



SONA KOYO STEERING SYSTEMS LIMITED

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Date: 23rd November, 2013		
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IN THE HIGH COURT OF DELHI AT NEW DELHI
COMPANY JURISDICTION
COMPANY APPLICATION (M) NO. 132 OF 2013

IN THE MATTER OF:

The Companies Act, 1956;

AND

IN THE MATTER OF:

Application under Section 391 (1) of the Companies Act, 1956;

AND

IN THE MATTER OF:

Scheme of Amalgamation between Sona Koyo Steering Systems Limited and Sona Stampings Limited and their respective Shareholders and Creditors.

AND

IN THE MATTER OF

SONA KOYO STEERING SYSTEMS LIMITED , a Company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at UGF-6, Indraprakash, 21, Barakhamba Road, New Delhi 110001.	APPLICANT/ AMALGAMATED COMPANY
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**NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS
OF SONA KOYO STEERING SYSTEMS LIMITED.**

To

The Equity Shareholders of
Sona Koyo Steering Systems Limited (the "Company").

Take notice that by Order made on the 07th day of October, 2013, the Hon'ble High Court of Delhi at New Delhi, has directed that a meeting of the Equity Shareholders of the Company, be held at FICCI Auditorium, 1, Tansen Marg, Todermal Road Area, Mandi House, New Delhi - 110001 on Saturday, the 23rd day of November, 2013 at 10:00 A.M., for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Amalgamation between Sona Koyo Steering Systems Limited and Sona Stampings Limited and their respective Shareholders and Creditors (the "Scheme").

Take Further Notice that in pursuance of the said Order, a meeting of the Equity Shareholders of the Company will be held at FICCI Auditorium, 1, Tansen Marg, Todermal Road Area, Mandi House, New Delhi - 110001 on Saturday, the 23rd day of November, 2013 at 10:00 A.M., which you are requested to attend.

Take further notice that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you, is deposited at the Registered Office of the Company at UGF-6, Indraprakash, 21, Barakhamba Road, New Delhi 110001, not later than 48 hours before the scheduled time of the commencement of the said meeting.

The Hon'ble High Court of Delhi at New Delhi has appointed Mr. Jasmeet Singh, Advocate and failing him, Ms. Neelam, Court Officer, to be the Chairperson of the said meeting.

A copy of the Scheme, statement under Section 393 of the Companies Act, 1956 and Form of Proxy are enclosed. A copy of the Observation Letter dated August 14, 2013 issued by the National Stock Exchange of India Limited, the Observation Letter dated August 14, 2013 issued by the Bombay Stock Exchange Limited and the Complaints Report submitted by the Company with the aforesaid stock exchanges are enclosed.

Dated this 18th day of October, 2013

Sd/-
Jasmeet Singh
(Chairperson appointed for the meeting)

Notes:

All alterations in the Form of Proxy should be initialed.

IN THE HIGH COURT OF DELHI AT NEW DELHI
COMPANY JURISDICTION
COMPANY APPLICATION (M) NO. 132 OF 2013

IN THE MATTER OF:

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IN THE MATTER OF:

Scheme of Amalgamation between Sona Koyo Steering Systems Limited and Sona Stampings Limited and their respective Shareholders and Creditors.

AND

IN THE MATTER OF

SONA KOYO STEERING SYSTEMS LIMITED , a Company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at UGF-6, Indraprakash, 21, Barakhamba Road, New Delhi 110001.	APPLICANT/ AMALGAMATED COMPANY
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**EXPLANATORY STATEMENT UNDER SECTION 393 OF THE
COMPANIES ACT, 1956**

1. The Hon'ble High Court of Delhi at New Delhi, by Order dated 07th October 2013, in the Company Application referred to above with respect to the proposed Scheme of Amalgamation between Sona Koyo Steering Systems Limited, a company incorporated under the provisions of the Companies Act, 1956 (the "**Act**") and having its registered office at UGF-6, Indraprakash, 21, Barakhamba Road, New Delhi 110001 ("**Applicant Company**" or "**Amalgamated Company**") and Sona Stampings Limited, a company incorporated under the provisions of the Act and having its registered office at C/o Sona Koyo Steering Systems Ltd., 38/6, N.H-8, Delhi-Jaipur Road, Gurgaon-122001, Haryana ("**Amalgamating Company**") and their respective shareholders and creditors (the "**Scheme**") has directed the convening of the meetings as stated below to consider the Scheme :
 - a) Meeting of the Equity Shareholders of the Applicant Company to be held on Saturday, the 23rd day of November, 2013 at FICCI Auditorium, 1, Tansen Marg, Todermal Road Area, Mandi House, New Delhi - 110001 at 10:00 A.M.
 - b) Meeting of the Secured Creditors of the Applicant Company to be held on Saturday, the 23rd day of November, 2013 at FICCI Auditorium, 1, Tansen Marg, Todermal Road Area, Mandi House, New Delhi - 110001 at 2:00 P.M.
2. The Hon'ble High Court of Delhi at New Delhi, vide its aforesaid Order dated 07th October 2013, dispensed with the requirement of convening the meeting of the Unsecured Creditors of the Applicant Company, to consider the Scheme. The Amalgamating Company is in the process of filing a separate Application under Section 391 of the Act before the Hon'ble High Court for the States of Punjab and Haryana at Chandigarh.
3. Sona Koyo Steering Systems Limited, the Applicant Company, was incorporated under the provisions of the Act on 14th June, 1984 under the name 'Sona Steering Systems Limited'. The name of the Applicant Company was changed to its present name on 18th September, 1998 and fresh Certificate of Incorporation consequent upon change of name was issued by the Registrar of Companies, NCT of Delhi and Haryana. The Applicant Company has its Registered Office at UGF-6, Indraprakash, 21, Barakhamba Road, New Delhi 110001. The Equity Shares of the Applicant Company are listed on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE).
4. The objects for which the Applicant Company has been established are set out in its Memorandum of Association. The main objects of the Applicant Company are as follows:-
 - "1. To design, manufacture, assemble, test, import, export, buy, sell, distribute, service, repair, stock, deal and trade in Automotive steering Systems of all types, including Mechanical Steering Gear Assemblies, Power Steering Gear Assemblies and any other type of Steering Gear Assemblies and parts and components, thereof, Associated Products including Hydraulic Pumps, Valves, Steering Columns, Steering Wheels, Ball Joints, Tie-Rod-Ends, Universal Joints, Drop Arms, Steering Linkages and Connections of all types, and parts and components thereof.

2. To design, develop, manufacture, assemble, test, import, export, buy, sell, distribute, service, repair, stock, deal and trade in Recirculating Ball Screw Mechanisms of all types, parts components and accessories thereof and products related thereto.
3. To design, develop, manufacture, buy, sell lease or hire, import export process, use, deal and trade in plant, machinery, equipment apparatus, materials, articles and commodities in relation to designing, developing, manufacturing, testing, assembling, installing and repairing all types of Steering Systems and parts components and accessories thereof and products related thereto.
4. To design, develop, manufacture, assemble, test, import export, buy, sell, distribute, services, repair, stock, deal and trade in Gearbox Assemblies and Axle Assemblies of all types, parts and components thereof, including gears of all types, Synchronisers, Linkages, any accessories thereof and materials, equipment and stores used in any relation thereof.
5. To develop, manufacture, sell, import export and deal in forgings and casting of all types, and all equipment, materials and stores used therein or in any relation thereof."

5. The share capital structure of the Applicant Company as on 31st March, 2013 was as under:-

Share Capital	Amount in ₹
Authorized Share Capital 25,00,00,000 equity shares of ₹ 1/- each	25,00,00,000/-
Issued, Subscribed and Paid-up Share Capital 19,87,41,832 equity shares of ₹ 1/- each	19,87,41,832/-

There is no change in the capital structure of the Applicant Company since 31st March, 2013.

6. Sona Stampings Limited, the Amalgamating Company, was incorporated under the provisions of the Act on 11th December, 2006 under the name 'Arjan Stampings Private Limited'. The name of the Amalgamating Company was changed to 'Arjan Stampings Limited' and fresh Certificate of Incorporation consequent upon change of name on conversion to a public limited company was issued on 14th November, 2007 by the Registrar of Companies, NCT of Delhi and Haryana. Thereafter the name of the Amalgamating Company was further changed to its current name and fresh Certificate of Incorporation consequent upon change of name was issued on 25th August, 2010 by the Registrar of Companies, NCT of Delhi and Haryana. The Amalgamating Company has its Registered Office at C/o Sona Koyo Steering Systems Ltd., 38/6, N.H.-8, Delhi-Jaipur Road, Gurgaon- 122001, Haryana.
7. The objects for which the Amalgamating Company has been established are set out in its Memorandum of Association. The main objects of the Amalgamating Company are as follows:-
 - "1. To carry on the business of designing, manufacturing, developing, fabricating, machining, assembling, improving, buying, selling, importing, exporting, and dealing in all kinds of pressings, forgings, stampings, tubular parts, rollings, castings, laminations, fabrications, extrusions, automatic machines, electrical, electronic, mechanical, components and auto parts.
 2. To develop and commercialize technologies in the field of automation including tools, dyes, moulds, jigs fixtures, special purpose machines and allied business.
 3. To act as agents, retailers, whole sellers, sub-agents, middlemen and authorized representatives of government undertakings, companies and multinational corporations engaged in manufacture and dealing in all or any of the items included in sub-clause 1 and 2 above and to set up godowns, warehouses, stores and other facilities to deal in the items included above."
8. The share capital structure of the Amalgamating Company as on 31st March, 2013 was as under :-

Share Capital	Amount in ₹
Authorized Share Capital 2,10,00,000 equity shares of ₹ 100/- each	2,10,00,000/-
Issued, Subscribed and Paid-up Share Capital 2,02,77,800 equity shares of ₹ 100/- each	2,02,77,800/-

There is no change in the capital structure of the Amalgamating Company since 31st March, 2013.

9. The Scheme provides for the transfer and vesting of the Amalgamating Company into and with the Applicant Company pursuant to the provisions of Sections 391 to 394 of the Act which would cause benefits to both the Amalgamating Company and the Applicant Company.

10. The Scheme was approved by the Board of Directors of the Applicant Company on 15th May, 2013 and 01st June, 2013 and the Amalgamating Company on 15th May, 2013 and 01st June, 2013.

11. SALIENT FEATURES OF THE SCHEME

The salient features of the Scheme are set out below.

- A) The Appointed Date under the Scheme is 01st April, 2013.
- B) The Scheme proposes that upon the Scheme becoming effective and with effect from the Appointed Date, the Amalgamating Company together with all its assets and liabilities and entire business shall be transferred to and vested in the Amalgamated Company as a going concern.
- C) The Scheme further provides that upon the Scheme becoming effective and with effect from the Appointed Date:-
- All assets and properties of the Amalgamating Company as are movable in nature shall stand transferred to and be vested in the Amalgamated Company;
 - All immovable properties of the Amalgamating Company shall stand transferred to and be vested in the Amalgamated Company;
 - All debts, liabilities, security of the Amalgamating Company shall stand transferred to and be deemed to be the debts, liabilities, security of the Amalgamated Company;
 - All contracts of the Amalgamating Company shall remain in full force and effect against or in favour of the Amalgamated Company;
 - All registrations, licenses, consents etc. pertaining to the Amalgamating Company, shall stand transferred to and be vested in the Amalgamated Company.
- D) It is provided for in the Scheme that all employees of the Amalgamating Company as on the Effective Date shall become the employees of the Amalgamated Company on terms and conditions no less favourable than those on which they are engaged by the Amalgamating Company.
- E) The Scheme further provides that upon the Scheme becoming effective, no consideration shall be payable by the Amalgamated Company to the Amalgamating Company or its shareholders.
- F) The Scheme provides that the amalgamation as proposed in the Scheme shall account for the amalgamation according to the pooling of interest method under Accounting Standard 14 as notified under the Companies (Accounting Standards) Rules, 2006.
- G) It is provided in the Scheme, that upon the Scheme becoming effective, the Amalgamating Company shall stand dissolved without being wound up.

The aforesaid are only the salient features of the Scheme. You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof.

12. The rights and interests of the members and the creditors of the Applicant Company and the Amalgamating Company will not be prejudicially affected by the Scheme.
13. No investigation proceedings have been instituted or are pending in relation to the Applicant Company under Sections 235 and 250A of the Act.
14. The directors of each of the Applicant Company and the Amalgamating Company (together, the "**Companies**") may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding in the Companies, or to the extent the said directors are common directors in the Companies.
15. The details of the present directors of the Applicant Company and their shareholding in each of the Applicant Company ("**A**") and the Amalgamating Company ("**B**") either singly or jointly as on 30th September, 2013 are as follows:

Sl. No.	Name of Director	Age (Yrs.)	Position	Equity shares held	
				(A)	(B)
1.	Dr. Surinder Kapur	70	Chairman	6000	Nil
2.	Mr. Sunjay Kapur	42	Vice Chairman & Managing Director	3300	Nil
3.	Mr. Kiyozumi Kamiki	58	Dy. Managing Director (Nominee of JTEKT Corporation)	Nil	Nil
4.	Mr. J. M. Kapur	72	Non-Executive Director	34000	Nil
5.	Mr. Hiroyuki Miyazaki	57	Non-Executive Director (Nominee of JTEKT Corporation)	Nil	Nil
6.	Mr. Kazuhiko Ayabe	55	Non-Executive Director (Nominee of Maruti Suzuki India Ltd.)	Nil	Nil
7.	Mr. Ramesh Suri	74	Independent Director	Nil	Nil
8.	Mr. B. L. Passi	78	Independent Director	Nil	Nil
9.	Mr. Ravi Bhoothalingam	67	Independent Director	Nil	Nil
10.	Mr. P. K. Chadha	76	Independent Director	35000	Nil
11.	Lt. Gen. (Retd.) S.S. Mehta	69	Independent Director	Nil	Nil
12.	Ms. Ramni Nirula	61	Independent Director	Nil	Nil

16. The details of the present directors of the Amalgamating Company, and their shareholding in each of the Applicant Company ("A") and the Amalgamating Company ("B") either singly or jointly as on 30th September, 2013 are as follows:

Sl. No.	Name of Director	Age (Yrs.)	Position	Equity shares held	
				(A)	(B)
1.	Mr. Atul Mittal	46	Director	1200	Nil
2.	Mr. Dhanunjaya Rao Atmakumari	54	Director	Nil	Nil
3.	Mr. Rajiv Chanana	47	Director	3000	1

