Annex L

GUPTA VIGG & CO.
Chartered Accountants

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To,
The Board of Directors
Sharda Motor Industries Limited
D-188, Okhla Industrial Area,
Phase-I, New Delhi – 110020
India

Certificate for Non-applicability of requirement prescribed in Para (I)(A)(9)(a) of Annexure I of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('SEBI Circular') pursuant to para (I)(A)(9)(c) of SEBI Circular in respect of draft Scheme of Arrangement between Sharda Motor Industries Limited ("Demerged Company or SMIL") and NDR Auto Components Limited ("Resulting Company or NACL") and their respective shareholders and creditors ('the Scheme')

It is hereby certified that the draft scheme of arrangement involving Sharda Motor Industries Limited ("Demerged Company" or "SMIL") and NDR Auto Components Limited ("Resulting Company or NACL") and their respective shareholders and creditors does not, in any way violate, override or limit the provisions of securities laws or requirements of the Stock Exchange(s) and the same is in compliance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") and the Securities and Exchange Board of India circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("SEBI Circular"), including the following:

1. At the request of Sharda Motor Industries Limited ('Company'), we have examined the books of accounts, draft Scheme of Arrangement between Sharda Motor Industries Limited and NDR Auto Components Limited and their respective shareholders and creditors under section 230 to 232 of the Companies Act, 2013 read with section 66 of the Companies Act,

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2013, and other applicable provisions of the Companies Act, 2013, and other relevant records and documents maintained by the Company in the usual course of business, for the para (I)(A)(9)(a) of Annexure I of SEBI Circular ('the Undertaking'), in relation to the Scheme.

2. In connection with requirements as stated in para 1 above in terms of para (I)(A)(9)(c) of Annexure I of SEBI Circular, we have been provided relevant confirmations and undertakings by the Company. We have relied on the above undertaking and confirmations for the purpose of issuing this certificate.

3. The attached undertaking and compliance with the SEBI Circular is the responsibility of the Company's management. Our responsibility is to provide a certificate in terms of para (I)(A)(9)(c) of Annexure I of the SEBI Circular on the said undertaking to certify whether the conditions mentioned in para (I)(A)(9)(a) of Annexure I of SEBI Circular (in relation to e-voting by public shareholders) are applicable to the Company or not.

4. We conducted our examination in accordance with the 'Guidance Note on Audit Reports and Certificate for Special Purposes' and Standard of Auditing issued by the Institute of Chartered Accountants of India. Our scope of work did not involve us performing any audit test in the context of our examination. We have not performed an audit, the objective of which would be the expression of an opinion of the financial statement, specified elements, accounts, or items thereof, for the purpose of the certificate. Accordingly, we do not express such opinion. Further, our examination did not extend to any aspects of legal or proprietary in nature in the aforesaid Scheme other than matters referred to in the said certificate.

5. Based on our examination of the Undertakings and confirmation given by the management and the Scheme and according to the information and explanations given to us and specific representations received by us from the management, we certify that the conditions prescribed in para (I)(A)(9)(a) of Annexure I of SEBI Circular (in relation to e-voting by public shareholders) are not applicable to the Scheme for the reasons stated in the accompanying undertaking.

6. This certificate is intended solely for the purpose of submission to the Stock Exchanges and Hon'ble National Company Law Tribunal (NCLT) in connection with the approval for the Scheme under the SEBI (Listing Obligations and Disclosure Requirements) Regulations,

2015 and in pursuance to the provisions of Companies Act, 2013 and other applicable provision, if anyand should not be used for any other purpose or distributed to any other party.

For Gupta Vigg & Co.

Chartered Accountants

Firm Registration No.001393N

CA. Deepak Pokhriyal

Partner

Membership No. 524778

UDIN :- 19524778AAAAAP4152.

Place: New Delhi

Date: 05.04.2019

Encl.: Undertaking as per SEBI Circular and the Scheme duly certified by management of Sharda Motor Industries Limited as initiated by us for identification purposes.

Annexure-h

Sharda Motor Industries Ltd.

Undertaking in relation to Non-applicability of requirements prescribed in para (I)(A)(9)(a) of Annexure I of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('SEBI Circular') in respect of Draft Scheme of Arrangement between Sharda Motor Industries Limited and NDR Auto Components Limited and their respective shareholders and creditors ('the Scheme')

This is in connection with the Draft Scheme of Arrangement between Sharda Motor Industries Limited ("Demerged Company or SMIL") and NDR Auto Components Limited ("Resulting Company or NACL") and their respective shareholders and creditors under section 230-232 of the Companies Act, 2013 read with section 66 of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013, and pursuant to the SEBI Circular wherein SEBI has mandated all listed companies to ensure that the Scheme submitted with the Hon'ble National Company Law Tribunal, Delhi Bench, for sanction, provides for all material facts in the explanatory statement in terms of para (I)(A)(9)(a) of the SEBI Circular.

