAPITAL OR DEBT RESTRUCTURING, IF ANY

The proposed scheme of amalgamation does not contemplate any capital or debt restructuring, except the allotment of shares to the members of the transferor company as narrated hereinabove.

6. RATIONALE AND BENEFITS OF THE AMALGAMATION

The amalgamation of Transferor Company with Transferee Company is being proposed for the following purposes:

- i. Enable both the companies to consolidate their business operations and provide significant impetus to their growth since both the companies are engaged in the similar areas of business enabling the amalgamated entity to reach at higher orbit;
- ii. Result in enhancing the scale of operations and reduction in and / or optimization in overheads costs, administrative, managerial and other expenditure, operational rationalization, organizational efficiency, and optimal utilization of various resources and also benefiting from economies of scale;
- iii. Result in improved shareholder value benefiting all shareholders investors of both the companies as the combined amalgamated Company will have improved financial structure, larger cash flows and stronger consolidated revenue and profitability;
- iv. Consolidate the managerial expertise of the companies' involved thereby giving additional strength to the operations and management of the amalgamated Company resulting into expansion of the existing business; and
- v. Simplification of group structures

7. AMOUNT DUE TO SECURED AND UNSECURED CREDITORS AS ON 28.02.2017

Particulars of amounts due to Unsecured Creditors from respective Company's involved in the Scheme as at 28th February, 2017 is detailed herein:

Name of Companies	Secured	Unsecured
Him Teknoforge Limited	Rs. 104,50,80,811/-	Rs. 85,38,68,393/-
Gujarat Automotive Gears Limited	Rs. 9,34,07,050/-	Rs. 4,50,54,300/-

8. DISCLOSURES UNDER RULE 6 (3) OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

A. TRANSFEROR COMPANY

(i) Details of the order of the National Company Law Tribunal, Chandigarh Bench directing the calling, convening and conducting of the meetings :-

- a) Date of the order :- 5th May, 2017
- b) Date, time and venue of the meetings

Category of Members / Creditors	Date	Time	Venue
Members (Equity Shareholders)	22.06.2017	2.00 p.m.	Hotel 'Sip n Dine', SCO 16-A, Sector 7-C, Madhya Marg, Chandigarh -160 019
Secured Creditors	22.06.2017	3.30 p.m.	
Unsecured Creditors	22.06.2017	4.30 p.m.	

(ii) **BACKGROUND OF TRANSFEROR COMPANY :**

- a) Corporate Identification No. (CIN) : U28910HP1989PLC008963
b) Permanent Account No. (PAN) : AAACH3906R
c) Name of the Company : Him Teknoforge Limited
d) Date of Incorporation : 11.01.1989
e) Type of the company : Public Limited Company
f) Registered Office : Village Billanwali, Labana, Baddi, Distt. Solan, Himachal Pradesh-173205
e-mail : teknoforge@himgroup.net
g) **Summary of main objects:**

The main objects are set out in Clause III(A) of the Memorandum of Association.

The main objects of the company are to carry on in India or elsewhere the business of manufacturing, designing, assembling, importing, exporting, buying, selling, transporting, distributing and dealing in automobile parts, forgings, castings, stampings, fabrications, assembly of components and foundry items of all kinds made from ferrous or non-ferrous metals.

Main Business of the Company:

The company is presently engaged in the business of manufacturing of auto parts and accessories, forgings, castings, stampings, fabrications, foundry items and other related activities.

- h) **Details of change of name, registered office and objects of the company during the last five years :-**

There is no change in the name, registered office and objects of the company during the last 5 years.

- i) **Name of the stock exchange (s) where the securities of the company are listed :-**

Not Applicable, because the shares or any other securities of the company are not listed in any stock exchange.

- j) **The capital structure of the Transferor Company as on 31.03.2016 is as under:-**

Particulars	Amount (Rs.)
Authorized Capital	
300,00,000 Equity shares of Rs. 10/- each	30,00,00,000
Total	30,00,00,000
Issued, Subscribed & Paid up Capital	
2,89,52,307 Equity shares of Rs. 10/- each	28,95,23,070
Total	28,95,23,070

There has been no change in the authorized, issued, subscribed and paid up share capital of Transferor Company from 31st March, 2016 to the present date.

k) Names of the promoters alongwith their addresses :-

Sr. No.	Name of Promoters	Address
1.	Mr. Vijay Aggarwal S/o Sh. Prem Chand Aggarwal	203, Sector 6, Panchkula, Haryana – 134 109
2.	Mr. Rajiv Aggarwal S/o Sh. Prem Chand Aggarwal	73, Sector 28-A, Chandigarh – 160 002

l) Names of the directors alongwith their addresses :