17. The shareholding pattern of the Applicant Company as on 30 September 2013 is as set out below :

Category	No. of equity shares of ₹ 1/- each	% holding
Resident Individuals	69757662	35.10
Promoter Companies	63748304	32.08
Foreign Promoters	39947108	20.10
Bodies Corporates	16564576	8.33
Non Resident Indians	2641271	1.33
HUF	2607037	1.31
Insurance Companies	1200000	0.60
Mutual Funds	1002000	0.51
Persons Acting in Concert	945460	0.48
Foreign Institutional Investors	195000	0.10
Clearing Members	123614	0.06
Unit Trust of India	6000	0.00
Trusts	2500	0.00
Banks	1300	0.00
Total	198741832	100.00

18. Pursuant to the Scheme becoming effective, no consideration shall be payable by the Applicant Company and no shares shall be allotted by the Applicant Company to the Amalgamating Company or to its shareholders. Accordingly, upon the Scheme becoming effective, there will be no change in the shareholding pattern of the Applicant Company.
19. The Applicant Company has also obtained Valuation Report dated 15th May, 2013 from M/s. Avinash Payal & Associates, Chartered Accountants, and Fairness Opinion dated 15th May, 2013 from M/s. Sobhagya Capital Options Limited on the valuation of the assets/shares of the Applicant and Amalgamating Company.
20. An equity shareholder entitled to attend and vote at the meeting of the Equity Shareholders of the Applicant Company being convened on Saturday, the 23rd day of November, 2013 at FICCI Auditorium, 1, Tansen Marg, Todermal Road Area, Mandi House, New Delhi - 110001 at 10:00 A.M., is entitled to appoint a proxy to attend and vote instead of him. The instrument appointing the proxy should however be deposited at the registered office of the Applicant Company not later than 48 (forty eight) hours prior to the time of commencement of the meeting.
21. Corporate equity shareholders intending to send their authorized representatives to attend the meeting are requested to lodge a certified true copy of the resolution of their Board of Directors or other governing body of the body corporate not later than 48 (forty eight) hours before the time of commencement of the meeting, authorizing such person to attend and vote on its behalf at the meeting.
22. A Secured Creditor entitled to attend and vote at the meeting of the Secured Creditors of the Applicant Company being convened on Saturday, the 23rd day of November, 2013 at FICCI Auditorium, 1, Tansen Marg, Todermal Road Area, Mandi House, New Delhi - 110001 at 2:00 P.M., is entitled to appoint a proxy to attend and vote. The instrument appointing the proxy should be deposited at the registered office of the Applicant Company not later than 48 (forty eight) hours prior to the time of commencement of the meeting.
23. Corporate Secured Creditors intending to send their authorized representatives to attend the meeting are requested to lodge a certified true copy of the resolution of their Board of Directors or other governing body of the body corporate not later than 48 (forty eight) hours before the time of commencement of the meeting, authorizing such person to attend and vote on its behalf at the meeting.

24. The following documents will remain open for inspection by the equity shareholders and the Secured Creditors of the Applicant Company upto one day prior to the date of the meeting at its registered office between 10:00 a.m. and 1:00 p.m. on all working days (Monday to Friday).
- (a) Copy of the Company Application (M) No. 132 of 2013;
 - (b) Copy of the Order of the Hon'ble High Court of Delhi at New Delhi dated 07th October, 2013 in the above Company Application;
 - (c) Copies of the Memorandum and Articles of Association of the Applicant Company and the Amalgamating Company;
 - (d) Copy of the Annual Report as on 31st March, 2013 of the Applicant Company and the latest audited Accounts for the year ending 31st March, 2013 of the Amalgamating Company;
 - (e) Valuation Report dated 15th May, 2013 issued by M/s. Avinash Payal & Associates, Chartered Accountants;
 - (f) Fairness Opinion dated 15th May, 2013 issued by M/s. Sobhagya Capital Options Limited.
25. This statement may be treated as the statement under Section 393 of the Act. A copy of the Scheme and this statement may also be obtained by an equity shareholder or a Secured Creditor of the Applicant Company upto one day prior to the date of the meeting at its registered office between 10:00 a.m. and 1:00 p.m. on all working days (Monday to Friday).

For Sona Koyo Steering Systems Limited

Dated this 18th day of October, 2013.

Registered Office:

UGF-6, Indraprakash,
21 Barakhamba Road,
New Delhi 110001.

Sudhir Chopra
President & Company Secretary

**SCHEME OF AMALGAMATION
UNDER SECTIONS 391 - 394
OF THE COMPANIES ACT, 1956**

BETWEEN

**SONA KOYO STEERING SYSTEMS LIMITED
AND ITS SHAREHOLDERS AND CREDITORS**

AND

**SONA STAMPINGS LIMITED
AND ITS SHAREHOLDERS AND CREDITORS**

PART-I

INTRODUCTION AND DEFINITIONS

1. INTRODUCTION AND DEFINITIONS

1.1 Introduction

- A. Sona Koyo Steering Systems Limited ("**Amalgamated Company**") is an existing Company within the meaning of the Companies Act, 1956, having its registered office at UGF-6, Indraprakash, 21, Barakhamba Road, New Delhi - 110001. The Amalgamated Company was incorporated under the name of "Sona Steering Systems Limited" on June 14, 1984 vide Certificate of Incorporation no. 18415 of 1984-85 issued by the Registrar of Companies, Delhi & Haryana. Pursuant to the same, a certificate for commencement of business was issued to the Amalgamated Company on September 20, 1985 by the Registrar of Companies, Delhi & Haryana. The name of the Amalgamated Company was subsequently changed to Sona Koyo Steering Systems Limited and a fresh Certificate of Incorporation (consequent upon change of name) dated September 18, 1998 was issued by the Registrar of Companies, N.C.T of Delhi and Haryana to the Amalgamated Company.
- B. The equity shares of the Amalgamated Company are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. The Amalgamated Company is authorised to and is primarily engaged inter alia in the following business activities :
- (i) *To design, manufacture, assemble, test, import, export, buy, sell, distribute, service, repair, stock, deal and trade in Automotive steering Systems of all types, including Mechanical Steering Gear Assemblies, Power Steering Gear Assemblies and any other type of Steering Gear Assemblies and parts and components, thereof, Associated Products including Hydraulic Pumps, Valves, Steering Columns, Steering Wheels, ball Joints, Tie-Rod-Ends, Universal joints, Drop Arms, Steering Linkages and connections of all types, and parts and components thereof.*
 - (ii) *To design, develop, manufacture, assemble, test, import, export, buy, sell, distribute, service, repair, stock, deal and trade in Recirculating Ball Screw Mechanisms of all types, parts components and accessories thereof and products related thereto.*
 - (iii) *To design, develop, manufacture, buy, sell lease or hire, import export process, use, deal and trade in plant, machinery, equipment apparatus, materials, articles and commodities in relation to designing, developing, manufacturing, testing, assembling, installing and repairing all types of Steering Systems and parts components and accessories thereof and products related thereto.*
 - (iv) *To design, develop, manufacture, assemble, test, import, export, buy, sell, distribute, services, repair, stock, deal and trade in Gearbox Assemblies and Axle Assemblies of all types, parts and components thereof, including gears of all types, Synchronisers, Linkages, any accessories thereof and materials equipment and stores used in any relation thereof.*
 - (v) *To develop, manufacture, sell, import export and deal in forgings and casting of all types, and all equipment, materials and stores used therein or in any relation thereof.*
- C. Sona Stampings Limited ("**Amalgamating Company**") is an existing Company within the meaning of the Companies Act, 1956, having its registered office at 38/6, Delhi - Jaipur Road, NH - 8, Gurgaon 122001, Haryana. The Amalgamating Company is a wholly owned subsidiary of the Amalgamated Company. The Amalgamating Company was originally incorporated under the name of "Arjan Stampings Private Limited" on December 11, 2006 vide Certificate of Incorporation of same date issued by the Registrar of Companies, N.C.T of Delhi and Haryana. Pursuant to conversion of Amalgamating Company from a private company to a public limited company, a fresh Certificate of Incorporation (consequent upon change of name on conversion to public limited company) dated November 14, 2007 was issued by the Registrar of Companies, N.C.T of Delhi and Haryana to the Amalgamating Company under its new name of "Arjan Stampings Limited". The name of the Amalgamating Company was subsequently changed to "**Sona Stampings Limited**" and a fresh Certificate of Incorporation (consequent upon change of name) dated August 25, 2010 was issued by the Registrar of Companies, N.C.T of Delhi and Haryana to the Amalgamating Company.

- D. The Amalgamating Company is authorised to and is primarily engaged inter alia in the following business activities:
- (i) *To carry on the business of designing, manufacturing, developing, fabricating, machining, assembling, improving, buying, selling, importing, exporting, and dealing in all kinds of pressings, forgings, stampings, tubular parts, rollings, castings, laminations, fabrications, extrusions, automatic machines, electrical, electronic, mechanical, components and auto parts.*
 - (ii) *To develop and commercialize technologies in the field of automation including tools, dyes, moulds, jigs fixtures, special purpose machines and allied business.*
 - (iii) *To act as agents, retailers, whole sellers, sub-agents, middlemen and authorised representatives of government undertakings, companies and multinational corporations engaged in manufacture and dealing in all or any of the items included in sub-clause (i) and (ii) above and to set up godowns, warehouses, stores and other facilities to deal in the items included above.*
- E. The Amalgamating Company is engaged in the manufacture of sheet metal stampings, welded assemblies and modules for the automotive industry. The Amalgamating Company's current production is used both for captive consumption within the Sona group and is also sold to other outside customers.
- F. Due to difficult market conditions, small scale of operations and shortage of working capital funds, the Amalgamating Company has been incurring losses in the last few years. Simultaneously, the Amalgamated Company's requirement for sheet metal stampings has also been increasing. In order to fully utilize the technical capabilities of the Amalgamating Company and to scale up its operations, it is now proposed to merge the Amalgamating Company with the Amalgamated Company.
- G. More specifically, the proposed merger of the Amalgamating Company with the Amalgamated Company pursuant to this Scheme shall be advantageous to both the Amalgamating Company and the Amalgamated Company in the following ways :
- (i) **Business Synergies:** The Amalgamated Company has huge requirement of sheet metal parts which are supplied by the Amalgamating Company as well as few other suppliers. The Amalgamated Company, in the past, had incurred premium freight due to supply shortage of sheet metal parts. It is in the best interests of the Sona group to strengthen manufacturing capability of the Amalgamating Company and to increase its turnover. Over a period of time, the Amalgamating Company has developed the technical capabilities to manufacture sheet metal parts to cater to the needs of the Amalgamated Company. With the merger, these technical capabilities would be better utilized with additional investments/funds and this would help the Amalgamated Company to meet its requirements.
 - (ii) **Reduction in Costs:** Consequent upon merger, the Amalgamating Company would be able to reduce administrative staff required for doing statutory compliances. The Amalgamating Company would be able to use the existing infrastructure including ERP functionality of the Amalgamated Company and this would reduce cost of separate IT setup. Excise, sales tax, accounts and similar other statutory compliances can be operated from one location, thus reducing the overall costs of such compliances. The raw material requirements of the Amalgamating Company shall be handled by Supply Chain Management (SCM) team of the Amalgamated Company, which would be able to negotiate better pricing and terms in view of the financial strength of the Amalgamated Company and a track record of timely payment to its suppliers.
 - (iii) **Additional Funding:** The Amalgamating Company needs additional funds for growth. The Amalgamating Company is currently funded by the Small Industries Development Bank of India ("SIDBI") and there is a limited scope for increase of funding by SIDBI to the Amalgamating Company. Once merged, the Amalgamating Company would have access to additional funding from the Amalgamated Company's bankers at better pricing.
 - (iv) **Other Advantages:** (a) Addition of authorised share capital of the Amalgamating Company to the authorized share capital of the Amalgamated Company would result in substantial cost savings; (b) Reduction in time spent by top management on reviewing operations of the Amalgamating Company; (c) Reduction in working capital requirements; and (d) Sourcing synergies for raw materials, utilities, office supplies etc.
- H. Recognising the strengths of each other and with the end and intent of aligning the business operations undertaken by the Amalgamating Company and the Amalgamated Company, the Amalgamating Company and the Amalgamated Company now propose by way of this Scheme to merge/amalgamate the Amalgamating Company into and with the Amalgamated Company in accordance with the terms hereof, which would cause benefits to both the entities, the employees, the shareholders, the creditors of such entities and to the public at large.

1.2 **Definitions**

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

- (a) **"Act"** means the Companies Act, 1956, the rules and regulations made thereunder and will include any statutory modifications, re-enactments and/or amendments thereof.
- (b) **"Amalgamating Company"** means Sona Stampings Limited, as defined in Clause 1.1(C) above and includes:

- (i) any and all its assets, whether movable or immovable, whether present or future, whether tangible or intangible, all rights, title, interests, covenants, undertakings, liabilities including continuing rights, title and interests in connection with the land and the buildings thereon, whether freehold or otherwise, plant and machinery, whether leased or otherwise, together with all present and future liabilities including contingent liabilities and debts appertaining thereto; and
 - (ii) any and all investments, loans and advances, including accrued interest thereon; and
 - (iii) any and all approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses, certificates, tenancies, trade names, trademarks, service marks, copyrights, domain names, sales tax credits, income tax credits, applications for trade names, trademarks, service marks, copyrights, privileges and benefits of all contracts, agreements and all other rights including lease rights, licenses and registrations, powers and facilities of every kind and description whatsoever, pertaining to the Amalgamating Company; and
 - (iv) any and all debts, borrowings and liabilities, present or future, whether secured or unsecured, of the Amalgamating Company; and
 - (v) any and all employees, who are on the pay roll of the Amalgamating Company, including those engaged at its offices at their current terms and conditions, including all employee benefits such as provident fund, employees' state insurance, gratuity fund, superannuation fund; and
 - (vi) any and all advance monies, earnest monies and/or security deposits, payment against warrants or other entitlements, in connection with or relating to the Amalgamating Company.
- (c) **"Amalgamated Company"** means Sona Koyo Steering Systems Limited, as defined in Clause 1.1(A) above.
- (d) **"Applicable Law(s)"** means any statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, approval from the concerned authority, Government resolution, order, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any concerned authority having jurisdiction over the matter in question.
- (e) **"Appointed Date"** means April 1, 2013, being the date with effect from which this Scheme shall be applicable, i.e., with effect from which the Amalgamating Company shall merge with the Amalgamated Company, or such other date as may be approved by the High Court.
- (f) **"Board of Directors"** in relation to the Amalgamating Company and/or the Amalgamated Company, as the case may be, shall, unless it be repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.
- (g) **"Effective Date"** has the meaning assigned to it in Clause 8.8 hereof.
- (h) **"Government"** means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof.
- (i) **"High Court"** means collectively the Hon'ble High Court of Delhi at New Delhi and the Hon'ble High Court of Punjab & Haryana at Chandigarh.
- (j) **"NCLT"** has the meaning assigned to it in Clause 1.2.4 hereof.
- (k) **"Scheme"** means this scheme of amalgamation, in its present form, with or without any modifications, as may be approved or imposed or directed by the shareholders, creditors or the High Court.
- 1.2.2 Any references in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" shall mean the Effective Date.
- 1.2.3 The terms "hereof", "herein", "hereby", "hereto" and derivative or similar words used in this Scheme refers to this entire Scheme.
- 1.2.4 The expressions, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the Regulations made thereunder), the Depositories Act, 1996 and other Applicable Laws, rules, regulations, by-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time. In particular, wherever reference is made to the Hon'ble High Court in this Scheme, the reference would include, if appropriate, reference to the National Company Law Tribunal ("**NCLT**") or such other forum or authority, as may be vested with any of the powers of a High Court under the Act from time to time.

