

MSIL: CSL: NSE&BSE: 2017

7th July, 2017

Vice President
National Stock Exchange of India Limited
"Exchange Plaza", Bandra – Kurla Complex
Bandra (E)
Mumbai – 400 051

General Manager
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001

Sub: Approval of scheme of amalgamation of Maruti Suzuki India Limited ("Amalgamated Company") and seven of its wholly owned subsidiary companies, i.e., (i) Maruti Insurance Business Agency Limited; (ii) Maruti Insurance Distribution Services Limited; (iii) Maruti Insurance Agency Network Limited; (iv) Maruti Insurance Agency Solutions Limited ;(v) Maruti Insurance Agency Services Limited; (vi) Maruti Insurance Agency Logistics Limited and (vii) Maruti Insurance Broker Limited ("Amalgamating Companies")

Dear Sir,

We wish to inform you that the National Company Law Tribunal ("NCLT") vide its order dated 27th June, 2017 has approved the scheme of amalgamation of Maruti Suzuki India Limited ("Amalgamated Company") and seven of its wholly owned subsidiary companies, i.e., (i) Maruti Insurance Business Agency Limited; (ii) Maruti Insurance Distribution Services Limited; (iii) Maruti Insurance Agency Network Limited; (iv) Maruti Insurance Agency Solutions Limited; (v) Maruti Insurance Agency Services Limited; (vi) Maruti Insurance Agency Logistics Limited and (vii) Maruti Insurance Broker Limited ("Amalgamating Companies").

We hereby attach the following documents as required under SEBI Circular No. CIR/CFD/CMD/16/2015 dated 30th November, 2015:

1.	Copy of scheme as approved by the NCLT	The scheme of amalgamation as approved by NCLT is attached herewith as "Annexure – A".
2.	Results of voting by shareholders for approving the scheme	Not applicable. The Hon'ble High Court of Delhi vide its order dated 24 th December, 2016 had exempted the convening of the meeting of the shareholders of the Amalgamated and Amalgamating Companies. Kindly refer to para no.2 of the order of NCLT for further details. The order of NCLT is attached herewith as "Annexure – B".

**MARUTI SUZUKI INDIA LIMITED**

CIN: L34103DL1981PLC011375

Registered & Head Office
Maruti Suzuki India Limited,
1 Nelson Mandela Road, Vasant Kunj,
New Delhi 110070, India.
Tel: 011-46781000, Fax: 011-46150275/46150276
www.marutisuzuki.com

Gurgaon Plant:
Maruti Suzuki India Limited,
Old Palam Gurgaon Road,
Gurgaon 122015, Haryana, India.
Tel. 0124-2346721, Fax: 0124-2341304

Manesar Plant:
Maruti Suzuki India Limited,
Plot No.1, Phase 3A, IMT Manesar,
Gurgaon 122051, Haryana, India.
Tel: 0124-4884000, Fax: 0124-4884199

E-mail: investor@maruti.co.in, contact@maruti.co.in

3.	Statement explaining changes, if any, and reasons for such changes carried out in the approved scheme vis-à-vis the draft scheme	As per the order of NCLT, in Clause 3.2 (vii) of the scheme of amalgamation (attached herewith as “Annexure – A”) the word “permanent” has been removed. The relevant clause has been reproduced below for your reference: Original clause: “(vii) <i>all permanent employees</i> 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....” Amended clause: “(vii) <i>All employees</i> 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....”
4.	Status of compliance with the observation letter/no objection letter issued by the designated exchange	BSE Ltd. (“BSE”) and National Stock Exchange of India Limited (“NSE”) had no adverse observation to the scheme of amalgamation. Their letters of BSE and NSE are attached herewith as “ Annexure – C ” and “ Annexure – D ” respectively.
5.	Complaints report	The complaints report is attached as “ Annexure – E ”.

Submitted for necessary approval please.

Thanking you,

Yours truly,

For Maruti Suzuki India Limited



S. Ravi Aiyar
Executive Director (Legal)
& Company Secretary



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:

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.



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.

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.

2.5 Amalgamating Company No. 5

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

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.

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.

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.



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.

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:

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.

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.



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 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.

PART – V

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 or duties.

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.



**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. U74140DL2010PLC201708],

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 utilisation of resources.
2. A perusal of the 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 jurisdiction over the respective files of Petitioner companies; Official Liquidator; Concerned Stock Exchanges in which the shares of 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'.



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 No. 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 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 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 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 statue	Nature 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		% (Approx)
	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
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		Current Investmen ts	14,20,00 ,000	68				
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As per Balance sheet and Profit and Loss Account as at 31.03.2016.

Transferor company no.3	32,47,83,772	Non- Current Investment s	18,97,29, 746	59	1,21,47,4 55	Reve nue from Capit al Gain on sale of mutu al funds and share s	1,12,62, 058	93
		Current Investment s	13,12,64, 670	40				

As per Balance sheet and Profit and Loss Account as at 31.03.2016.