Sr. No.	Name and Address	Designation
1.	Mr. Vijay Aggarwal # 203, Sector 6, Panchkula, Haryana -134 109	Managing Director
2.	Mr. Rajiv Aggarwal # 73, Sector 28A, Chandigarh - 160028	Director
3.	Mr. Ravi Kant Dhawan H. No. 301-A, Jyoti Appts, 205, Shere Punjab Society, Andheri (E), Mumbai 400 093	Independent Director
4.	Mr. Purshotam Lal Sharma H. No. 511, Sector-15 A Chandigarh-160 015	Independent Director
5.	Mr. Pradeep Kumar H. No. 604, G.H.S. No. 28, Sector-20, Ward No. 30 Panchkula, Haryana – 134 109	Independent Director
6.	Mrs. Bhavana Rao 50, Vaishali Apartments IIT Campus, New Delhi, Delhi – 110 016	Nominee Director
7.	Mr. K. Baskaran Flat No. SN A2/3 10, Sneha Apartments, Godavari Block, NGV, Koramangala, Bangalore-560 047	Nominee Director

(iii) Relationship between the companies :-

The Transferee Company is an associate of the Transferor Company as the Transferor Company holds 32.30% equity shares in the share capital of the Transferee Company.

(iv) Particulars of Board Meeting :

The proposed scheme of amalgamation was approved by the Board of directors of the company in its meeting held on 20.12.2016. All the seven directors of the company, namely, Mr. Vijay Aggarwal, Mr. Rajiv Aggarwal, Mr. Ravi Kant Dhawan, Mr. Purshotam Lal Sharma, Mr. Pradeep Kumar, Mrs. Bhavana Rao and Mr. K. Baskaran participated and voted in favour of the resolution. None abstained and none voted against the resolution.

(v) Disclosure about the effect of the compromise or arrangement on :

- a) Key managerial personnel: Upon the scheme becoming effective, the transferor company will stand dissolved. There is no special benefit or compensation payable to any KMP under the scheme.
- b) Directors: Upon the scheme becoming effective, the Board of directors of the company will stand dissolved. There is no special benefit or compensation payable to any director under the scheme.
- c) Promoters: The promoters who hold shares in the company will be allotted shares in the transferee company as per scheme of amalgamation. There is no special benefit or compensation payable to any promoter under the scheme.
- d) Non Promoter Members: The non-promoters who hold shares in the company will be allotted shares in the transferee company as per scheme of amalgamation. There is no special benefit or compensation payable to any non-promoter under the scheme.
- e) Depositors: There is no depositor in the company.
- f) Creditors: The creditors of the company will become the creditors of the transferee company for the same value of debt and same security, if any, as they are having in the company.
- g) Debenture holders: There is no debenture holder in the company.
- h) Deposit Trustee and Debenture Trustee: Not applicable.
- i) Employees of the company: Upon the scheme becoming effective, the employees of the company will become the employees of the transferee company without any break in their service as per the scheme of amalgamation. There will be no adverse effect on their remuneration and other benefits.

(vi) Disclosure about effect of amalgamation on material interest of directors, key managerial personnel and debenture trustee

No director or key managerial personnel of the company has any material interests, directly or indirectly, in the proposed Scheme of Amalgamation save and except as shareholder of the company. There is no debenture trustee in the company.

(vii) Investigation or proceedings, if any, pending against the company under the Act

There is no investigation or proceedings pending against the company under the Companies Act,

2013. There is no winding up petition or insolvency proceedings pending against the company.

(viii) Details of approvals, sanctions or no objections, if any, from regulatory or any other government authorities

The transferee company is a listed company. Its shares are listed on Bombay Stock Exchange. The Bombay Stock Exchange vide its letter dated 30.03.2017 addressed to the transferee company has intimated that the Exchange has no adverse observation in respect of the scheme.

(ix) Filing of draft scheme of amalgamation with the Registrar of Companies

Pursuant to sub-section 2(b) of Section 232 of the Companies Act, 2013, it is hereby confirmed that a copy of the draft scheme of amalgamation has been filed with the Registrar of Companies, Himachal Pradesh.

B. TRANSFEREE COMPANY

(i) Details of the order of the National Company Law Tribunal, Chandigarh Bench directing the calling, convening and conducting of the meetings :-

- a) Date of the order :- 5th May, 2017
- b) Date, time and venue of the meetings of **Gujarat Automotive Gears Limited**

Category of Members / Creditors	Date	Time	Venue
Members (Equity Shareholders)	23.06.2017	2.00 p.m	Hotel 'Sip n Dine', SCO 16-A, Sector 7-C, Madhya Marg, Chandigarh -160 019
Secured Creditors	23.06.2017	3.30 p.m	
Unsecured Creditors	23.06.2017	4.30 p.m.	