PART-II
SHARE CAPITAL STRUCTURE

2. CAPITAL STRUCTURE

2.1 Amalgamated Company

The capital structure of the Amalgamated Company as on March 31, 2013 is as under:

Share Capital	Amount in Rs (Indian Rupees)
Authorized Share Capital	
25,00,00,000 equity shares of Re 1/- each	25,00,00,000/-
Issued, Subscribed and Paid-up Share Capital	
19,87,41,832 equity shares of Re 1/- each	19,87,41,832/-

2.2 Amalgamating Company

The capital structure of the Amalgamating Company as on March 31, 2013 is as under:

Share Capital	Amount in Rs (Indian Rupees)
Authorized Share Capital	
2,10,000 equity shares of Rs 100/- each	2,10,00,000/-
Issued, Subscribed and Paid-up Share Capital	
2,02,778 equity shares of Rs 100/- each	2,02,77,800/-

2.3 There is no change in the capital structure of the Amalgamating Company and the Amalgamated Company since March 31, 2013.

PART-III
TRANSFER OF AMALGAMATING COMPANY

3. TRANSFER AND VESTING OF THE AMALGAMATING COMPANY

- 3.1 This Scheme shall become effective on occurrence of the Effective Date but shall be deemed to be operative from the Appointed Date.
- 3.2 Subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, on occurrence of the Effective Date, the whole of the business, personnel, property, assets, investments, rights, benefits and interest therein of the Amalgamating Company shall, with effect from the Appointed Date, stand transferred to and be vested in the Amalgamated Company, without any further act or deed, and by virtue of the orders passed by the Hon'ble Delhi High Court and the Hon'ble Punjab & Haryana High Court. Without prejudice to the generality of the above, and in particular, the Amalgamating Company shall stand transferred to and be vested in the Amalgamated Company in the manner described in sub-clauses (a) to (n) below :
- All the assets of the Amalgamating Company as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, shall stand vested in the Amalgamated Company, with effect from the Appointed Date, and shall become the property and an integral part of the Amalgamated Company. The vesting of property under this sub-clause shall be deemed to have occurred by manual delivery or endorsement and delivery, as appropriate to the property being vested, and the title to such property shall be deemed to have been transferred accordingly.
 - With effect from the Appointed Date, all movable property of the Amalgamating Company other than those specified in sub-clause (a) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government,

local and other authorities and bodies, customers and other persons shall without any act, instrument or deed become the property of the Amalgamated Company.

- (c) With effect from the Appointed Date, all immovable property (including land, buildings and any other immovable property) of the Amalgamating Company as more particularly detailed in **Annexure I**, whether freehold or leasehold, and any documents of title, rights, interest and easements in relation thereto shall stand transferred to and be vested in the Amalgamated Company, without any act or deed done by the Amalgamating Company or Amalgamated Company. With effect from the Appointed Date, the Amalgamated Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges including ground rent and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation/substitution of the title to the immovable properties shall be made and duly recorded in the name of the Amalgamated Company by the appropriate authorities pursuant to the sanction of the Scheme by the High Court and the Scheme becoming effective in accordance with the terms hereof.
- (d) With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Amalgamating Company, shall become and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company.
- (e) With effect from the Appointed Date, the borrowing limits of the Amalgamating Company approved by the shareholders of the Amalgamating Company under Section 293(1)(d) of the Act, shall be cumulated with the existing borrowing limits of the Amalgamated Company and consequently, the borrowing limits of the Amalgamated Company shall stand increased to that extent.
- (f) Without prejudice to the generality of the provisions contained herein, all loans raised after the Appointed Date but before the Effective Date and liabilities incurred by the Amalgamating Company after the Appointed Date but before the Effective Date for its operations shall be deemed to be liabilities of the Amalgamated Company.
- (g) With effect from the Appointed Date, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Amalgamating Company to which the Amalgamating Company is a party or to the benefit of which the Amalgamating Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favour of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto.
- (h) With effect from the Appointed Date, all permits, quotas, rights, entitlements, licenses including those relating to trademarks, tenancies, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Amalgamating Company to which the Amalgamating Company is a party or to the benefit of which the Amalgamating Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be enforceable as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto.
- (i) With effect from the Appointed Date, any statutory licenses, no-objection certificates, permissions or approvals or consents required to carry on operations of the Amalgamating Company or granted to the Amalgamating Company shall stand vested in or transferred to the Amalgamated Company without further act or deed, and shall be appropriately transferred or assigned by the statutory authorities concerned therewith in favour of the Amalgamated Company upon the transfer and vesting of the Amalgamating Company pursuant to this Scheme. The benefit of all statutory and regulatory permissions, factory licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Amalgamating Company shall vest in and become available to the Amalgamated Company pursuant to this Scheme.
- (j) With effect from the Appointed Date, the Amalgamated Company shall bear the burden and the benefits of any legal or other proceedings initiated by or against the Amalgamating Company.

Provided however, all legal, administrative and other proceedings of whatsoever nature by or against the Amalgamating Company pending in any court or before any authority, judicial, quasi judicial or administrative, any adjudicating authority and/or arising after the Appointed Date and relating to the Amalgamating Company, or its properties, assets, debts, liabilities, duties and obligations shall be continued and/or enforced until the Effective Date by or against the Amalgamating Company; and from the Effective Date, shall be continued and enforced by or against the Amalgamated Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Amalgamating Company, had the Scheme not been made. On and from the Effective Date, the Amalgamated Company shall have the right to initiate or defend any legal proceedings in relation to the Amalgamating Company in the same manner and to the same extent as would or might have been initiated by the Amalgamating Company as the case may be, had the Scheme not been made.

If any suit, appeal or other proceeding of whatever nature by or against the Amalgamating Company be pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the transfer of the Amalgamating Company or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Amalgamated Company in the same manner and to the same extent as it would or

might have been continued, prosecuted and enforced by or against the Amalgamating Company as if this Scheme had not been made.

- (k) On occurrence of the Effective Date, all persons that were employed by the Amalgamating Company immediately before such date shall become employees of the Amalgamated Company with the benefit of continuity of service on the same terms and conditions as were applicable to such employees of the Amalgamating Company immediately prior to such transfer and without any break or interruption of service. It is clarified that the employees of the Amalgamating Company who become employees of the Amalgamated Company by virtue of this Scheme, shall continue to be governed by the terms of employment as were applicable to them immediately before such transfer and shall not be entitled to be governed by employment policies, and shall not be entitled to avail of any benefits under any scheme or settlement or otherwise that are applicable and available to any other employees of the Amalgamated Company, unless and otherwise so stated by the Amalgamated Company in writing in respect of all employees, class of employees or any particular employee. The Amalgamated Company undertakes to continue to abide by any agreement/settlement, if any, entered into by the Amalgamating Company with any of its unions/employees thereof. With regard to provident fund, employees' state insurance obligations, created or existing for the benefit of such employees of the Amalgamating Company (as more particularly detailed in **Annexure II**), upon occurrence of the Effective Date, the Amalgamated Company shall stand substituted for the Amalgamating Company, for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. The existing provident fund, employees' state insurance obligations, created by the Amalgamating Company for its employees shall be continued for the benefit of such employees on the same terms and conditions. With effect from the Effective Date, the Amalgamated Company shall make the necessary contributions for such transferred employees of the Amalgamating Company and deposit the same in provident fund, employees' state insurance obligations, where applicable. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Amalgamating Company in relation to such schemes or funds shall become those of the Amalgamated Company.
- (l) Loans or other obligations, if any, due inter se between the Amalgamating Company and the Amalgamated Company shall stand discharged and there shall be no liability in that behalf. Notwithstanding anything contained in Clause 3.2 (d) of this Scheme, in so far as any securities, debentures or notes issued by the Amalgamating Company, and held by the Amalgamated Company and vice versa are concerned, the same shall, unless sold or transferred by holder of such securities, at any time prior to the Effective Date, stand satisfied and shall have no further effect.
- (m) With effect from the Appointed Date, all motor vehicles of any description whatsoever of the Amalgamating Company shall stand transferred to and be vested in the Amalgamated Company and without further act or deed, the appropriate governmental and registration authorities shall substitute the name of the Amalgamated Company in place of the Amalgamating Company, for statistical records and registration purposes, as the case may be. Insurance policies relating to motor vehicles and third party insurances shall also be transferred accordingly.
- (n) It is expressly clarified that with effect from the Appointed Date, all taxes payable by the Amalgamating Company including all or any refunds of the claims shall be treated as the tax liability or refunds/claims as the case may be of the Amalgamated Company.

3.3 Procedural Formalities post sanction of the Scheme

- 3.3.1 Upon this Scheme becoming effective, the secured creditors of the Amalgamating Company shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Amalgamating Company, as existing immediately prior to the amalgamation of the Amalgamating Company with the Amalgamated Company. It is hereby clarified that pursuant to the amalgamation of the Amalgamating Company with the Amalgamated Company, the secured creditors of the Amalgamating Company shall not be entitled to any further or additional security over the properties, assets, rights, benefits and interest of the Amalgamated Company.
- 3.3.2 The Amalgamated Company shall, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or novation or other writings or arrangements with any party to any contract or arrangement in relation to which the Amalgamating Company has been a party, in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Amalgamating Company and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company.
- 3.3.3 Upon the Scheme becoming effective, for statistical purposes only and without any separate deed, instrument or writing, the Amalgamating Company and/or the Amalgamated Company shall, if required, simultaneously with the amendment in the register of charges, file particulars of the modified charge with the concerned Registrar of Companies. Any documentation subsequently entered into with the terms lenders or the working capital lenders of the Amalgamating Company and the Amalgamated Company, shall be for the sake of convenience and record only and to reflect the changes in the security pursuant to the Scheme and there shall be no break in the continuity of such charge and the same shall relate back to the date of its creation thereof in the Amalgamating Company.

- 3.3.4 Upon the Scheme becoming effective, all statutory permissions, licenses, approvals, consents, privileges, benefits, tax holidays, tax concessions and benefits of filings and all other incorporeal rights emanating from such licenses (together the "**Licenses**", for the purpose of this Clause 3.3.4) relating to the Amalgamating Company, shall stand transferred to and vested in the Amalgamated Company without any further act, instrument or deed, as more particularly provided hereinabove. Notwithstanding such transfer/ vesting of the Licenses, if any application is required for the statistical record of the statutory authorities to implement the transfer and vesting of the Licenses, as provided hereinabove, the Amalgamated Company shall facilitate the statutory authorities by filing such applications, which shall be granted/ approved in favour of the Amalgamated Company based on the sanction order of the Scheme by the High Court.
- 3.3.5 Upon the Scheme becoming effective, the Amalgamated Company is expressly entitled to revise its direct or indirect tax returns and related withholding certificates and shall be entitled to claim refund, advance tax credits including MAT credit, CENVAT and MODVAT credit etc.
- 3.3.6 From the Effective Date, all bank accounts of the Amalgamating Company shall be permitted to be continued with the same balances as of the Effective Date in the name of the Amalgamated Company and for statistical record the Amalgamated Company shall be permitted to file names and particulars of the new authorised signatories for withdrawals and/or deposits/credits in such bank accounts and the relevant bank accounts shall be reconstituted accordingly.
- 3.4 **Conduct of Business from the Appointed Date upto the Effective Date**
- 3.4.1 With effect from the Appointed Date and until occurrence of the Effective Date:
- (i) the Amalgamating Company undertakes to carry on and shall be deemed to have carried on all its business activities and stand possessed of its properties and assets, for and on account of and in trust for the Amalgamated Company; and
 - (ii) all profits accruing to the Amalgamating Company and all taxes thereon or losses accumulated or otherwise arising or incurred by it shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of the Amalgamated Company; and
 - (iii) the Amalgamating Company shall carry on its business, with reasonable diligence and business prudence and in the same manner as it had been doing hitherto and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal, in any of its properties/assets, except: (a) when the same is expressly provided in this Scheme; or (b) when the same is in the ordinary course of business as carried on by it as on the date of filing of this Scheme in the High Court; or (c) when a prior written consent of the Amalgamated Company has been obtained in this regard; and
 - (iv) except by mutual consent of the Board of Directors of the Amalgamating Company and the Amalgamated Company and subject to changes pursuant to commitments, obligations or arrangements prior to the Appointed Date or as part of this Scheme, pending sanction of this Scheme by the High Court, the Amalgamating Company shall not make any change in its capital structure either by any increase (by issue of equity shares, bonus shares, preference shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of reorganisation of capital of the Amalgamating Company; and
 - (v) the Amalgamating Company shall not vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligations undertaken prior to the date of approval of the Scheme by the Board of Directors of the Amalgamating Company, the terms and conditions of employment of any of its employees, nor shall it conclude settlement with any union or its employees except with the written concurrence of the Amalgamated Company; and
 - (vi) the Amalgamating Company shall not alter or substantially expand its business except with the written concurrence of the Amalgamated Company; and
 - (vii) the Amalgamating Company shall not amend its Memorandum of Association and / or its Articles of Association, except with the written concurrence of the Amalgamated Company.
- 3.5 With effect from the Appointed Date, all debts, liabilities, duties and obligations of the Amalgamating Company as on the close of business on the date preceding the Appointed Date, whether or not provided in their books, and all liabilities which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of the Amalgamated Company.
- 3.6 With effect from the Effective Date, the Amalgamated Company shall commence and carry on and shall be authorized to carry on the business of the Amalgamating Company.
- 3.7 Upon this Scheme becoming effective, the Amalgamating Company shall stand dissolved, without being wound-up.
- 3.8 For the purpose of giving effect to the amalgamation order passed under Sections 391 to 394 and other applicable provisions of the Act in respect of the Scheme by the High Court, the Amalgamated Company shall, at any time pursuant to the orders on the Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Amalgamating Company, in accordance with the provisions of Sections 391 to 394 of the Act.