Sharda Motor Industries Limited hereby undertakes that the requirement of para (I)(A)(9)(a) of the SEBI Circular pertaining to e-voting by public shareholders is not applicable to the Company for the following reasons:

1) **Para (I)(A)(9)(b)(i)**

   Where additional shares have been allotted to Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/(s) of Promoter/ Promoter Group of the listed entity

   Reasons for non-applicability

   This clause is not applicable in our fact pattern as upon demerger coming into effect, the following has been envisaged:

   Issue of shares by NDR Auto Components Limited to the existing shareholders of Sharda Motor Industries Limited:

   NACL shall issue and allot equity shares on a proportionate basis to each member of SMIL whose name are recorded in the registers of members of SMIL as holding equity shares on the Record Date (as mentioned in the Scheme), as under:

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CIN NO-L74899DL1986PLC023202

"For every 1 (One) equity share of face value of Rs.10/- (Rupees Ten only) each held in SMIL as on the Record Date, the equity shareholders of SMIL shall be issued 1 (One) equity share of face value Rs.10/- (Rupees Ten only) each credited as fully paid-up in NACL.

With the issue and allotment of the new equity shares by NACL to the equity shareholders of SMIL in accordance with clause 12 of the Scheme, in the books of NACL, all the equity shares issued by NACL to SMIL and held by SMIL shall stand cancelled, extinguished and annulled on and from the Effective Date (as mentioned in the Scheme)."

This will ensure that the shareholding pattern of NACL is identical to the shareholding pattern of SMIL.

Accordingly it is evident from the above that all the shareholders of SMIL would get shares in NACL in proportion to their entitlement and there would be no additional shares allotted to Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/(s) of Promoter/ Promoter Group.

2) Para (I)(A)(9)(b)(ii)

Where the Scheme of Arrangement involves the listed entity and any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group.

Reasons for non-applicability

This clause is not applicable in our fact pattern as the Scheme is envisaged between SMIL and its subsidiary, NACL and thus it does not involve any arrangement between SMIL and any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group.

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3) **Para (I)(A)(9)(b)(iii)**

Where the parent listed entity has acquired, either directly or indirectly, the equity shares of the subsidiary from any of the shareholders of the subsidiary who may be Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/(s) of Promoter/ Promoter Group of the parent listed entity, and if that subsidiary is being merged with the parent listed entity under the Scheme.

Reasons for non-applicability

This clause is not applicable as SMIL (being the parent listed company in this context) has not acquired, either directly or indirectly, the equity shares of NACL (the subsidiary) from any of the shareholders of NACL who may be Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/(s) of Promoter/ Promoter Group of SMIL. Further, the Scheme is not for the purpose of merger of subsidiary with its parent listed company.

4) **Para (I)(A)(9)(b)(iv)**

Where the scheme involving merger of an unlisted entity results in reduction in the voting share of pre-scheme public shareholders of listed entity in the transferee / resulting company by more than 5% of the total capital of the merged entity

Reasons for non-applicability

The Scheme does not involve merger of unlisted entity with listed entity.

5) **Para (I)(A)(9)(b)(v)**

Where the scheme involves transfer of whole or substantially the whole of the undertaking of the listed entity and the consideration for such transfer is not in the form of listed equity shares.

Reasons for non-applicability

The Scheme envisages demerger of Automobile Seating Undertaking (as defined in the Scheme) of SMIL into NACL.

As per the SEBI Circular, for the purposes of para (I)(A)(9)(b)(v), the expression "substantially the whole of the undertaking" in any financial year shall mean 20% or more of the value of the company in terms of consolidated net worth or consolidated total income

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during the previous financial year as specified in section 180(1)(a)(i) of the Companies Act, 2013.

Pursuant to the Scheme, the shares of NACLshall be listed on National Stock Exchange of India Limited and Bombay Stock Exchange Limited as per Clause 12.9 of the scheme.

In light of the above reason, SMIL is not required to seek approval of public shareholders through e-voting in relation to the Scheme.

For Sharda Motor Industries Limited

Authorised Signatory

SHARDA MOTOR INDUSTRIES LTD. NEW DELHI

Place: New Delhi
Date: 05.04.2019

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Annexure - A2

Sharda Motor Industries Ltd.