(ii) Details of the company :

- a) Corporate Identification No. (CIN) : L29130HP1971PLC000904
- b) Permanent Account No. (PAN) : AAACG8584G
- c) Name of the Company : Gujarat Automotive Gears Limited
- d) Date of Incorporation : 27.03.1971
- e) Type of the company : Public Limited Company
- f) Registered Office : Village Billanwali, Baddi, Distt. Solan, Himachal Pradesh -173 205
e-mail : gujarat.gears@gmail.com
- g) Summary of main objects:

The main objects are set out in Clause III(A) of the Memorandum of Association.

The main objects of the company are to carry on the business of designing, manipulating, fabricating, die-sinking, processing, producing and manufacturing of and dealing in all types,

kinds and varieties of automotive and industrial gears and also to carry on the business of importing, exporting, buying, selling, indenting and otherwise dealing in such gears.

Main business of the Company:

The Company is presently engaged in the business of manufacturing of automotives, industrial gears and other related activities.

h) Details of change of name, registered office and objects of the company during the last five years:-

There is no change in the name and objects of the company during the last 5 years. The registered office of the company was shifted from the State of Gujarat to the State of Himachal Pradesh in respect of which the special resolution passed by the company was confirmed by the Regional Director, North Western Region, Ministry of Corporate Affairs, Government of India vide order dated 18.06.2014 which was registered with the Registrar of Companies, Himachal Pradesh on 24.03.2015.

i) Name of the stock exchange (s) where the securities of the company are listed :-

The equity shares of the company are listed on BSE Limited.

j) Details of capital structure of the Company:-

Particulars	Amount (Rs)
Authorized Capital	
21,25,000 Equity shares of Rs. 2/- each	42,50,000
7,500 9.5% Cumulative Redeemable Preference shares of Rs.100/- each	7,50,000
5,00,000 Unclassified Shares of Rs. 10/- each	50,00,000
Total	1,00,00,000
Issued, Subscribed and Paid up Capital	
17,50,000 Equity shares of Rs. 2/- each	35,00,000
Total	35,00,000

k) Names of the promoters alongwith their addresses :-

Sr. No.	Name of Promoters	Address
1.	Mr. Vinod Aggarwal	# 73, Sector 28A, Chandigarh – 160028
2.	Mrs. Asha Aggarwal	# 73, Sector 28A, Chandigarh – 160028
3.	Him Teknoforge Limited	Admn. Office: 181/12, 1 st Floor, Industrial Area, Phase-1, Chandigarh – 160002
4.	Globe Precision Industries Pvt. Ltd.	Plot No. 11, Industrial Area, Baddi, Distt. Solan, HP.
5.	Mr. Rajiv Aggarwal	# 73, Sector 28A, Chandigarh – 160028
6.	Mr. Vijay Aggarwal	# 203, Sector 6, Panchkula, Haryana -134 109
7.	Mrs. Urmil Aggarwal	# 73, Sector 28A, Chandigarh – 160028
8.	Mr. Nitin Aggarwal	# 73, Sector 28A, Chandigarh – 160028
9.	Mrs. Anju Aggarwal	# 203, Sector 6, Panchkula, Haryana -134 109
10.	Mr. Ankur Aggarwal	# 73, Sector 28A, Chandigarh – 160028
11.	Mr. Manan Aggarwal	# 203, Sector 6, Panchkula, Haryana -134 109

l) Names of directors alongwith their addresses :

Sr. No.	Name and Address	Designation
1.	Mr. Rajiv Aggarwal # 73, Sector 28A, Chandigarh - 160028	Managing Director
2.	Mr. Ravi Kant Dhawan H. No. 301-A, Jyoti Appts, 205, Shere Punjab Society, Andheri (E), Mumbai 400 093	Independent Director
3.	Mr. Rajendra Prasad Sinha D-1, Kinnelan Tower, 100A, Napeansea Road, Mumbai - 400 006	Independent Director
4.	Mrs. Anju Aggarwal # 203, Sector 6, Panchkula, Haryana -134 109	Non Executive Director

(iii) Relationship between the companies :-

The transferee company is an associate of the transferor company as the transferor company holds 32.30% equity shares in the share capital of the transferee company. There are common promoters in both the Companies.

(iv) Particulars of Board Meeting :

The proposed scheme of amalgamation was approved by the Board of directors of the company in their meeting held on 20.12.2016. Out of the four directors of the company, three directors namely Mr. Rajiv Aggarwal, Mr. Ravi Kant Dhawan, Mr. Rajendra Prasad Sinha participated and voted in favour of the resolution. Mrs. Anju Aggarwal could not attend the meeting and she was granted leave of absence. None voted against the resolution.

(v) Disclosure about the effect of the compromise or arrangement on

- a) Key managerial personnel : There is no special benefit or compensation payable to any KMP under the scheme.
- b) Directors: There is no special benefit or compensation payable to any director under the scheme.
- c) Promoters: There is no special benefit or compensation payable to any promoter under the scheme.
- d) Non Promoter members: There is no special benefit or compensation payable to any non-promoter under the scheme.
- e) Depositors : There is no depositor in the company.
- f) Creditors : There will be no effect of the amalgamation on the creditors of the company. The values of their debts and security, if any, will remain the same.