3.9 The Amalgamating Company is a wholly-owned (100%) subsidiary company of the Amalgamated Company and the Amalgamating Company has given and shall always be deemed to have given its consent to its amalgamation with the Amalgamated Company and accordingly, the requirement of convening of meetings of the equity shareholders of the Amalgamating Company for according approval to the Scheme may be dispensed with by the High Court, pursuant to appropriate application being filed by the Amalgamating Company in this regard.

4. CHANGE IN OBJECTS CLAUSE OF AMALGAMATED COMPANY

4.1 Upon this Scheme becoming effective, **Clause III (A)**, i.e., "main objects" clause of the Memorandum of Association of the Amalgamated Company shall, without any further act, instrument or deed, stand altered, modified and amended as follows:

- (i) *To design, manufacture, assemble, test, import, export, buy, sell, distribute, service, repair, stock, deal and trade in Automotive steering Systems of all types, including Mechanical Steering Gear Assemblies, Power Steering Gear Assemblies and any other type of Steering Gear Assemblies and parts and components, thereof, Associated Products including Hydraulic Pumps, Valves, Steering Columns, Steering Wheels, ball Joints, Tie-Rod-Ends, Universal joints, Drop Arms, Steering Linkages and connections of all types, and parts and components thereof.*
- (ii) *To design, develop, manufacture, assemble, test, import, export, buy, sell, distribute, service, repair, stock, deal and trade in Recirculating Ball Screw Mechanisms of all types, parts components and accessories thereof and products related thereto.*
- (iii) *To design, develop, manufacture, buy, sell lease or hire, import export process, use, deal and trade in plant, machinery, equipment apparatus, materials, articles and commodities in relation to designing, developing, manufacturing, testing, assembling, installing and repairing all types of Steering Systems and parts components and accessories thereof and products related thereto.*
- (iv) *To design, develop, manufacture, assemble, test, import, export, buy, sell, distribute, services, repair, stock, deal and trade in Gearbox Assemblies and Axle Assemblies of all types, parts and components thereof, including gears of all types, Synchronisers, Linkages, any accessories thereof and materials equipment and stores used in any relation thereof.*
- (v) *To develop, manufacture, sell, import export and deal in forgings and casting of all types, and all equipment, materials and stores used therein or in any relation thereof.*
- (vi) *To carry on the business of designing, manufacturing, developing, fabricating, machining, assembling, improving, buying, selling, importing, exporting, and dealing in all kinds of pressings, forgings, stampings, tubular parts, rollings, castings, laminations, fabrications, extrusions, automatic machines, electrical, electronic, mechanical, components and auto parts.*
- (vii) *To develop and commercialize technologies in the field of automation including tools, dyes, moulds, jigs fixtures, special purpose machines and allied business.*
- (viii) *To act as agents, retailers, whole sellers, sub-agents, middlemen and authorised representatives of government undertakings, companies and multinational corporations engaged in manufacture and dealing in all or any of the items included in sub-clause (i) and (ii) above and to set up godowns, warehouses, stores and other facilities to deal in the items included above."*

It is hereby clarified that for the purposes of this Clause 4.1, the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution under Section 16 or any other applicable provisions of the Act, would be required to be separately passed by the Amalgamated Company.

PART-IV

REORGANIZATION OF SHARE CAPITAL AND ACCOUNTING TREATMENT

5. CONSIDERATION

5.1 Upon coming into effect of this Scheme and upon vesting in and transfer of the assets and liabilities of the Amalgamating Company to the Amalgamated Company in accordance with Part III of this Scheme, no consideration shall be payable by the Amalgamated Company and no shares shall be allotted by the Amalgamated Company to the Amalgamating Company or to its shareholders.

5.2 The whole of the share capital of the Amalgamating Company held by the Amalgamated Company and the investment as shown in the balance sheet of the Amalgamated Company, being shares held in the Amalgamating Company, shall stand cancelled.

6. CHANGE IN AUTHORIZED SHARE CAPITAL

6.1 Upon this Scheme becoming effective and upon the vesting and transfer of the Amalgamating Company in the Amalgamated Company pursuant to the terms of this Scheme and consideration thereof, the entire authorized share capital of the Amalgamating Company amounting to Rs. 2,10,00,000/- divided into 2,10,000 equity shares of Rs. 100/- each shall stand transferred from the authorized share capital of the Amalgamating Company to the authorized share capital of the Amalgamated Company.

Accordingly, the authorized share capital of the Amalgamated Company shall stand increased by an amount of Rs. 2,10,00,000/- divided into 2,10,000 equity shares of Rs. 100/- each and **Clause V** in the memorandum of association of the Amalgamated Company shall stand substituted to read as follows :

"The Authorized Share Capital of the Company is Rs.27,10,00,000/- (Rupees Twenty Seven Crore Ten Lacs only) divided into 27,10,00,000 (Twenty Seven Crore Ten Lacs) number of Equity Shares of Re. 1/- (Rupee One) each."

- 6.2 The stamp duty or filing fees paid on the authorized share capital of the Amalgamating Company are permitted to be utilized and applied towards the increase in the authorized share capital of the Amalgamated Company in accordance with this Clause 6, and no further demand of additional stamp duty or fee shall be raised or made upon the Amalgamated Company by any regulatory authorities in relation to such increase in the authorized share capital of the Amalgamated Company, including by the Registrar of Companies, NCT of Delhi and Haryana.
- 6.3 It is hereby clarified that for the purposes of increasing the authorized share capital of the Amalgamated Company in accordance with this Clause 6, the consent of the shareholders of the Amalgamated Company to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and that no further resolution under Section 16, Section 81, Section 94 or any other applicable provisions of the Act, would be required to be separately passed.

7. ACCOUNTING TREATMENT

- 7.1 On this Scheme becoming effective, the Amalgamated Company shall account for the amalgamation according to the pooling of interests method under Accounting Standard (AS) 14, 'Accounting for Amalgamations' notified under the Companies (Accounting Standards) Rules, 2006 (as amended) under section 211(3C) of the Companies Act, 1956.
- 7.2 The Amalgamated Company shall, upon this Scheme becoming effective, record the assets and liabilities of the Amalgamating Company at the respective values thereof as appearing in the books of the Amalgamating Company, at the close of business on the day preceding the Appointed Date. The Amalgamated Company shall record in its books of accounts, all the transactions of the Amalgamating Company in respect of assets, liabilities, income and expenses, from the Appointed Date to the Effective Date.
- 7.3 The identity of the reserves of the Amalgamating Company, if any, shall be preserved and they shall appear in the financial statements of the Amalgamated Company in the same form and manner, in which they appeared in the financial statements of the Amalgamating Company, prior to this Scheme becoming effective.
- 7.4 The debit balance in the Statement of Profit and Loss, as appearing in the financial statements of the Amalgamating Company shall be adjusted against/set-off with the following in the order specified, to the extent required, as appearing in the financial statements of the Amalgamated Company :
- a) Capital Redemption Reserve;
 - b) Securities Premium Account; and
 - c) General Reserve.
- 7.5 The difference between the carrying amount in the books of the Amalgamated Company of its investment in the shares of the Amalgamating Company which shall stand cancelled in terms of this Scheme and the aggregate face value of such shares shall, subject to and after making the adjustment as mentioned in Clauses 7.7 and 7.8 below, be adjusted against and reflected in the Securities Premium Account of the Amalgamated Company.
- 7.6 The reduction of share capital from the reserves / accounts of the Amalgamated Company as per Clause 7.4 above shall be effected as an integral part of the Scheme in accordance with the provisions of Section 78, Sections 100 to 104 and other applicable provisions of the Act. The approval of the shareholders of the Amalgamated Company accorded for this Scheme under the provisions of Sections 391 to 394 of the Act shall also constitute approval for such reduction of share capital of the Amalgamated Company for the purposes of Section 100 of the Act. The order of the High Court sanctioning this Scheme shall be deemed to be also the order under Section 102 of the Act for the purpose of confirming the reduction. The reduction of share capital of the Amalgamated Company as per Clause 7.4 above shall not involve either a diminution of liability in respect of the unpaid share capital or payment to any shareholder of any paid - up share capital, and the provisions of Section 101 of the Act shall not be applicable.
- 7.7 In case of any differences in the accounting policy between the Amalgamating Company and the Amalgamated Company, the impact of the same till the amalgamation will be quantified and adjusted in the Statement of Profit & Loss of the Amalgamated Company to ensure that the financial statements of the Amalgamated Company reflect the financial position on the basis of consistent accounting policy.
- 7.8 For removal of doubt it is clarified that to the extent there are inter-company supplier advances or balances as between or amongst the Amalgamating Company and the Amalgamated Company, the obligations in respect thereof shall be cancelled and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Amalgamated Company for the reduction of any assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company supplier advances or balances, with effect from the Appointed Date.

<p style="text-align: center;">PART-V MISCELLANEOUS</p>

8. GENERAL TERMS AND CONDITIONS

- 8.1 The amalgamation in accordance with this Scheme of the Amalgamating Company with the Amalgamated Company shall take place with effect from the Appointed Date and shall be pursuant to and in compliance with the provisions of Section 2(1B) of the Income Tax Act, 1961.
- 8.2 The Amalgamated Company shall be entitled to file/revise its income tax returns and other statutory returns, if required, and shall have the right to claim refunds, advance tax credits, if any, as may be required consequent to implementation of this Scheme. Upon the Scheme becoming effective, the Amalgamated Company shall be entitled to set off losses (if any) of the Amalgamating Company against the profits of the Amalgamated Company as per the provisions of the Income Tax Act, 1961.
- 8.3 The amalgamation in accordance with this Scheme of the Amalgamating Company with the Amalgamated Company shall take place in compliance with all Applicable Laws including the circulars CIR/CFD/DIL/5/2013 dated February 4, 2013 and CIR/CFD/DIL/8/2013 dated May 21, 2013 issued by the Securities and Exchange Board of India.
- 8.4 The Amalgamated Company and the Amalgamating Company shall, with all reasonable dispatch, make respective applications to the High Court, under Sections 391 to 394 and other applicable provisions of the Act, seeking orders for dispensing with or for convening, holding and/or conducting of the meetings of the classes of their respective members and creditors (secured and unsecured) as per the requirements of the Act.
- 8.5 Upon this Scheme being approved by the requisite majority of the members and creditors (secured and unsecured) of the Amalgamated Company and by the members and creditors (secured and unsecured) of the Amalgamating Company, the Amalgamated Company and the Amalgamating Company shall, with all reasonable dispatch, file respective petitions before the High Court for sanction of this Scheme under Sections 391 to 394 and other applicable provisions of the Act, and for such other order or orders, as the High Court may deem fit for carrying this Scheme into effect. On this Scheme becoming effective, the members of both the Amalgamated Company and the Amalgamating Company shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme.
- 8.6 The reference consolidated summary balance sheet of the Amalgamated Company (i.e., inclusive of the Amalgamating Company) as on the Appointed Date, assuming that this Scheme has become effective, is attached hereto as **Annexure III**.
- 8.7 The Scheme is conditional upon and subject to the following:
- (a) the Scheme being approved by the requisite majority in number and value of the members and creditors of the Amalgamating Company and the Amalgamated Company as required under Applicable Laws and as may be directed by the High Court;
 - (b) the Scheme being sanctioned by the Hon'ble High Court of Delhi and the Hon'ble High Court of Punjab & Haryana under Sections 391 to 394 of the Act and the necessary orders being obtained in respect of the same; and
 - (c) such other sanctions and approvals including sanctions of any governmental or regulatory authority as may be required by law or contract in respect of the Scheme being obtained; and
 - (d) the certified copies of the orders of the Hon'ble High Court of Delhi and the Hon'ble High Court of Punjab & Haryana referred to in this Scheme being filed with the Registrar of Companies, N.C.T of Delhi & Haryana.
- 8.8 This Scheme shall become effective on such date when certified copies of the orders of the Hon'ble High Court of Delhi and the Hon'ble High Court of Punjab & Haryana sanctioning this Scheme are filed by the Amalgamated Company and the Amalgamating Company with the Registrar of Companies, NCT of Delhi & Haryana. Such date shall be known as the **"Effective Date"**.
- 8.9 Each of the Amalgamated Company and the Amalgamating Company (acting through their respective Boards of Directors) may assent to any modifications or amendments to this Scheme, which the High Court and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme. Each of the Amalgamated Company and the Amalgamating Company (acting through its respective Boards of Directors) be and is hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any orders of the High Court or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith. The Amalgamated Company and the Amalgamating Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the High Court or any other authority is not on terms acceptable to them.
- 8.10 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.

- 8.11 Upon the sanction of this Scheme and after this Scheme has become effective, with effect from the Appointed Date, the amalgamation of the Amalgamating Company with the Amalgamated Company in compliance with Section 2(1B) of the Income Tax Act, 1961, in accordance with this Scheme, shall be deemed to have occurred.
- 8.12 In case any doubt or difference or issue shall arise between the parties hereto or any of their shareholders, creditors and/or other persons entitled to or claiming any right to any equity shares in the Amalgamated Company and the Amalgamating Company, as to the construction thereof or as to any account, valuation or apportionment to be taken or made of any asset or liability transferred to the Amalgamated Company or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to arbitration in Delhi under the Indian Arbitration and Conciliation Act 1996, and the decision of the arbitral tribunal in such a case shall be final and binding on all concerned.
- 8.13 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Amalgamated Company and the Amalgamating Company and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.
- 8.14 If any part of this Scheme is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under Applicable Laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.
- 8.15 The transfer of properties and liabilities to and the continuance of proceedings by or against the Amalgamated Company as envisaged in Part III of this Scheme above shall not affect any transaction or proceedings already concluded by the Amalgamating Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the Amalgamating Company, in respect thereto as done and executed on behalf of their selves.

ANNEXURE I

LIST OF IMMOVABLE PROPERTIES OF AMALGAMATING COMPANY

1. 16 kanal or 2 acres or 9680 square yards (approximately) of freehold land under khata no. 273 / 332, Mustil No. / Kila No. 47/14 (8-0) located in Institutional Area, Village Khurrampur, Tehsil Farrukhnager, Gurgaon - 122 001, Haryana. Total built-up area on the land is 1825 square metres (approximately) consisting of industrial hall on ground floor for manufacturing purposes and double-storeyed RCC framed administrative office, canteen, DG Room and surrounded by 5th high av. boundary wall with two gates and security room.