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF SHARDA MOTOR INDUSTRIES LIMITED ("THE COMPANY') IN ITS MEETING HELD ON 5TH APRIL, 2019 AT SAMAYA CONFERENCE ROOM, HOTEL ITC MAURYA, DIPLOMATIC ENCLAVE, SARDAR PATEL MARG, NEW DELHI - 110021

Approval of Scheme of Arrangement between Sharda Motor Industries Limited and NDR Auto Components Limited and their Respective Shareholders and Creditors ("the Scheme')

"RESOLVED THAT pursuant to the provisions of sections 230 to 232 read with section 66 and other applicable provisions, if any, of the Companies Act, 2013 and related applicable rules and regulations (including any statutory modification(s) or re-enactment(s) thereof), relevant provisions of the Memorandum of Association and Articles of Association of the company, the recommendation of the Audit Committee of the company vide its report dated 5th April, 2019, and subject to the requisite approvals of shareholders and creditors of the company and other approvals and permissions of the Stock Exchange, Securities and Exchange Board of India ("SEBI"), National Company Law Tribunal, Delhi Bench ("NCLT"), and other regulatory or government bodies, as may be necessary under the applicable laws, the draft Scheme providing for the demerger of Automobile Seating undertaking (as defined in the Scheme) of the company into NDR Auto Components Limited, as per the draft Scheme of Arrangement between Sharda Motor Industries Limited and NDR Auto Components Limited and their respective shareholders and creditors (`the Scheme'), placed before the Board and initialed by the Chairman of the Meeting for the purpose of identification, be and is hereby approved."

"**RESOLVED FURTHER THAT** the appointed date shall be December 31, 2018 (end of day), or such other date as may be mutually decided by the Board of Directors of the company and NDR Auto Components Limited, or such date as may be modified / fixed by the order of the NCLT."

"**RESOLVED FURTHER THAT** the net worth certificate dated 25th March, 2019 issued from M/s. Gupta Vigg & Co., Chartered Accountants, Statutory Auditors of the Company, be and is hereby taken on record and approved."

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"**RESOLVED FURTHER THAT** the certificate dated 25th March, 2019 issued from M/s. Gupta Vigg & Co., Chartered Accountants, Statutory Auditors of the Company , certifying percentage turnover and profitability of the division being hived off vis-à-vis the other divisions of the company, be and is hereby taken on record and approved."

"**RESOLVED FURTHER THAT** the National Stock Exchange of India Limited ("NSE") is hereby appointed as the designated stock exchange for the purposes of coordination with the Stock Exchanges and the SEBI in respect of the above Scheme and matters connected therewith."

"**RESOLVED FURTHER THAT** the report from the Audit Committee dated 5th April, 2019, recommending the draft scheme for favorable consideration by the stock exchanges and SEBI and accordingly in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CFD/DIL3/CIR/2o17/21 dated March 10, 2017 ("SEBI Circular") be and is hereby approved for submission to the stock exchanges and SEBI."

"**RESOLVED FURTHER THAT** the following documents pursuant to SEBI Circular are considered and hereby approved by the Board:

a. Share entitlement Report from Mr. Rajesh Mittal, Chartered Accountants providing the share entitlement ratio as under:

   "for 1(One) equity share of face value of Rs.1o/- (Rupees Ten only) each held in Sharda Motor Industries Limited as on the Record Date, the equity shareholders of Sharda Motor Industries Limited shall be issued 1(One) equity share of face value Rs.1o/- (Rupees Ten only) each credited as fully paid-up in NDR Auto Components Limited";

b. Fairness Opinion from M/s. Sundae Capital Advisors Private Limited, Merchant Banker on valuation of assets; and

c. Certificate as per para I(A)(5) of Annexure -I of the SEBI Circular from M/s. Gupta Vigg & Co., Chartered Accountants, Statutory Auditors of the company, confirming the compliance with the applicable accounting standards notified under the Companies Act, 2013 and other generally accepted accounting principles."

SHARDA MOTOR INDUSTRIES LTD. NEW DELHI

"**RESOLVED FURTHER THAT** an undertaking certified by M/s. Gupta Vigg & Co., Chartered Accountants, Statutory Auditors stating the reasons for non-applicability of the conditions as mentioned in Para 9 of Annexure I of the SEBI Circular be and is hereby reviewed, noted and approved."

"**RESOLVED FURTHER THAT** pursuant to the provisions of Sub-section (2) of Section 232 of the Companies Act, 2013, the Report of Directors dated 5th April, 2019, explaining effect of the Scheme of Arrangement between Sharda Motor Industries Limited and NDR Auto Components Limited and their respective shareholders and creditors on shareholders and key managerial personnel and directors laying out in particular the share exchange ratio, as placed before the Board, is hereby taken on record, approved and accepted."