- g) Debenture holders : There is no debenture holder in the company.
- h) Deposit Trustee and Debenture Trustee : Not applicable.
- l) Employees of the company : There will be no effect of the amalgamation on the employees of the company. There will be no change in their wages and remuneration under the scheme.
- (vi) Disclosure about effect of amalgamation on material interest of directors, key managerial personnel and debenture trustee

No director or key managerial personnel of the company has any material interests, directly or indirectly, in the proposed Scheme of Amalgamation save and except as shareholder of the company. There is no debenture trustee in the company.

- (vii) Investigation or proceedings, if any, pending against the company under the Act

There is no investigation or proceedings pending against the company under the Companies Act, 2013. There is no winding up petition or insolvency proceedings pending against the company.

- (viii) Details of approvals, sanctions or no objections, if any, from regulatory or any other government authorities

i. The Transferee Company has received no adverse observation from BSE Limited vide its letter dated 30.03.2017. Copy of the said letter is enclosed as Annexure to this Notice.

ii. As required by the SEBI Circular, Transferee Company has filed the Complaints Reports with the BSE Limited. After filing of the Complaint Reports, Transferee Company has not received any complaint. Copy of the said report is enclosed as Annexure to this Notice.

- (ix) Filing of draft scheme of amalgamation with the Registrar of Companies

Pursuant to sub-section 2(b) of Section 232 of the Companies Act, 2013, a copy of the scheme of amalgamation has been filed with the Registrar of Companies, Himachal Pradesh.

9. PRE AND POST AMALGAMATION CAPITAL STRUCTURE

- a) Pre Amalgamation Capital Structure of Transferor Company:

Particulars	Amount (Rs)
Authorised Capital 3,00,00,000 Equity Shares of Rs. 10/- each	30,00,00,000
Issued, Subscribed and Paid-Up Capital 2,89,52,307 Equity Shares of Rs. 10/- each	28,95,23,070

- b) Pre Amalgamation Capital Structure of Transferee Company

Particulars	Amount (Rs)
Authorised Capital 21,25,000 Equity Shares of Rs. 2/- each	42,50,000
7500 9.5% Cumulative Redeemable Preference Shares of Rs. 100/- each	7,50,000
5,00,000 unclassified shares of Rs. 10/- each	50,00,000
Total	<u>1,00,00,000</u>
Issued, Subscribed and Paid-Up Capital 17,50,000 Equity Shares of Rs. 2/- each	35,00,000

c) Post Amalgamation Capital Structure of Transferee Company

Particulars	Amount (Rs)
Authorised Capital 15,21,25,000 Equity Shares of Rs. 2/- each	30,42,50,000
7500 9.5% Cumulative Redeemable Preference Shares of Rs. 100/- each	7,50,000
5,00,000 unclassified shares of Rs. 10/- each	50,00,000
	<u>31,00,00,000</u>
Issued, Subscribed and Paid-Up Capital 78,66,016 Equity Shares of Rs. 2/- each	1,57,32,032

d) Pre and Post Amalgamation share holding pattern :-

The expected Pre Amalgamation and Post Amalgamation shareholding pattern of the companies is attached separately.

10. OBSERVATION LETTER OF BSE LIMITED

The equity shares of the transferee company are listed on the BSE Limited. Pursuant to SEBI Circular CIR/CFD/CMD/16/2015 dated 30.11.2015, the draft scheme of amalgamation alongwith other prescribed documents were sent to BSE Limited who forwarded the same to SEBI. On receipt of comments from SEBI, the BSE Limited has issued 'no adverse observations' letter dated 30.03.2017 to the transferee company and copy of the same is appended with the notice separately.

11. COMPLAINTS REPORT

The transferee company has submitted Complaints Report to BSE Limited on 23.02.2017 and copy of the same is appended with the notice separately.

Notes :

The following documents will be open for inspection up to 1 (one) day prior to the date of the meeting at its registered office during business hours on all working days, except Saturdays, Sundays and Public Holidays:

- (i) Copy of the Order dated May 5, 2017 of the Tribunal at Chandigarh passed in Company Application No. CA(CAA) No. 08/Chd/HP/2017 in pursuance of which the meetings are being convened;
- (ii) Copy of the Company Application No. CA(CAA) No. 08/Chd/HP/2017;
- (iii) Scheme of Amalgamation;
- (iv) Memorandum and Articles of Association of Transferor and Transferee Company;
- (v) Latest Annual Report of Transferor and Transferee Company for the financial year ended March 31, 2016;
- (vi) Copy of the Valuation Report on the Share Exchange Ratio for the proposed amalgamation dated December 20, 2016 issued by M/s. R.J. Rathi & Co, Chartered Accountants, an independent valuer and Fairness Opinion Report dated December 20, 2016 issued by M/s. Pantomath Capital Advisors Private Limited thereon;
- (vii) Certificate issued by the Statutory Auditors of Transferee Company in relation to the accounting treatment prescribed in the Scheme is in compliance with the Accounting Standards;
- (viii) Copy of the Complaints Report submitted to BSE Limited and also uploaded on the website.
- (ix) Copy of Observation letter issued by BSE Limited.
- (x) Register of Directors' Shareholdings of Transferee Company.