ANNEXURE II

EMPLOYEE BENEFITS OF AMALGAMATING COMPANY

Sl. No.	Subject	Code / No.	Government Authority	Address
1	Employees' Provident Fund	GNGGN0028876000	Sub-Region Provident Fund, Gurgaon	Plot- 43, Sec-44, Gurgaon, Haryana
2	Employees' State Insurance	69000416020000606	Sub-Regional Office, Employees' State Insurance Corporation Gurgaon	Plot- 47, Sec-34, Gurgaon, Haryana

ANNEXURE III
REFERENCE BALANCE SHEET

REFERENCE BALANCE SHEET
AS AT 1st APRIL, 2013
SONA KOYO STEERING SYSTEMS LIMITED

Particulars	Note No.	AS AT 1st April, 2013 Rs.
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	1	198,741,832.00
Reserves and surplus	2	2,135,038,817.75
Sub-Total		2,333,780,649.75
Non-current liabilities		
Long-term borrowings	3	1,973,315,014.34
Deferred tax liabilities (net)	4	391,281,000.00
Other long-term liabilities	5	4,445,652.00
Long-term provisions	6	43,692,768.00
Sub-Total		2,412,734,434.34
Current liabilities		
Short-term borrowings	7	511,875,610.89
Trade payables	8	1,506,535,054.04
Other current liabilities	9	894,624,540.04
Short-term provisions	6	177,589,720.31
Sub-Total		3,090,624,925.28
Total		7,837,140,009.37
ASSETS		
Non-current assets		
Fixed assets		
Tangible assets	10	4,062,996,093.09
Intangible assets	10	195,791,922.44
Capital work-in-progress		249,898,080.32
Intangible assets under development		64,792,365.26
Non-current investments	11	623,990,817.00
Long-term loans and advances	12	88,583,663.75
Other non-current assets	13	1,922,208.10
Sub-Total		5,287,975,149.96
Current assets		
Inventories	14	552,614,722.94
Trade receivables	15	1,576,891,957.05
Cash and bank balances	16	15,144,342.64
Short-term loans and advances	12	182,492,851.09
Other current assets	13	222,020,985.69
Sub-Total		2,549,164,859.41
Total		7,837,140,009.37

Note to the reference balance sheet:

This opening balance sheet is the true and fair account of Sona Koyo Steering Systems Ltd. as on 1st April, 2013 and has been compiled on the basis of following documents :

1. Audited balance sheet of the Amalgamating Company as on 31st March, 2013;
2. Audited balance sheet of the Amalgamated Company as on 31st March, 2013; and
3. The provisions of scheme of Amalgamation

Notes to reference balance sheet as at 1st April, 2013

Particulars	AS AT 1st April, 2013 Rs.	
Note 1 Share capital		
Authorised Shares (in nos)		
271,000,000 Equity Shares of Re. 1/- each		271,000,000.00
Issued, Subscribed and Paid up Shares (in nos)		
198,741,832 Equity Shares of Re. 1/- each fully paid up		198,741,832.00
		198,741,832.00
Note 2 Reserves & surplus		
Capital Reserve (on account of re-issue of forfeited equity shares)		43,075.00
Securities Premium Account		807,075,837.79
General Reserve		766,571,374.49
Surplus in the statement of profit and loss		561,348,530.47
Total reserve and surplus		2,135,038,817.75
	Non-current portion	Current maturities
	AS AT 1st April, 2013 Rs.	AS AT 1st April, 2013 Rs.
Note 3 Long term borrowings		
Term Loans		
From Banks		
Indian rupee loans from banks (secured)	1,619,912,414.34	465,320,124.00
Foreign currency loans from banks (secured)	324,237,500.00	118,812,500.00
From Financial Institution		
Indian rupee loan from financial institution (secured)	-	4,896,131.00
From Others		
Indian rupee loan from NBFC (secured)	29,165,100.00	19,443,400.00
	1,973,315,014.34	608,472,155.00
Amount disclosed under the head "other current liabilities" (Refer note 9)	-	(608,472,155.00)
	1,973,315,014.34	-
Note 4 Deferred tax liabilities (net)		
Deferred tax liability		
Depreciation		407,331,696.99
Amount of payments made during the year and allowed for tax purposes on payment basis but to be charged to the statement of profit and loss in the subsequent year.		3,248,000.00
Gross deferred tax liability		410,579,696.99
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in subsequent years.		16,807,641.00
Provision for doubtful advances		340,000.00
Unabsorbed depreciation & business loss as per Income Tax Act		2,151,055.99
Gross deferred tax assets		19,298,696.99
Net deferred tax liability/(asset)		391,281,000.00

Particulars	AS AT 1st April, 2013 Rs.	
Note 5 Other long term liabilities		
Security deposit		1,650,000.00
Other payables		2,795,652.00
		4,445,652.00
	Long-term	Short-term
	AS AT 1st April, 2013 Rs.	AS AT 1st April, 2013 Rs.
Note 6 Provisions		
Provision for employee benefits		
Leave encashment	40,192,768.00	4,170,602.00
	40,192,768.00	4,170,602.00
Other provisions		
Income tax [Net of advance tax and TDS]	-	10,943,003.40
Proposed dividend	-	129,182,191.00
Corporate dividend tax	-	21,954,513.00
Product warranty	3,500,000.00	11,339,410.91
	3,500,000.00	173,419,118.31
	43,692,768.00	177,589,720.31
Note 7 Short term borrowings		
Cash Credit/Loans repayable on demand from banks (secured)		498,975,738.57
Loans repayable on demand from financial institution (secured)		12,899,872.32
		511,875,610.89
Note 8 Trade payables		
Trade payables (including acceptances)		1,506,535,054.04
		1,506,535,054.04
Note 9 Other current liabilities		
Current maturities of long-term borrowings (refer note 3)		608,472,155.00
Interest accrued but not due on borrowings		6,644,255.00
Unclaimed dividends		8,812,480.73
Security deposits		1,319,000.00
Taxes payable		63,861,606.31
Advance from customer		31,425,659.31
Other payables		174,089,383.69
		894,624,540.04

				Amt In Rs.
Sl No	Assets	Gross Block (At Cost) As at 01.04.2013	Depreciation/Amortization Up to 31.03.2013	Net Block As at 01.04.2013
Note 10 Fixed assets				
Tangible assets :				
1	Freehold land	202,188,144.10	-	202,188,144.10
2	Leasehold land	22,149,838.00	785,396.31	21,364,441.69
3	Buildings	1,131,885,578.74	168,500,406.45	963,385,172.29
4	Lease hold improvements	3,089,585.30	1,415,755.83	1,673,829.47
5	Plant & machinery	4,388,264,282.16	1,902,965,552.67	2,485,298,729.49
6	Jigs & fixtures	58,992,387.05	24,592,577.32	34,399,809.73
7	Electric installations	251,905,919.84	91,304,241.09	160,601,678.75
8	Furniture & fixtures	82,328,353.49	42,769,049.53	39,559,303.96
9	Office equipments	216,070,240.19	126,592,944.98	89,477,295.21
10	Vehicles	55,133,928.50	21,797,483.24	33,336,445.26
11	R&D-Plant & machinery	45,808,812.14	15,296,608.93	30,512,203.21
12	R&D-Office equipments	10,333,766.91	9,134,726.98	1,199,039.93
	Sub total	6,468,150,836.42	2,405,154,743.33	4,062,996,093.09
Intangible assets :				
1	R&D-Computer softwares	6,232,906.54	5,247,463.91	985,442.63
2	Computer softwares	62,041,224.73	14,148,459.35	47,892,765.38
3	Technical know-how	-	-	-
4	Product development cost	275,848,949.21	128,935,234.78	146,913,714.43
	Sub total	344,123,080.48	148,331,158.04	195,791,922.44
	Total	6,812,273,916.90	2,553,485,901.37	4,258,788,015.53
Capital work in progress - Tangible assets				249,898,080.32
Capital work in progress - Intangible assets				64,792,365.26
				314,690,445.58
				AS AT 1st April, 2013 Rs.
Note 11 Non current investments				
Long-term investments (at cost)				
Trade investments				
Unquoted equity instruments, fully paid up				
Domestic :				
4,66,669 Equity Shares of Rs.10/- each in Roop Automotive Ltd.				2,000,020.00
Overseas :				
49,29,636 Equity Shares of Euro 1 each, in Fuji Autotech, Europe S.A.S., (Incorporated in France)				293,209,927.00
In Subsidiary Companies :				
50,99,993 Equity Shares of Rs. 10/- each, in Sona Fuji Kiko Automotive Ltd.				50,999,930.00
2,77,78,094 Equity Shares of Rs. 10/- each, in JTEKT Sona Automotive India Ltd.				277,780,940.00
				623,990,817.00

	Non-current	Current
	AS AT 1st April, 2013 Rs.	AS AT 1st April, 2013 Rs.
Note 12 Loans and advances (Unsecured, considered good)		
Capital advances	54,632,251.20	-
	54,632,251.20	-
Security deposits	29,132,844.00	7,389,391.31
	29,132,844.00	7,389,391.31
Other loans and advances		
Advance recoverable in cash or kind		
Considered good	-	26,585,546.61
Considered doubtful	-	1,000,000.00
Less Provision for doubtful advance	-	(1,000,000.00)
Loans and advances to employees	1,110,400.00	4,713,106.36
Prepaid expenses	1,063,648.00	11,065,626.90
Balance with custom, excise and sales tax authorities	2,570,250.55	84,482,920.91
Minimum Alternate Tax (MAT) credit entitlement	-	48,256,259.00
Advance income tax	74,270.00	-
	4,818,568.55	175,103,459.78
	88,583,663.75	182,492,851.09
Note 13 Other assets		
(Unsecured, considered good)		
Non-current bank balances (Refer note 16)	1,922,208.10	-
Unamortized premium on forward contracts	-	2,295,089.17
Claims receivable	-	49,735,502.68
Interest accrued but not due on fixed deposits with banks	-	8,532.44
Unbilled revenue	-	92,965,754.93
Other receivable	-	77,016,106.47
	1,922,208.10	222,020,985.69
Note 14 Inventories		
(At cost or net realisable value, whichever is lower)		
Raw materials and components		297,510,068.03
Work-in-progress		78,728,900.27
Finished goods		66,935,787.25
Stock-in-trade		508,084.20
Stores and spares		44,323,134.29
Loose tools		64,608,748.90
		552,614,722.94

Particulars	AS AT 1st April, 2013 Rs.	
Note 15 Trade receivables		
(Unsecured, considered good)		
Receivables outstanding for a period exceeding six months from the date they are due for payment		247,346,683.58
Other receivables		1,329,545,273.47
		1,576,891,957.05
	Non-current	Current
	AS AT 1st April, 2013 Rs.	AS AT 1st April, 2013 Rs.
Note 16 Cash and bank balances		
(Unsecured, considered good)		
Cash and cash equivalents		
Balances with banks:		
Current accounts	-	5,716,333.21
Unpaid dividend accounts	-	8,812,480.73
Cash on hand	-	615,528.70
Sub Total	-	15,144,342.64
Other bank balances		
Fixed deposits with original maturity for more than 12 months	1,922,208.10	-
Sub Total	1,922,208.10	-
Amount disclosed under non-current assets (Refer note 13)	(1,922,208.10)	-
Total	-	15,144,342.64

Complaints Report
(For the period from 2nd July, 2013 to 23rd July, 2013)

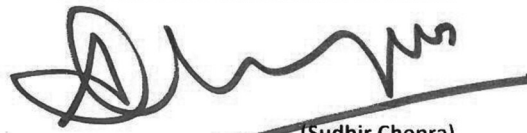
Part A

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.	Name of Complainant	Date of Complaint	Status Resolved / Pending)
1			
2	Not Applicable		
3			

For Sona Koyo Steering Systems Limited


 (Sudhir Chopra)
 President & Company Secretary

SONA KOYO STEERING SYSTEMS LTD.

Regd. Office : UGF-6, Indra Prakash 21 Barakhamba Road New Delhi-110 001 India
Tel : +91 11 2331 1924 / 2332 7205

Works: 38/6 Delhi-Jaipur Road, NH-8, Gurgaon-122 001 Haryana India
Tel : +91 124 468 5000, **Fax:** +91 124 410 4611 / 410 4621



Deming Application Prize- 2003

Ref: NSE/LIST/213148-S

August 14, 2013

The Company Secretary
Sona Koyo Steering Systems Limited
Indraprakash
UGF 6, Indra Prakash,
21, Barakhamba Road
New Delhi - 110001

Dear Sir,

Sub.: Observation letter for Scheme of Amalgamation under section 391-394 of the companies Act 1956, between Sona Koyo Steerings Systems Limited and its shareholders and creditors and Sona Stampings Limited and its shareholders and creditors.

We are in receipt of the draft Scheme of Amalgamation of under section 391-394 of the companies Act 1956, between Sona Koyo Steerings Systems Limited and its shareholders and creditors and Sona Stampings Limited and its shareholders and creditors

We have perused the draft Scheme of Amalgamation and the related documents/details submitted by Sona Koyo Steerings Systems Limited including the confirmation of the Company Secretary that the Scheme so submitted does not in any way violate, over-ride or circumscribe the provisions of Securities Laws or the Stock Exchange requirements.

Pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 and SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013. SEBI has vide letter dated August 12, 2013 has given its comments as follows:


“The company shall duly comply with various provisions of the Circular.”

Accordingly, we do hereby convey our ‘No-Objection’ with limited reference to those matters having a bearing on listing / delisting / continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Company to file the Scheme with the Hon’ble High Court.

However, the Exchange reserves its right to withdraw this No-objection approval 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.

Yours faithfully,
For National Stock Exchange of India Limited



 Kamlesh Patel
Manager

DCS/AMAL/BS/24(f)/185/2013-14

August 14, 2013

The Company Secretary
Sona Koyo Steering Systems Limited
UGF- 6, Indra Prakash, 21,
Barakhamba Road,
New Delhi, Delhi 110001

Dear Sir / Madam,

Sub: Observation letter regarding the Scheme of Arrangement between Sona Koyo Steering Systems Limited and Sona Stampings Limited.

We are in receipt of draft Scheme of Arrangement of Sona Koyo Steering Systems Limited involving Merger of Sona Stampings Limited with the company.

The Exchange has noted the confirmation given by the Company stating that the scheme does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions of the Listing Agreement or the requirements of BSE Limited (BSE).

As required under SEBI Circular No.CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No.CIR/CFD/DIL/8/2013 dated May 21, 2013; SEBI has vide its letter dated August 12, 2013 received on August 14, 2013 given the following comment(s) on the draft scheme of arrangement:

a) *The company shall duly comply with various provisions of the aforesaid SEBI circular.*

Accordingly, we hereby convey Exchange's 'No-objection' with limited reference to those matters having bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable you to file the scheme with the Hon'ble High Court.

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also mention the same in your application for approval of the scheme of arrangement submitted to the Hon'ble High Court.

The Exchange reserves its right to withdraw its No-objection/approval 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.