"**RESOLVED FURTHER THAT** Mr. Ajay Relan, Managing Director, Mr. Vivek Bhatia, Chief Financial Officer and Mr. Nitin Vishnoi, Company Secretary of the Company, be and are hereby severally authorized on behalf of the Board, inter alia, to:

a. Finalizing and sending of Notice and Explanatory Statement under Section 102 of the Companies Act, 2013, publication of advertisement, etc.;
b. Finalise and settle the draft Scheme with such modifications as they may deem fit which do not amount to a material change in the substance of the Scheme;
c. Make and agree to such alterations, conditions and changes to the Scheme as may be necessary for satisfying the requirements or conditions prescribed or imposed by the Central Government or the NCLT, or any other authority concerned (including stock exchanges, SEBI, Registrar of Companies ("ROC"), Regional Director, tax authorities, etc.) and to sign/ execute all such applications, letters, writings, undertakings, certificates, confirmations and all other documents, deeds as may be necessary in this regard;
d. Make applications, petitions, replies, affidavits and file forms to the relevant authorities, including stock exchanges and other persons (including shareholders and creditors) for their approval to the Scheme, and to make such disclosures to the government and regulatory authorities concerned (including stock exchanges, SEBI, Registrar of Companies ("ROC"), Regional Director, tax authorities, etc.) and other persons as may be required in relation to the Scheme or giving effect to thereto and for that purpose to

SHARDA MOTOR INDUSTRIES LTD. NEW DELHI

undertake all necessary actions including signing / executing all such applications, letters, writings, affidavits, undertakings, certificates, confirmations and all other documents, deeds, etc. as may be necessary in this regard;

e. File application with NCLT or such other appropriate authority seeking directions as to convening / dispensing with the meeting of the shareholders/ creditors of the company and where necessary, to take steps to convene and hold such meetings as per the directions of NCLT/ other authorities concerned;

f. Appoint, engage, renew or terminate any lawyers, advocates or firm of advocates, legal advisors, chartered accountants, valuers, merchant bankers, service providers and consultants on such terms and conditions as deemed fit, to complete the demerger process under the provisions of sections 23o to 232 read with section 66 of the Companies Act, 2013 and related applicable rules and regulations;

g. Execute, sign, submit and deliver all necessary petitions, pleadings, affidavits, notices for summons, vakalatnamas, applications, letters, writings, undertakings, certificates, confirmations, issue public advertisement, and/ or any other documents and/ or papers;

h. Move/ initiate appropriate proceedings in the relevant NCLT and/ or other regulatory authorities, for giving effect to the Scheme of Arrangement for the said demerger and to accept and carry out any alterations, changes, deletions, amendments, etc. to the Scheme or to any of the documents in connection with the Scheme as may be required by the NCLT or Central Government or any of its departments or by SEBI or any other authority as aforesaid or as may deemed expedient or necessary;

i. Represent the company before NCLT, any other regulatory and/or statutory authorities and departments in connection with the above matter;

j. Settle any questions, remove any difficulties or doubts that may arise from time to time in regard to the proposed Scheme;

k. Accepting services of notices or other process which may from time to time be issued in connection with the matter aforesaid and also to serve any such notices or other processes to parties or persons concern;

l. Delegate to any other officer of the company or any lawyer or counsel as may be deemed necessary or prudent, any or all of their powers in connection therewith;

m. Affix common seal of the company, if required, on any deed or documents in this regard as per the provisions of the Articles of Association of the company;

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n. Do all such acts, deeds, matters and things as may be deemed necessary, expedient, incidental or consequential in connection with the approval and implementation of the Scheme including satisfaction of the conditions of effectiveness of the Scheme and the closing actions under the Scheme, and as may be required to be done to give effect to this resolution."

"**RESOLVED FURTHER THAT** Mr. Ajay Relan, Managing Director, Mr. Vivek Bhatia, Chief Financial Officer and Mr. Nitin Vishnoi, Company Secretary of the Company be and is hereby authorized severally to issue any fresh resolution on all or any of the matters referred above or incidental thereto and to do all such acts, deeds and things as may be required to be done to give effect to the above resolution including furnishing certified copy of the resolution to any authority, person or government body."

Certified to be true

For Sharda Motor Industries Limited

SHARDA MOTOR INDUSTRIES LTD. NEW DELHI

Nitin Vishnoi

Company Secretary

Date: 15.04.2019

Place: New Delhi

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