This statement may be treated as an Explanatory Statement under Sections 230 to 232 of the Companies Act, 2013. A copy of the Scheme, Explanatory Statement and Proxy Form may be obtained from the Registered Office of the applicant companies situated at Village Billanwali, Baddi, Distt. Solan, Himachal Pradesh – 173205 or from the office of advocate Sh, Anil Kumar Aggarwal, SCO 64, 2nd Floor, Sector 20-C, Chandigarh-160020.

Dated this 18th day of May, 2017

Sd/-
(Rajiv Aggarwal)
Director, Him Teknoforge Limited
Managing Director, Gujarat Automotive Gears Limited

**SCHEME OF AMALGAMATION
OF
HIM TEKNOFORGE LIMITED
(TRANSFEROR COMPANY)**

WITH

**GUJARAT AUTOMOTIVE GEARS LIMITED
(TRANSFeree COMPANY)**

AND

THEIR RESPECTIVE SHAREHOLDERS

**UNDER SECTIONS 230-232 READ WITH SECTION 66 AND OTHER APPLICABLE
PROVISIONS OF THE COMPANIES ACT, 2013**

1. Preamble

This Scheme of Amalgamation between Him Teknoforge Limited with Gujarat Automotive Gears Limited (hereinafter referred to as "Scheme" or "the Scheme" or "this Scheme") provides for the amalgamation of Him Teknoforge Limited with Gujarat Automotive Gears Limited pursuant to Section 230-232 of the Companies Act, 2013 read with Section 66 and other applicable provisions of the Companies Act, 2013 on a going concern basis in the manner provided for in the Scheme. This Scheme also provides various other matters consequential or otherwise integrally connected herewith.

(A) This Scheme is divided into the following parts:

- (a) Part I, which deals with the background, and rationale of the Scheme;
- (b) Part II, which deals with the definitions;
- (c) Part III, which deals with the amalgamation of Him Teknoforge Limited into Gujarat Automotive Gears Limited and reduction of capital of Transferee Company pursuant to Section 230-232 read with Section 66 of the

Companies Act, 2013 and other applicable provisions of the Companies Act, 2013;

- (d) Part IV, which deals with the accounting treatment of Transferor and Transferee Company under this Scheme; and
- (e) Part V, which deals with the general terms and conditions as applicable to this Scheme.

PART- I

(A) Background

- i. **Him Teknoforge Limited** (hereinafter referred to as “HTL” or the “Transferor Company”) was incorporated as a Private Limited Company under the provisions of Companies Act, 1956 on 11th January, 1989 in the State of Himachal Pradesh. Further, the Company has been converted from Private Limited to Public Limited pursuant to Section 31 of the Companies Act, 1956 with effect from 26th November, 1993 vide orders dated 6th December, 1993. The Registered Office of the Transferor Company is situated in the State of Himachal Pradesh.

The main objects of the Transferor Company are as follows:

- 1. To carry on in India or elsewhere the business of manufacturing, designing, assembling, importing, exporting, buying, selling, transporting, distributing and dealing in:
 - a) Automobile parts, forgings, castings, stampings, fabrications, assembly of components and foundry items of all kinds made from ferrous or non-ferrous metals.
 - b) All kinds of iron & steel, ingots, billets, plates, pipes, pipe fittings, re-rolled sections and non-ferrous metals of all types and grades.
- 2. To carry on business as tool makers, iron and brass founders, metal workers, boiler makers, mill wrights, machinists, iron and steel convertors, smiths, galvanizers, enamellers, electroplaters and re-rollers.
- 3. To carry on work of mechanical engineers and to run a workshop to undertake and execute all types of mechanical and structural jobs of

manufacture, fabrication and erection and to do various types of sheet metal work including manufacture and construction of storage tanks, buckets, drums and various types of containers.

II. Gujarat Automotive Gears Limited (hereinafter referred to as "GAGL" or the "Transferee Company") was originally incorporated as a Public Limited Company under the provisions of Companies Act, 1956 on 27th March, 1971 in Ahmedabad. The present Registered Office of Transferee Company is situated in the State of Himachal Pradesh. The Equity Shares of Transferee Company are listed on BSE Limited ('BSE').