Yours faithfully,


Jayesh Ashtekar
Manager


Bhuvana Sriram
Deputy Manager

IN THE HIGH COURT OF DELHI AT NEW DELHI
COMPANY JURISDICTION
COMPANY APPLICATION (M) NO. 132 OF 2013

IN THE MATTER OF:

The Companies Act, 1956;

AND

IN THE MATTER OF:

Application under Section 391 (1) of the Companies Act, 1956;

AND

IN THE MATTER OF:

Scheme of Amalgamation between Sona Koyo Steering Systems Limited and Sona Stampings Limited and their respective Shareholders and Creditors.

AND

IN THE MATTER OF

SONA KOYO STEERING SYSTEMS LIMITED , a Company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at UGF-6, Indraprakash, 21, Barakhamba Road, New Delhi 110001.	APPLICANT/ AMALGAMATED COMPANY
--	---------------------------------------

FORM OF PROXY

I/We, the undersigned, as Equity Shareholder(s) of Sona Koyo Steering Systems Limited (the "Company"), hereby appointof, and failing him/herof, as my/our proxy, to act for me/us at meeting of the Equity Shareholders of the Company to be held at FICCI Auditorium, 1, Tansen Marg, Todermal Road Area, Mandi House, New Delhi - 110001 on Saturday, the 23rd day of November, 2013 at 10:00 A.M., for the purpose of considering and if thought fit, approving with or without modification(s) the Scheme of Amalgamation between Sona Koyo Steering Systems Limited and Sona Stampings Limited and their respective Shareholders and Creditors ("the Scheme") and at such meeting and any adjournment thereof, to vote, for me/us and in my/our name(s) **For/Against** the said Scheme as my/our proxy may approve.

Affix
Revenue
Stamp of
₹ 1/-

Dated this.....day of2013.

* Folio No:.....

** DP ID:.....Client ID:

No. of Shares held:.....

Signature:.....

Name:.....

Address:.....

.....

* Applicable for Investor holding in Physical Form.

** Applicable for Investor holding in Demat Form.

Notes:

- (1) Please affix Re.1/- revenue stamp before putting signature.
- (2) The proxy must be deposited at the Registered Office of Sona Koyo Steering Systems Limited at UGF-6, Indraprakash, 21, Barakhamba Road, New Delhi 110001 at least 48 hours before the time of holding the meeting.
- (3) Strike out which is not necessary.
- (4) All alterations made in the Form of Proxy should be initialed.
- (5) Bodies Corporate Equity Shareholder(s) would be required to deposit certified copies of Board Resolution/Power of Attorney, as the case may be, authorizing the individuals named therein, to attend & vote at the meeting on its behalf. These documents must be deposited at the Registered Office of Sona Koyo Steering Systems Limited at UGF-6, Indraprakash, 21, Barakhamba Road, New Delhi 110001 at least 48 hours before the time of holding the meeting.

SONA KOYO STEERING SYSTEMS LIMITED

Registered Office: UGF-6, Indraprakash, 21, Barakhamba Road, New Delhi 110001.

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting venue)

I hereby record my presence at the court convened meeting of the Equity Shareholders of **SONA KOYO STEERING SYSTEMS LIMITED** having its Registered Office at UGF-6, Indraprakash, 21, Barakhamba Road, New Delhi 110001, convened pursuant to the Order dated 07th October, 2013 of the High Court of Delhi at New Delhi, at FICCI Auditorium, 1, Tansen Marg, Todermal Road Area, Mandi House, New Delhi - 110001, on Saturday, the 23rd day of November, 2013 at 10:00 A.M.

Name(s) in Full with the Company	Father / Husband's Name	Address as registered
1.		
2.		
3.		

DP ID*	
--------	--

Client ID	
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Regd. Folio No.**	
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No. of Shares	
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Please tick the appropriate box

☐ MEMBER ☐ PROXY

.....
Member's Signature

.....
Proxy's Signature

* Applicable for Investor holding in Demat Form.

** Applicable for Investor holding in Physical Form.

Notes:

- Shareholders/Proxies are requested to bring their slip with them, complete and hand it over at the entrance of the meeting.

BOOK POST

If undelivered, please return to:

SONA KOYO STEERING SYSTEMS LIMITED

UGF-6, Indraprakash
21, Barakhamba Road
New Delhi-110001.



SONA KOYO STEERING SYSTEMS LIMITED

MEETING OF SECURED CREDITORS	CONTENTS	PAGE NOS.
Day : Saturday	Notice convening Meeting of the Secured Creditors of Sona Koyo Steering Systems Ltd.	1
Date: 23rd November, 2013		
Time: 2.00 P.M.	Explanatory Statement under Section 393 of the Companies Act, 1956	2
Venue: FICCI Auditorium 1, Tansen Marg, Todermal Road Area, Mandi House, New Delhi-110001	Scheme of Amalgamation between Sona Koyo Steering Systems Ltd. and Sona Stampings Limited	7
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**IN THE HIGH COURT OF DELHI AT NEW DELHI
COMPANY JURISDICTION
COMPANY APPLICATION (M) NO. 132 OF 2013**

IN THE MATTER OF:

The Companies Act, 1956;

AND

IN THE MATTER OF:

Application under Section 391 (1) of the Companies Act, 1956;

AND

IN THE MATTER OF:

Scheme of Amalgamation between Sona Koyo Steering Systems Limited and Sona Stampings Limited and their respective Shareholders and Creditors.

AND

IN THE MATTER OF

SONA KOYO STEERING SYSTEMS LIMITED , a Company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at UGF-6, Indraprakash, 21, Barakhamba Road, New Delhi 110001.	APPLICANT/ AMALGAMATED COMPANY
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**NOTICE CONVENING MEETING OF THE SECURED
CREDITORS OF SONA KOYO STEERING SYSTEMS LIMITED.**

To

The Secured Creditors of

Sona Koyo Steering Systems Limited (the "Company").

Take notice that by Order made on the 07th day of October 2013, the Hon'ble High Court of Delhi at New Delhi, has directed that a meeting of the Secured Creditors of the Company, be held at FICCI Auditorium, 1, Tansen Marg, Todermal Road Area, Mandi House, New Delhi - 110001 on Saturday, the 23rd day of November, 2013 at 02:00 P.M., for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Amalgamation between Sona Koyo Steering Systems Limited and Sona Stampings Limited and their respective Shareholders and Creditors (the "Scheme").

Take Further Notice that in pursuance of the said Order, a meeting of the Secured Creditors of the Company will be held at FICCI Auditorium, 1, Tansen Marg, Todermal Road Area, Mandi House, New Delhi - 110001 on Saturday, the 23rd day of November, 2013 at 02:00 P.M., which you are requested to attend.

Take further notice that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you, is deposited at the Registered Office of the Company at UGF-6, Indraprakash, 21, Barakhamba Road, New Delhi 110001, not later than 48 hours before the scheduled time of the commencement of the said meeting.

The Hon'ble High Court of Delhi at New Delhi has appointed Mr. Randhir K. Singh, Advocate and failing him, Mr. Abhishek Gupta, Advocate, to be the Chairperson of the said meeting.

A copy of the Scheme, statement under Section 393 of the Companies Act, 1956 and Form of Proxy are enclosed. A copy of the Observation Letter dated August 14, 2013 issued by the National Stock Exchange of India Limited, the Observation Letter dated August 14, 2013 issued by the Bombay Stock Exchange Limited and the Complaints Report submitted by the Company with the aforesaid stock exchanges are also enclosed.

Dated this 25th day of October, 2013

Sd/-

Randhir K. Singh

(Chairperson appointed for the meeting)

Notes:

All alterations in the Form of Proxy should be initialed.

IN THE HIGH COURT OF DELHI AT NEW DELHI
COMPANY JURISDICTION
COMPANY APPLICATION (M) NO. 132 OF 2013

IN THE MATTER OF:

The Companies Act, 1956;

AND

IN THE MATTER OF:

Application under Section 391 (1) of the Companies Act, 1956;

AND

IN THE MATTER OF:

Scheme of Amalgamation between Sona Koyo Steering Systems Limited and Sona Stampings Limited and their respective Shareholders and Creditors.

AND

IN THE MATTER OF

SONA KOYO STEERING SYSTEMS LIMITED , a Company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at UGF-6, Indraprastha, 21, Barakhamba Road, New Delhi 110001.	APPLICANT/ AMALGAMATED COMPANY
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**EXPLANATORY STATEMENT UNDER SECTION 393 OF THE
COMPANIES ACT, 1956**

1. The Hon'ble High Court of Delhi at New Delhi, by Order dated 07th October 2013, in the Company Application referred to above with respect to the proposed Scheme of Amalgamation between Sona Koyo Steering Systems Limited, a company incorporated under the provisions of the Companies Act, 1956 (the "**Act**") and having its registered office at UGF-6, Indraprastha, 21, Barakhamba Road, New Delhi 110001 ("**Applicant Company**" or "**Amalgamated Company**") and Sona Stampings Limited, a company incorporated under the provisions of the Act and having its registered office at C/o Sona Koyo Steering Systems Ltd., 38/6, N.H-8, Delhi-Jaipur Road, Gurgaon-122001, Haryana ("**Amalgamating Company**") and their respective shareholders and creditors (the "**Scheme**") has directed the convening of the meetings as stated below to consider the Scheme :
 - a) Meeting of the Equity Shareholders of the Applicant Company to be held on Saturday, the 23rd day of November, 2013 at FICCI Auditorium, 1, Tansen Marg, Todermal Road Area, Mandi House, New Delhi - 110001 at 10:00 A.M.
 - b) Meeting of the Secured Creditors of the Applicant Company to be held on Saturday, the 23rd day of November, 2013 at FICCI Auditorium, 1, Tansen Marg, Todermal Road Area, Mandi House, New Delhi - 110001 at 2:00 P.M.
2. The Hon'ble High Court of Delhi at New Delhi, vide its aforesaid Order dated 07th October 2013, dispensed with the requirement of convening the meeting of the Unsecured Creditors of the Applicant Company, to consider the Scheme. The Amalgamating Company is in the process of filing a separate Application under Section 391 of the Act before the Hon'ble High Court for the States of Punjab and Haryana at Chandigarh.
3. Sona Koyo Steering Systems Limited, the Applicant Company, was incorporated under the provisions of the Act on 14th June, 1984 under the name 'Sona Steering Systems Limited'. The name of the Applicant Company was changed to its present name on 18th September, 1998 and fresh Certificate of Incorporation consequent upon change of name was issued by the Registrar of Companies, NCT of Delhi and Haryana. The Applicant Company has its Registered Office at UGF-6, Indraprastha, 21, Barakhamba Road, New Delhi 110001. The Equity Shares of the Applicant Company are listed on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE).
4. The objects for which the Applicant Company has been established are set out in its Memorandum of Association. The main objects of the Applicant Company are as follows:-
 - "1. To design, manufacture, assemble, test, import, export, buy, sell, distribute, service, repair, stock, deal and trade in Automotive steering Systems of all types, including Mechanical Steering Gear Assemblies, Power Steering Gear Assemblies and any other type of Steering Gear Assemblies and parts and components, thereof, Associated Products including Hydraulic Pumps, Valves, Steering Columns, Steering Wheels, Ball Joints, Tie-Rod-Ends, Universal Joints, Drop Arms, Steering Linkages and Connections of all types, and parts and components thereof.

2. To design, develop, manufacture, assemble, test, import, export, buy, sell, distribute, service, repair, stock, deal and trade in Recirculating Ball Screw Mechanisms of all types, parts components and accessories thereof and products related thereto.
3. To design, develop, manufacture, buy, sell lease or hire, import export process, use, deal and trade in plant, machinery, equipment apparatus, materials, articles and commodities in relation to designing, developing, manufacturing, testing, assembling, installing and repairing all types of Steering Systems and parts components and accessories thereof and products related thereto.
4. To design, develop, manufacture, assemble, test, import export, buy, sell, distribute, services, repair, stock, deal and trade in Gearbox Assemblies and Axle Assemblies of all types, parts and components thereof, including gears of all types, Synchronisers, Linkages, any accessories thereof and materials, equipment and stores used in any relation thereof.
5. To develop, manufacture, sell, import export and deal in forgings and casting of all types, and all equipment, materials and stores used therein or in any relation thereof."

5. The share capital structure of the Applicant Company as on 31st March, 2013 was as under:-

Share Capital	Amount in ₹
Authorized Share Capital 25,00,00,000 equity shares of ₹ 1/- each	25,00,00,000/-
Issued, Subscribed and Paid-up Share Capital 19,87,41,832 equity shares of ₹ 1/- each	19,87,41,832/-

There is no change in the capital structure of the Applicant Company since 31st March, 2013.

6. Sona Stampings Limited, the Amalgamating Company, was incorporated under the provisions of the Act on 11th December, 2006 under the name 'Arjan Stampings Private Limited'. The name of the Amalgamating Company was changed to 'Arjan Stampings Limited' and fresh Certificate of Incorporation consequent upon change of name on conversion to a public limited company was issued on 14th November, 2007 by the Registrar of Companies, NCT of Delhi and Haryana. Thereafter the name of the Amalgamating Company was further changed to its current name and fresh Certificate of Incorporation consequent upon change of name was issued on 25th August, 2010 by the Registrar of Companies, NCT of Delhi and Haryana. The Amalgamating Company has its Registered Office at C/o Sona Koyo Steering Systems Ltd., 38/6, N.H.-8, Delhi-Jaipur Road, Gurgaon- 122001, Haryana.
7. The objects for which the Amalgamating Company has been established are set out in its Memorandum of Association. The main objects of the Amalgamating Company are as follows:-
- "1. To carry on the business of designing, manufacturing, developing, fabricating, machining, assembling, improving, buying, selling, importing, exporting, and dealing in all kinds of pressings, forgings, stampings, tubular parts, rollings, castings, laminations, fabrications, extrusions, automatic machines, electrical, electronic, mechanical, components and auto parts.
 2. To develop and commercialize technologies in the field of automation including tools, dyes, moulds, jigs fixtures, special purpose machines and allied business.
 3. To act as agents, retailers, whole sellers, sub-agents, middlemen and authorized representatives of government undertakings, companies and multinational corporations engaged in manufacture and dealing in all or any of the items included in sub-clause 1 and 2 above and to set up godowns, warehouses, stores and other facilities to deal in the items included above."
8. The share capital structure of the Amalgamating Company as on 31st March, 2013 was as under :-

Share Capital	Amount in ₹
Authorized Share Capital 2,10,00,000 equity shares of ₹ 100/- each	2,10,00,000/-
Issued, Subscribed and Paid-up Share Capital 2,02,77,800 equity shares of ₹ 100/- each	2,02,77,800/-

There is no change in the capital structure of the Amalgamating Company since 31st March, 2013.