Transferor company no.4	24,03,9 9,108	Non- Current Investment s	13,41,63, 552	56	99,29,57 8	Rev enue from Capi tal Gain on sale of mut ual fund s and shar es	89,53,5 86	90
		Current Investment s	9,93,02,7 25	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 Investment s	4,32,46,1 73	75	15,34,76 9	Rev enue from Capi tal Gain on sale of mut ual fund s and shar es	10,18,6 66	66
		Current Investment s	1,30,41,9 56	22				

As per Balance sheet and Profit and Loss Account as at 31.03.2016.

Transferor company no.6	14,43,4 2,703	Non- Current Investment s	11,74,88, 921	81	43,83,13 9	Non - oper atin g reve nue	34,89,3 88	90
		Current Investment s	2,11,27,3 60	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".

11/

12/



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 change 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 Development Authority ("IRDA") and the non-grant of 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 a 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 explanation 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 institution 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 licenses 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 is clearly a permissible business activity in terms of the objects incidental or ancillary to the attainment of the main objects of each of the Petitioner/Transferor Companies. In this regard, the relevant extract 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 complied 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 requirements 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 come in the way of action being



taken, albeit, in accordance with law, against 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 Companies 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)

Nirmala Vincent
28/6/17
NIRMALA VINCENT
Court Officer
National Company Law Tribunal
Govt. of India, New Delhi

DCS/AMAL/MN/349/2015-16
March 30, 2016

The Company Secretary
Maruti Suzuki India Limited
Plot No. 1, Vasant Kunj,
Nelson Mandela Marg,
New Delhi, Delhi, 110070.



Dear Sir / Madam,

Sub: Observation letter regarding the Scheme of Amalgamation between Maruti Suzuki India Limited and its seven wholly owned subsidiary companies and their respective shareholders and creditors.

We are in receipt of draft Scheme of Amalgamation between Maruti Suzuki India Limited and its seven wholly owned subsidiary companies and their respective shareholders and creditors.

As required under SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015; SEBI vide its letter dated March 30, 2016 has inter alia given the following comment(s) on the draft scheme of arrangement:

- ***"Company to ensure that additional information, if any, submitted by the Company, after filling the scheme with the stock exchange, from the date of receipt of this letter is displayed on the website of the listed company"***
- ***"The company shall duly comply with various provisions of the Circulars."***

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble High Court.

Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble High Court, the listed company shall submit to the stock exchange the following:

- a. Copy of the High Court approved Scheme;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- d. Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
- e. Status of compliance with the Observation Letter/s of the stock exchanges;
- f. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- g. Complaints Report as per Annexure II of this Circular.
- h. Any other document/disclosure as informed by the Exchange.



The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

Nitin Pujari
Manager

S&P BSE
SENSEX

BSE Limited (Formerly Bombay Stock Exchange Ltd.)
Registered Office : Floor 25, P J Towers, Dalal Street, Mumbai 400 001 India
T: +91 22 2272 1234/33 | E: corp.com@bseindia.com | www.bseindia.com
Corporate Identity Number : U67120MH2005PLC000000



NATIONAL STOCK EXCHANGE
OF INDIA LIMITED



Stock of the nation

Ref: NSE/LIST/67659

March 30, 2016

The Executive Director (Legal) & Company Secretary
Maruti Suzuki India Limited
Plot No.1,
Nelson Mandela Marg
Vasant Kunj
New Delhi - 110070

Kind Attn.: Mr. S. Ravi Aiyar

Dear Sir,

Sub: Observation letter for draft Scheme of Amalgamation 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.

This has reference to draft Scheme of Amalgamation 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 "Amalgamating Companies") And Their Respective shareholders and creditors submitted to NSE vide your letter dated December 22, 2015.

Based on our letter reference no Ref: NSE/LIST/63672 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, SEBI has vide letter dated March 30, 2016, has given following comments on the draft Scheme of Arrangement:

"1. The Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the stock exchange, is displayed from the date of receipt of this letter on the website of the listed company.

2. The Company shall duly comply with various provisions of the Circular"

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of regulation 11 of SEBI (LODR) Regulation, 2015, we hereby convey our "No-objection" in terms of regulation 94 of SEBI (LODR) Regulation, 2015, so as to enable the Company to file the draft scheme with the Hon'ble High Court.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations issued by statutory authorities.

1.



The validity of this "Observation Letter" shall be six months from March 30, 2016, within which the Scheme shall be submitted to the Hon'ble High Court. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, you shall submit to NSE the following:

- a) Copy of Scheme as approved by the High Court;
- b) Result of voting by shareholders for approving the Scheme;
- c) Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme,
- d) Status of compliance with the Observation Letter/s of the stock exchanges
- e) The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f) Complaints Report as per SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015.

Yours faithfully,
For National Stock Exchange of India Limited

Divya Poojari
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

“Annexure-E”

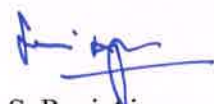
Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges	Nil
3.	Total number of complaints/comments received(1+2)	Nil
4.	Number of complaints resolved	Nil
5.	Number of complaints pending	Nil

Part B

Sr. No.	Particulars	Date of complaint	Status (Resolved/Pending)
----- Not Applicable -----			

For Maruti Suzuki India Limited



S. Ravi Aiyar
Executive Director (Legal)
& Company Secretary