The main objects of Transferee Company are as follows:

1. To carry on the business of designing, manipulating, fabricating, die-sinking, processing, producing and manufacturing of and dealing in all types, kinds and varieties of automotive and industrial gears and also to carry on the business of importing, exporting, buying, selling, indenting and otherwise dealing in such gears.
2. To carry on the business of manufacturing, designing, fabricating, grinding, buying, selling, importing, exporting, exchanging, altering, remodeling, improving, caliberating and manipulating all kinds, types and varieties of electrical, electronical, atomic, and /or mechanical, industrial and automotive plants, machineries, machine tools and engines, and all types, kinds and varieties of apparatuses, appliances, tools, jigs, fixtures, accessories, components, articles and things necessary or convenient for running such plants, machineries, machine tools and engines.
3. To carry on in India or elsewhere all or any of the business of mechanical and electrical engineers and contractors, and to carry on all or any of the businesses of tool makers, brass founders, iron founders, metal workers, mill wrights, machinists, iron and steel workers, smiths, metal-lurgists; and to buy, sell, manufacture, excavate, refine, repair, convert, alter, let on hire, and deal in metals, machinery, implements, rolling-stock and hardware of all kinds.

(B) Rationale for the Scheme of Amalgamation

The amalgamation of Transferor Company with Transferee Company is being proposed for the following purposes:

- vi. Enable both the companies to consolidate their business operations and provide significant impetus to their growth since both the companies are engaged in the similar areas of business enabling the amalgamated entity to reach at higher orbit;
- vii. Result in enhancing the scale of operations and reduction in and / or optimization in overheads costs, administrative, managerial and other expenditure, operational rationalization, organizational efficiency, and optimal utilization of various resources and also benefiting from economies of scale;
- viii. Result in improved shareholder value benefiting all shareholders investors of both the companies as the combined amalgamated Company will have improved financial structure, larger cash flows and stronger consolidated revenue and profitability;
- ix. Consolidate the managerial expertise of the companies' involved thereby giving additional strength to the operations and management of the amalgamated Company resulting into expansion of the existing business; and
- x. Simplification of group structures

In consideration of the above mentioned business rationale and related benefits, this Scheme of Amalgamation between Transferor Company with Transferee Company is being proposed in accordance with the terms set out hereunder.

PART - II

1. DEFINITIONS

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

- 1.1 **“Act” or “The Act”** means the Companies Act, 2013, the rules and regulations made thereunder and will include any statutory modification or re-enactment or amendment thereof for the time being in force, except to the extent the provision which are still applicable as per the Companies Act, 1956 and/ or any statutory modification or re-enactment thereof for the time being in force.
- 1.2 **“Appointed Date”** means the 1st day of April, 2016 or such other date as may be fixed or approved by the National Company Law Tribunal (NCLT) or such other competent authority.

- 1.3 **“Board of Directors”** or **“Board”** means the Board of Directors of Transferor Company or Transferee Company, as the case may be, shall, unless it is repugnant to the context or otherwise, includes a committee of directors or any person authorized by the Board of Directors or such committee of directors;
- 1.4 **“Tribunal”** mean the National Company Law Tribunal and the National Company Law Appellate Tribunal as constituted and authorised as per the provisions of the Companies Act, 2013 for approving any Scheme of arrangement, compromise or reconstruction of companies under section 230 to 240 of the Companies Act, 2013.
- 1.5 **“Effective Date”** means the later of the dates on which certified copies of the order of the Tribunal sanctioning the Scheme, with or without modification, under Section 232 of the Act are filed with the concerned Registrar of Companies, Himachal Pradesh by Transferor and Transferee Company. References in this Scheme to the words **“coming into effect of this scheme”** or **“effectiveness of this scheme”** shall mean Effective date;
- 1.6 **“Record Date”** means the date to be fixed by the Board of Directors of Transferor Company in consultation with the Transferee Company for determining names of the equity shareholders of the Transferor Company, who shall be entitled to receive the equity shares of the Transferee Company, as specified under Clause 6 of this Scheme.
- 1.7 **“Stock Exchanges”** shall have the same meaning as ascribed to it under the Securities Contracts (Regulation) Act, 1956, where the shares of the Transferee Company are listed.
- 1.8 The **“Scheme”** means this Scheme of Amalgamation in its present form submitted to the National Company Law Tribunal, with such modification(s), if any, as may be approved or imposed or directed by the said Tribunal.
- 1.9 **“Transferee Company”** or **“Transferee”** or **“GAGL”** means Gujarat Automotive Gears Limited, a Company incorporated under the provisions of Companies Act, 1956 and having its registered office at Village Billanwali, Baddi Solan, Himachal Pradesh -173205, India.
- 1.10 **“Transferor Company”** or **“HTL”** means Him Teknoforge Limited, a Company incorporated under the provisions of Companies Act, 1956 and having its registered office at Village Billanwali, Labana, Baddi, Himachal Pradesh – 173205, India.