9. The Scheme provides for the transfer and vesting of the Amalgamating Company into and with the Applicant Company pursuant to the provisions of Sections 391 to 394 of the Act which would cause benefits to both the Amalgamating Company and the Applicant Company.

10. The Scheme was approved by the Board of Directors of the Applicant Company on 15th May, 2013 and 01st June, 2013 and the Amalgamating Company on 15th May, 2013 and 01st June, 2013.

11. SALIENT FEATURES OF THE SCHEME

The salient features of the Scheme are set out below.

- A) The Appointed Date under the Scheme is 01st April, 2013.
- B) The Scheme proposes that upon the Scheme becoming effective and with effect from the Appointed Date, the Amalgamating Company together with all its assets and liabilities and entire business shall be transferred to and vested in the Amalgamated Company as a going concern.
- C) The Scheme further provides that upon the Scheme becoming effective and with effect from the Appointed Date:-
- All assets and properties of the Amalgamating Company as are movable in nature shall stand transferred to and be vested in the Amalgamated Company;
 - All immovable properties of the Amalgamating Company shall stand transferred to and be vested in the Amalgamated Company;
 - All debts, liabilities, security of the Amalgamating Company shall stand transferred to and be deemed to be the debts, liabilities, security of the Amalgamated Company;
 - All contracts of the Amalgamating Company shall remain in full force and effect against or in favour of the Amalgamated Company;
 - All registrations, licenses, consents etc. pertaining to the Amalgamating Company, shall stand transferred to and be vested in the Amalgamated Company.
- D) It is provided for in the Scheme that all employees of the Amalgamating Company as on the Effective Date shall become the employees of the Amalgamated Company on terms and conditions no less favourable than those on which they are engaged by the Amalgamating Company.
- E) The Scheme further provides that upon the Scheme becoming effective, no consideration shall be payable by the Amalgamated Company to the Amalgamating Company or its shareholders.
- F) The Scheme provides that the amalgamation as proposed in the Scheme shall account for the amalgamation according to the pooling of interest method under Accounting Standard 14 as notified under the Companies (Accounting Standards) Rules, 2006.
- G) It is provided in the Scheme, that upon the Scheme becoming effective, the Amalgamating Company shall stand dissolved without being wound up.

The aforesaid are only the salient features of the Scheme. You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof.

12. The rights and interests of the members and the creditors of the Applicant Company and the Amalgamating Company will not be prejudicially affected by the Scheme.
13. No investigation proceedings have been instituted or are pending in relation to the Applicant Company under Sections 235 and 250A of the Act.
14. The directors of each of the Applicant Company and the Amalgamating Company (together, the "**Companies**") may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding in the Companies, or to the extent the said directors are common directors in the Companies.
15. The details of the present directors of the Applicant Company and their shareholding in each of the Applicant Company ("**A**") and the Amalgamating Company ("**B**") either singly or jointly as on 30th September, 2013 are as follows:

Sl. No.	Name of Director	Age (Yrs.)	Position	Equity shares held	
				(A)	(B)
1.	Dr. Surinder Kapur	70	Chairman	6000	Nil
2.	Mr. Sunjay Kapur	42	Vice Chairman & Managing Director	3300	Nil
3.	Mr. Kiyozumi Kamiki	58	Dy. Managing Director (<i>Nominee of JTEKT Corporation</i>)	Nil	Nil
4.	Mr. J. M. Kapur	72	Non-Executive Director	34000	Nil
5.	Mr. Hiroyuki Miyazaki	57	Non-Executive Director (<i>Nominee of JTEKT Corporation</i>)	Nil	Nil
6.	Mr. Kazuhiko Ayabe	55	Non-Executive Director (<i>Nominee of Maruti Suzuki India Ltd.</i>)	Nil	Nil
7.	Mr. Ramesh Suri	74	Independent Director	Nil	Nil
8.	Mr. B. L. Passi	78	Independent Director	Nil	Nil
9.	Mr. Ravi Bhoothalingam	67	Independent Director	Nil	Nil
10.	Mr. P. K. Chadha	76	Independent Director	35000	Nil
11.	Lt. Gen. (Retd.) S.S. Mehta	69	Independent Director	Nil	Nil
12.	Ms. Ramni Nirula	61	Independent Director	Nil	Nil

16. The details of the present directors of the Amalgamating Company, and their shareholding in each of the Applicant Company ("A") and the Amalgamating Company ("B") either singly or jointly as on 30th September, 2013 are as follows:

Sl. No.	Name of Director	Age (Yrs.)	Position	Equity shares held	
				(A)	(B)
1.	Mr. Atul Mittal	46	Director	1200	Nil
2.	Mr. Dhanunjaya Rao Atmakumari	54	Director	Nil	Nil
3.	Mr. Rajiv Chanana	47	Director	3000	1

17. The shareholding pattern of the Applicant Company as on 30 September 2013 is as set out below :

Category	No. of equity shares of ₹ 1/- each	% holding
Resident Individuals	69757662	35.10
Promoter Companies	63748304	32.08
Foreign Promoters	39947108	20.10
Bodies Corporates	16564576	8.33
Non Resident Indians	2641271	1.33
HUF	2607037	1.31
Insurance Companies	1200000	0.60
Mutual Funds	1002000	0.51
Persons Acting in Concert	945460	0.48
Foreign Institutional Investors	195000	0.10
Clearing Members	123614	0.06
Unit Trust of India	6000	0.00
Trusts	2500	0.00
Banks	1300	0.00
Total	198741832	100.00

18. Pursuant to the Scheme becoming effective, no consideration shall be payable by the Applicant Company and no shares shall be allotted by the Applicant Company to the Amalgamating Company or to its shareholders. Accordingly, upon the Scheme becoming effective, there will be no change in the shareholding pattern of the Applicant Company.
19. The Applicant Company has also obtained Valuation Report dated 15th May, 2013 from M/s. Avinash Payal & Associates, Chartered Accountants, and Fairness Opinion dated 15th May, 2013 from M/s. Sobhagya Capital Options Limited on the valuation of the assets/shares of the Applicant and Amalgamating Company.
20. An equity shareholder entitled to attend and vote at the meeting of the Equity Shareholders of the Applicant Company being convened on Saturday, the 23rd day of November, 2013 at FICCI Auditorium, 1, Tansen Marg, Todermal Road Area, Mandi House, New Delhi - 110001 at 10:00 A.M., is entitled to appoint a proxy to attend and vote instead of him. The instrument appointing the proxy should however be deposited at the registered office of the Applicant Company not later than 48 (forty eight) hours prior to the time of commencement of the meeting.
21. Corporate equity shareholders intending to send their authorized representatives to attend the meeting are requested to lodge a certified true copy of the resolution of their Board of Directors or other governing body of the body corporate not later than 48 (forty eight) hours before the time of commencement of the meeting, authorizing such person to attend and vote on its behalf at the meeting.
22. A Secured Creditor entitled to attend and vote at the meeting of the Secured Creditors of the Applicant Company being convened on Saturday, the 23rd day of November, 2013 at FICCI Auditorium, 1, Tansen Marg, Todermal Road Area, Mandi House, New Delhi - 110001 at 2:00 P.M., is entitled to appoint a proxy to attend and vote. The instrument appointing the proxy should be deposited at the registered office of the Applicant Company not later than 48 (forty eight) hours prior to the time of commencement of the meeting.
23. Corporate Secured Creditors intending to send their authorized representatives to attend the meeting are requested to lodge a certified true copy of the resolution of their Board of Directors or other governing body of the body corporate not later than 48 (forty eight) hours before the time of commencement of the meeting, authorizing such person to attend and vote on its behalf at the meeting.

24. The following documents will remain open for inspection by the equity shareholders and the Secured Creditors of the Applicant Company upto one day prior to the date of the meeting at its registered office between 10:00 a.m. and 1:00 p.m. on all working days (Monday to Friday).
- (a) Copy of the Company Application (M) No. 132 of 2013;
 - (b) Copy of the Order of the Hon'ble High Court of Delhi at New Delhi dated 07th October, 2013 in the above Company Application;
 - (c) Copies of the Memorandum and Articles of Association of the Applicant Company and the Amalgamating Company;
 - (d) Copy of the Annual Report as on 31st March, 2013 of the Applicant Company and the latest audited Accounts for the year ending 31st March, 2013 of the Amalgamating Company;
 - (e) Valuation Report dated 15th May, 2013 issued by M/s. Avinash Payal & Associates, Chartered Accountants;
 - (f) Fairness Opinion dated 15th May, 2013 issued by M/s. Sobhagya Capital Options Limited.
25. This statement may be treated as the statement under Section 393 of the Act. A copy of the Scheme and this statement may also be obtained by an equity shareholder or a Secured Creditor of the Applicant Company upto one day prior to the date of the meeting at its registered office between 10:00 a.m. and 1:00 p.m. on all working days (Monday to Friday).

For Sona Koyo Steering Systems Limited

Dated this 25th day of October, 2013.

Registered Office:

UGF-6, Indraprakash,
21 Barakhamba Road,
New Delhi 110001.

Sudhir Chopra
President & Company Secretary

SCHEME OF AMALGAMATION
UNDER SECTIONS 391 - 394
OF THE COMPANIES ACT, 1956

BETWEEN

SONA KOYO STEERING SYSTEMS LIMITED
AND ITS SHAREHOLDERS AND CREDITORS

AND

SONA STAMPINGS LIMITED
AND ITS SHAREHOLDERS AND CREDITORS

PART-I

INTRODUCTION AND DEFINITIONS

1. INTRODUCTION AND DEFINITIONS

1.1 Introduction

- A. Sona Koyo Steering Systems Limited ("**Amalgamated Company**") is an existing Company within the meaning of the Companies Act, 1956, having its registered office at UGF-6, Indraprakash, 21, Barakhamba Road, New Delhi - 110001. The Amalgamated Company was incorporated under the name of "Sona Steering Systems Limited" on June 14, 1984 vide Certificate of Incorporation no. 18415 of 1984-85 issued by the Registrar of Companies, Delhi & Haryana. Pursuant to the same, a certificate for commencement of business was issued to the Amalgamated Company on September 20, 1985 by the Registrar of Companies, Delhi & Haryana. The name of the Amalgamated Company was subsequently changed to Sona Koyo Steering Systems Limited and a fresh Certificate of Incorporation (consequent upon change of name) dated September 18, 1998 was issued by the Registrar of Companies, N.C.T of Delhi and Haryana to the Amalgamated Company.
- B. The equity shares of the Amalgamated Company are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. The Amalgamated Company is authorised to and is primarily engaged inter alia in the following business activities :
- (i) *To design, manufacture, assemble, test, import, export, buy, sell, distribute, service, repair, stock, deal and trade in Automotive steering Systems of all types, including Mechanical Steering Gear Assemblies, Power Steering Gear Assemblies and any other type of Steering Gear Assemblies and parts and components, thereof, Associated Products including Hydraulic Pumps, Valves, Steering Columns, Steering Wheels, ball Joints, Tie-Rod-Ends, Universal joints, Drop Arms, Steering Linkages and connections of all types, and parts and components thereof.*
 - (ii) *To design, develop, manufacture, assemble, test, import, export, buy, sell, distribute, service, repair, stock, deal and trade in Recirculating Ball Screw Mechanisms of all types, parts components and accessories thereof and products related thereto.*
 - (iii) *To design, develop, manufacture, buy, sell lease or hire, import export process, use, deal and trade in plant, machinery, equipment apparatus, materials, articles and commodities in relation to designing, developing, manufacturing, testing, assembling, installing and repairing all types of Steering Systems and parts components and accessories thereof and products related thereto.*
 - (iv) *To design, develop, manufacture, assemble, test, import, export, buy, sell, distribute, services, repair, stock, deal and trade in Gearbox Assemblies and Axle Assemblies of all types, parts and components thereof, including gears of all types, Synchronisers, Linkages, any accessories thereof and materials equipment and stores used in any relation thereof.*
 - (v) *To develop, manufacture, sell, import export and deal in forgings and casting of all types, and all equipment, materials and stores used therein or in any relation thereof.*
- C. Sona Stampings Limited ("**Amalgamating Company**") is an existing Company within the meaning of the Companies Act, 1956, having its registered office at 38/6, Delhi - Jaipur Road, NH - 8, Gurgaon 122001, Haryana. The Amalgamating Company is a wholly owned subsidiary of the Amalgamated Company. The Amalgamating Company was originally incorporated under the name of "Arjan Stampings Private Limited" on December 11, 2006 vide Certificate of Incorporation of same date issued by the Registrar of Companies, N.C.T of Delhi and Haryana. Pursuant to conversion of Amalgamating Company from a private company to a public limited company, a fresh Certificate of Incorporation (consequent upon change of name on conversion to public limited company) dated November 14, 2007 was issued by the Registrar of Companies, N.C.T of Delhi and Haryana to the Amalgamating Company under its new name of "Arjan Stampings Limited". The name of the Amalgamating Company was subsequently changed to "**Sona Stampings Limited**" and a fresh Certificate of Incorporation (consequent upon change of name) dated August 25, 2010 was issued by the Registrar of Companies, N.C.T of Delhi and Haryana to the Amalgamating Company.