1.11 “Undertaking” means and includes:

- a. all the assets and properties of the Transferor Company as on the Appointed Date i.e. all the undertakings, the entire business, all the properties (whether movable or immovable – freehold or leasehold, tangible or intangible), including the land and other properties, belonging to the Special Economic Zones and Free Zones, whether in India or elsewhere, plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, appliances, accessories, power lines, deposits, stocks, assets, investments of all kinds and in all forms including but not limited to securities, securitized assets, receivables and security receipts, cash balances with banks, loans, advances, contingent rights or benefits, agreements, rights, contracts / agreements with Clients, entitlements, permits, licences including branch or other licences and those belonging to the Special Economic Zones and Free Zones, whether in India or elsewhere, quotas, approvals,⁸ consents, incentives, subsidies, rights, claims, leases, tenancy rights, liberties, special status, engagements, arrangements and all other privileges and benefits of every kind, nature and description whatsoever enjoyed or conferred upon or held or availed of by and all rights and benefits that have accrued to business activities and operations of the Transferor Company, including but not limited to the past track record related clients and / or suppliers, Qualification Requirements, Turnover History, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, guarantees, authorizations, approvals, agreements, contracts, leases, registrations, tenancies, benefits of all taxes including but not limited to Minimum Alternate Tax (“MAT”) paid under Section 115JA/115JB of the Income Tax Act, 1961 (“IT Act”), advance taxes and tax deducted at source, right to carry forward and set off unabsorbed losses and depreciation, MAT credit under the provisions of the IT Act, right to claim deductions under Section 80-IA and Section 80-IC of the IT Act including its continuing benefits; engagements, arrangements of all kinds, exemptions, benefits, incentives, privileges and rights under State tariff regulations and under various laws; loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights to use and avail of telephones, telexes, facsimile, email, interest, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company or which have accrued to the Transferor Company as on

the Appointed Date, whether in India or abroad, of whatsoever nature and wherever situated, (hereinafter referred to as the "Assets");

- b. all the debts, liabilities, contingent liabilities, duties and obligations and guarantees of the Transferor Company as on the Appointed Date (hereinafter referred to as the "Liabilities");
- c. without prejudice to the generality of sub-Clause (a) above, the Undertaking of the Transferor Company shall include all the Transferor Company's Reserves, the movable and immovable properties, assets, consents, registrations, agreements, contracts, engagements, arrangements of all kinds, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situate belonging to or in ownership, power or possession or in control of or vested in or granted in favour of or enjoyed by the Transferor Company or to which the Transferor Company may be entitled and include but without being limited to trade and service names and service marks and other intellectual property of any nature whatsoever, permits, approvals, authorizations, rights to use and avail of telephone, telex, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, all necessary records, files, papers, computer programs, lease and hire purchase contracts, lease-hold rights, tenancy rights, industrial and other licenses, permits, authorizations, quota rights, trade marks, patents and other industrial and intellectual properties, import quotas, telephones, telex, facsimile and other communication facilities, rights and benefits of all agreements, guarantees including guarantees given by the State Government(s), deeds, bonds, insurance policies and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals of whatsoever nature and wheresoever situate, belonging to or in the ownership, power or possession or in the control of or vested in or granted in favor of or enjoyed by the Transferor Company whether in India or abroad, as on the Appointed Date;
- d. all permanent employees directly or indirectly engaged by the Transferor Company at various locations;
- e. all earnest monies and/or security deposits paid by the Transferor Company.

1.12 **"Venture Funds"** means collectively IFCI Venture Capital Funds Limited, a company registered under Companies Act, 1956 having its principal place of business at IFCI Tower, 61, Nehru Place, New Delhi -110019 through its 'India Automotive Component Manufacturers Private Equity Fund –I-Domestic', and Canbank Venture Capital Fund Limited, a company

incorporated under the provisions of the Companies Act,1956, having its registered office situated at VI Floor, Naveen Complex, No.14, M.G.Road, Bangalore – 560001, Karnataka and acting in its capacity as an Investment Manager and Trustee of Emerging India Growth Fund of Canbank Venture Capital Fund.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulations) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case maybe, including any statutory modification(s) or re-enactment(s) thereof from time to time.

2. SHARE CAPITAL

2.1 The Authorised, Issued, Subscribed and Paid-up share capital of the Transferor Company as on 31st March, 2016 and as on date is as under : -

Particulars	Amount (Rs.)
Authorized Capital	
300,00,000 Equity shares of Rs. 10/- each	30,00,00,000
Total	30,00,00,000
Issued and Subscribed Capital & Paid up Capital	
2,89,52,307 Equity shares of Rs. 10/- each	28,95,23,070
Total	28,95,23,070

There has been no change in the authorized, issued, subscribed and paid up share capital of Transferor Company from 31st March, 2016 to the present date.

2.2 The Authorised, Issued, Subscribed and Paid-up share capital of Transferee Company as on 31st March, 2016 and as on date is as under:

Particulars	Amount (Rs)
Authorized Capital	
21,25,000 Equity shares of Rs. 2/- each	42,50,000
7,500 9.5% Cumulative Redeemable Preference shares of Rs.100/- each	7,50,000

5,00,000 Unclassified Shares of Rs. 10/- each	50,00,000
Total	1,00,00,000
Issued, subscribed and paid up capital	
17,50,000 Equity shares of Rs. 2/- each	35,00,000
Total	35,00,000

There has been no change in the authorized, issued, subscribed and paid up share capital of Transferee Company from 31st March, 2016 to the present date.

- 2.3 The equity shares of Transferee Company are listed on BSE Limited. The equity shares of the Transferor Company are not listed on any Stock Exchanges.

PART - III

3. TRANSFER AND VESTING

- 3.1 Upon the Scheme coming into effect and with effect from the Appointed Date, the Transferor Company shall stand amalgamated with and be vested in the Transferee Company, as a going concern, without any further act or instrument and pursuant to the provisions of Section 230 to 232 of the Act, together with all the properties, assets, rights, liabilities including contingent liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.
- 3.2 With effect from the Appointed Date, the entire business and the whole of the Undertaking of the Transferor Company shall, without any further act or deed, be and shall stand transferred to and vested in or deemed to have been transferred to or vested in Transferee Company as a going concern, pursuant to the provisions of Section 230-232 and other applicable provisions of the Act. PROVIDED ALWAYS that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Company which shall vest in Transferee Company by virtue of this amalgamation and Transferee Company shall not be obliged to create any further or additional security after the amalgamation has become effective or otherwise. The transfer/vesting as aforesaid shall be subject to the existing charges/hypothecation over or in respect of the Assets or any part thereof of the Transferor Company. Further, Transferee Company shall not be required to create any additional security over assets acquired by it under the Scheme

for any loans, deposits or other financial assistance availed /to be availed by the Transferor Company or Transferee Company. Similarly, the promoters shall not be required to provide additional collateral security by way of pledge of their shareholding in the Transferor Company/ Transferee Company.

- 3.3 Any legal or other proceedings by or against Transferor Company pending on the Effective Date and relating to the Undertaking (including property rights, powers, liabilities, obligations and duties) of Transferor Company shall be continued and enforced by or against Transferee Company, in the same manner and to the same extent as it would or might have been continued and enforced by or against the Transferor Company.
- 3.4 It is expressly provided that in respect of such of the assets of the Transferor Company as are moveable in nature or are otherwise capable of being transferred by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company by physical delivery and shall become the property of Transferee Company pursuant to the provisions of Section 232 of the Act.
- 3.5 In respect of such of the Assets other than those referred to in sub-Clause 3.4 above, they shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred and vested in Transferee Company pursuant to the provisions of Section 230-232 of the Act and shall form an integral part of the Undertaking.
- 3.6 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof; if so required, under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Company are a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliance referred to above on the part of the Transferor Company to be carried out or performed.
- 3.7 Upon the coming into effect of the Scheme, benefits of all taxes paid including but not limited to MAT paid under Section 115JA/115JB of the IT Act, advance taxes and tax deducted at source, right to carry forward and set off unabsorbed losses and depreciation, MAT credit under the provisions of the Income Tax Act, right to claim deductions under Section 80-IA and Section 80

IC of the Income Tax Act including its continuing benefits, by the Transferor Company from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of Transferee Company as effectively as if Transferee Company had paid the same and shall be deemed to be the rights/claims of Transferee Company. All unavailed credits, set offs, claims for refunds under any State VAT Acts, CST Acts, Central Excise and Service Tax provisions or any other State or Central statutes regardless of the period to which they may relate, shall stand transferred to the benefit of and shall be available in the hands of Transferee Company without restrictions under the respective provisions.

- 3.8 All secured and unsecured debts, (whether in Rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Company, duties and obligations of the Transferor Company alongwith any charge, encumbrance, lien or security thereon (hereinafter referred to as the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in Transferee Company pursuant to the applicable provisions of the Act, so as to become on and from the Appointed Date the debts, liabilities, duties and obligations of Transferee Company, and further 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. It is clarified that in so far as the assets of the Transferor Company is concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Company shall without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which the Transferor Company and Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.
- 3.9 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, benefits, licenses, approvals, permissions and authorities etc. as described in Clause 1.11 accrued to and/or acquired by the Transferor Company after the Appointed Date, shall have been and deemed to have accrued to and/or acquired for and on behalf of Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 232 of the Act and 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 Transferee Company to that extent and shall