- D. The Amalgamating Company is authorised to and is primarily engaged inter alia in the following business activities:
- (i) *To carry on the business of designing, manufacturing, developing, fabricating, machining, assembling, improving, buying, selling, importing, exporting, and dealing in all kinds of pressings, forgings, stampings, tubular parts, rollings, castings, laminations, fabrications, extrusions, automatic machines, electrical, electronic, mechanical, components and auto parts.*
 - (ii) *To develop and commercialize technologies in the field of automation including tools, dyes, moulds, jigs fixtures, special purpose machines and allied business.*
 - (iii) *To act as agents, retailers, whole sellers, sub-agents, middlemen and authorised representatives of government undertakings, companies and multinational corporations engaged in manufacture and dealing in all or any of the items included in sub-clause (i) and (ii) above and to set up godowns, warehouses, stores and other facilities to deal in the items included above.*
- E. The Amalgamating Company is engaged in the manufacture of sheet metal stampings, welded assemblies and modules for the automotive industry. The Amalgamating Company's current production is used both for captive consumption within the Sona group and is also sold to other outside customers.
- F. Due to difficult market conditions, small scale of operations and shortage of working capital funds, the Amalgamating Company has been incurring losses in the last few years. Simultaneously, the Amalgamated Company's requirement for sheet metal stampings has also been increasing. In order to fully utilize the technical capabilities of the Amalgamating Company and to scale up its operations, it is now proposed to merge the Amalgamating Company with the Amalgamated Company.
- G. More specifically, the proposed merger of the Amalgamating Company with the Amalgamated Company pursuant to this Scheme shall be advantageous to both the Amalgamating Company and the Amalgamated Company in the following ways :
- (i) **Business Synergies:** The Amalgamated Company has huge requirement of sheet metal parts which are supplied by the Amalgamating Company as well as few other suppliers. The Amalgamated Company, in the past, had incurred premium freight due to supply shortage of sheet metal parts. It is in the best interests of the Sona group to strengthen manufacturing capability of the Amalgamating Company and to increase its turnover. Over a period of time, the Amalgamating Company has developed the technical capabilities to manufacture sheet metal parts to cater to the needs of the Amalgamated Company. With the merger, these technical capabilities would be better utilized with additional investments/funds and this would help the Amalgamated Company to meet its requirements.
 - (ii) **Reduction in Costs:** Consequent upon merger, the Amalgamating Company would be able to reduce administrative staff required for doing statutory compliances. The Amalgamating Company would be able to use the existing infrastructure including ERP functionality of the Amalgamated Company and this would reduce cost of separate IT setup. Excise, sales tax, accounts and similar other statutory compliances can be operated from one location, thus reducing the overall costs of such compliances. The raw material requirements of the Amalgamating Company shall be handled by Supply Chain Management (SCM) team of the Amalgamated Company, which would be able to negotiate better pricing and terms in view of the financial strength of the Amalgamated Company and a track record of timely payment to its suppliers.
 - (iii) **Additional Funding:** The Amalgamating Company needs additional funds for growth. The Amalgamating Company is currently funded by the Small Industries Development Bank of India ("SIDBI") and there is a limited scope for increase of funding by SIDBI to the Amalgamating Company. Once merged, the Amalgamating Company would have access to additional funding from the Amalgamated Company's bankers at better pricing.
 - (iv) **Other Advantages:** (a) Addition of authorised share capital of the Amalgamating Company to the authorized share capital of the Amalgamated Company would result in substantial cost savings; (b) Reduction in time spent by top management on reviewing operations of the Amalgamating Company; (c) Reduction in working capital requirements; and (d) Sourcing synergies for raw materials, utilities, office supplies etc.
- H. Recognising the strengths of each other and with the end and intent of aligning the business operations undertaken by the Amalgamating Company and the Amalgamated Company, the Amalgamating Company and the Amalgamated Company now propose by way of this Scheme to merge/amalgamate the Amalgamating Company into and with the Amalgamated Company in accordance with the terms hereof, which would cause benefits to both the entities, the employees, the shareholders, the creditors of such entities and to the public at large.

1.2 Definitions

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

- (a) **"Act"** means the Companies Act, 1956, the rules and regulations made thereunder and will include any statutory modifications, re-enactments and/or amendments thereof.
- (b) **"Amalgamating Company"** means Sona Stampings Limited, as defined in Clause 1.1(C) above and includes:

- (i) any and all its assets, whether movable or immovable, whether present or future, whether tangible or intangible, all rights, title, interests, covenants, undertakings, liabilities including continuing rights, title and interests in connection with the land and the buildings thereon, whether freehold or otherwise, plant and machinery, whether leased or otherwise, together with all present and future liabilities including contingent liabilities and debts appertaining thereto; and
 - (ii) any and all investments, loans and advances, including accrued interest thereon; and
 - (iii) any and all approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses, certificates, tenancies, trade names, trademarks, service marks, copyrights, domain names, sales tax credits, income tax credits, applications for trade names, trademarks, service marks, copyrights, privileges and benefits of all contracts, agreements and all other rights including lease rights, licenses and registrations, powers and facilities of every kind and description whatsoever, pertaining to the Amalgamating Company; and
 - (iv) any and all debts, borrowings and liabilities, present or future, whether secured or unsecured, of the Amalgamating Company; and
 - (v) any and all employees, who are on the pay roll of the Amalgamating Company, including those engaged at its offices at their current terms and conditions, including all employee benefits such as provident fund, employees' state insurance, gratuity fund, superannuation fund; and
 - (vi) any and all advance monies, earnest monies and/or security deposits, payment against warrants or other entitlements, in connection with or relating to the Amalgamating Company.
- (c) **"Amalgamated Company"** means Sona Koyo Steering Systems Limited, as defined in Clause 1.1(A) above.
- (d) **"Applicable Law(s)"** means any statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, approval from the concerned authority, Government resolution, order, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any concerned authority having jurisdiction over the matter in question.
- (e) **"Appointed Date"** means April 1, 2013, being the date with effect from which this Scheme shall be applicable, i.e., with effect from which the Amalgamating Company shall merge with the Amalgamated Company, or such other date as may be approved by the High Court.
- (f) **"Board of Directors"** in relation to the Amalgamating Company and/or the Amalgamated Company, as the case may be, shall, unless it be repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.
- (g) **"Effective Date"** has the meaning assigned to it in Clause 8.8 hereof.
- (h) **"Government"** means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof.
- (i) **"High Court"** means collectively the Hon'ble High Court of Delhi at New Delhi and the Hon'ble High Court of Punjab & Haryana at Chandigarh.
- (j) **"NCLT"** has the meaning assigned to it in Clause 1.2.4 hereof.
- (k) **"Scheme"** means this scheme of amalgamation, in its present form, with or without any modifications, as may be approved or imposed or directed by the shareholders, creditors or the High Court.
- 1.2.2 Any references in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" shall mean the Effective Date.
- 1.2.3 The terms "hereof", "herein", "hereby", "hereto" and derivative or similar words used in this Scheme refers to this entire Scheme.
- 1.2.4 The expressions, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the Regulations made thereunder), the Depositories Act, 1996 and other Applicable Laws, rules, regulations, by-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time. In particular, wherever reference is made to the Hon'ble High Court in this Scheme, the reference would include, if appropriate, reference to the National Company Law Tribunal ("NCLT") or such other forum or authority, as may be vested with any of the powers of a High Court under the Act from time to time.

PART-II
SHARE CAPITAL STRUCTURE

2. CAPITAL STRUCTURE

2.1 Amalgamated Company

The capital structure of the Amalgamated Company as on March 31, 2013 is as under:

Share Capital	Amount in Rs (Indian Rupees)
Authorized Share Capital	
25,00,00,000 equity shares of Re 1/- each	25,00,00,000/-
Issued, Subscribed and Paid-up Share Capital	
19,87,41,832 equity shares of Re 1/- each	19,87,41,832/-

2.2 Amalgamating Company

The capital structure of the Amalgamating Company as on March 31, 2013 is as under:

Share Capital	Amount in Rs (Indian Rupees)
Authorized Share Capital	
2,10,000 equity shares of Rs 100/- each	2,10,00,000/-
Issued, Subscribed and Paid-up Share Capital	
2,02,778 equity shares of Rs 100/- each	2,02,77,800/-

- 2.3 There is no change in the capital structure of the Amalgamating Company and the Amalgamated Company since March 31, 2013.

PART-III
TRANSFER OF AMALGAMATING COMPANY

3. TRANSFER AND VESTING OF THE AMALGAMATING COMPANY

- 3.1 This Scheme shall become effective on occurrence of the Effective Date but shall be deemed to be operative from the Appointed Date.
- 3.2 Subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, on occurrence of the Effective Date, the whole of the business, personnel, property, assets, investments, rights, benefits and interest therein of the Amalgamating Company shall, with effect from the Appointed Date, stand transferred to and be vested in the Amalgamated Company, without any further act or deed, and by virtue of the orders passed by the Hon'ble Delhi High Court and the Hon'ble Punjab & Haryana High Court. Without prejudice to the generality of the above, and in particular, the Amalgamating Company shall stand transferred to and be vested in the Amalgamated Company in the manner described in sub-clauses (a) to (n) below :
- (a) All the assets of the Amalgamating Company as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, shall stand vested in the Amalgamated Company, with effect from the Appointed Date, and shall become the property and an integral part of the Amalgamated Company. The vesting of property under this sub-clause shall be deemed to have occurred by manual delivery or endorsement and delivery, as appropriate to the property being vested, and the title to such property shall be deemed to have been transferred accordingly.
- (b) With effect from the Appointed Date, all movable property of the Amalgamating Company other than those specified in sub-clause (a) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government,

local and other authorities and bodies, customers and other persons shall without any act, instrument or deed become the property of the Amalgamated Company.

- (c) With effect from the Appointed Date, all immovable property (including land, buildings and any other immovable property) of the Amalgamating Company as more particularly detailed in **Annexure I**, whether freehold or leasehold, and any documents of title, rights, interest and easements in relation thereto shall stand transferred to and be vested in the Amalgamated Company, without any act or deed done by the Amalgamating Company or Amalgamated Company. With effect from the Appointed Date, the Amalgamated Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges including ground rent and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation/substitution of the title to the immovable properties shall be made and duly recorded in the name of the Amalgamated Company by the appropriate authorities pursuant to the sanction of the Scheme by the High Court and the Scheme becoming effective in accordance with the terms hereof.
- (d) With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Amalgamating Company, shall become and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company.
- (e) With effect from the Appointed Date, the borrowing limits of the Amalgamating Company approved by the shareholders of the Amalgamating Company under Section 293(1)(d) of the Act, shall be cumulated with the existing borrowing limits of the Amalgamated Company and consequently, the borrowing limits of the Amalgamated Company shall stand increased to that extent.
- (f) Without prejudice to the generality of the provisions contained herein, all loans raised after the Appointed Date but before the Effective Date and liabilities incurred by the Amalgamating Company after the Appointed Date but before the Effective Date for its operations shall be deemed to be liabilities of the Amalgamated Company.
- (g) With effect from the Appointed Date, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Amalgamating Company to which the Amalgamating Company is a party or to the benefit of which the Amalgamating Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favour of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto.
- (h) With effect from the Appointed Date, all permits, quotas, rights, entitlements, licenses including those relating to trademarks, tenancies, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Amalgamating Company to which the Amalgamating Company is a party or to the benefit of which the Amalgamating Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be enforceable as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto.
- (i) With effect from the Appointed Date, any statutory licenses, no-objection certificates, permissions or approvals or consents required to carry on operations of the Amalgamating Company or granted to the Amalgamating Company shall stand vested in or transferred to the Amalgamated Company without further act or deed, and shall be appropriately transferred or assigned by the statutory authorities concerned therewith in favour of the Amalgamated Company upon the transfer and vesting of the Amalgamating Company pursuant to this Scheme. The benefit of all statutory and regulatory permissions, factory licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Amalgamating Company shall vest in and become available to the Amalgamated Company pursuant to this Scheme.
- (j) With effect from the Appointed Date, the Amalgamated Company shall bear the burden and the benefits of any legal or other proceedings initiated by or against the Amalgamating Company.

Provided however, all legal, administrative and other proceedings of whatsoever nature by or against the Amalgamating Company pending in any court or before any authority, judicial, quasi judicial or administrative, any adjudicating authority and/or arising after the Appointed Date and relating to the Amalgamating Company, or its properties, assets, debts, liabilities, duties and obligations shall be continued and/or enforced until the Effective Date by or against the Amalgamating Company; and from the Effective Date, shall be continued and enforced by or against the Amalgamated Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Amalgamating Company, had the Scheme not been made. On and from the Effective Date, the Amalgamated Company shall have the right to initiate or defend any legal proceedings in relation to the Amalgamating Company in the same manner and to the same extent as would or might have been initiated by the Amalgamating Company as the case may be, had the Scheme not been made.

If any suit, appeal or other proceeding of whatever nature by or against the Amalgamating Company be pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the transfer of the Amalgamating Company or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Amalgamated Company in the same manner and to the same extent as it would or

might have been continued, prosecuted and enforced by or against the Amalgamating Company as if this Scheme had not been made.

- (k) On occurrence of the Effective Date, all persons that were employed by the Amalgamating Company immediately before such date shall become employees of the Amalgamated Company with the benefit of continuity of service on the same terms and conditions as were applicable to such employees of the Amalgamating Company immediately prior to such transfer and without any break or interruption of service. It is clarified that the employees of the Amalgamating Company who become employees of the Amalgamated Company by virtue of this Scheme, shall continue to be governed by the terms of employment as were applicable to them immediately before such transfer and shall not be entitled to be governed by employment policies, and shall not be entitled to avail of any benefits under any scheme or settlement or otherwise that are applicable and available to any other employees of the Amalgamated Company, unless and otherwise so stated by the Amalgamated Company in writing in respect of all employees, class of employees or any particular employee. The Amalgamated Company undertakes to continue to abide by any agreement/settlement, if any, entered into by the Amalgamating Company with any of its unions/employees thereof. With regard to provident fund, employees' state insurance obligations, created or existing for the benefit of such employees of the Amalgamating Company (as more particularly detailed in **Annexure II**), upon occurrence of the Effective Date, the Amalgamated Company shall stand substituted for the Amalgamating Company, for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. The existing provident fund, employees' state insurance obligations, created by the Amalgamating Company for its employees shall be continued for the benefit of such employees on the same terms and conditions. With effect from the Effective Date, the Amalgamated Company shall make the necessary contributions for such transferred employees of the Amalgamating Company and deposit the same in provident fund, employees' state insurance obligations, where applicable. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Amalgamating Company in relation to such schemes or funds shall become those of the Amalgamated Company.
- (l) Loans or other obligations, if any, due inter se between the Amalgamating Company and the Amalgamated Company shall stand discharged and there shall be no liability in that behalf. Notwithstanding anything contained in Clause 3.2 (d) of this Scheme, in so far as any securities, debentures or notes issued by the Amalgamating Company, and held by the Amalgamated Company and vice versa are concerned, the same shall, unless sold or transferred by holder of such securities, at any time prior to the Effective Date, stand satisfied and shall have no further effect.
- (m) With effect from the Appointed Date, all motor vehicles of any description whatsoever of the Amalgamating Company shall stand transferred to and be vested in the Amalgamated Company and without further act or deed, the appropriate governmental and registration authorities shall substitute the name of the Amalgamated Company in place of the Amalgamating Company, for statistical records and registration purposes, as the case may be. Insurance policies relating to motor vehicles and third party insurances shall also be transferred accordingly.
- (n) It is expressly clarified that with effect from the Appointed Date, all taxes payable by the Amalgamating Company including all or any refunds of the claims shall be treated as the tax liability or refunds/claims as the case may be of the Amalgamated Company.

3.3 Procedural Formalities post sanction of the Scheme

- 3.3.1 Upon this Scheme becoming effective, the secured creditors of the Amalgamating Company shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Amalgamating Company, as existing immediately prior to the amalgamation of the Amalgamating Company with the Amalgamated Company. It is hereby clarified that pursuant to the amalgamation of the Amalgamating Company with the Amalgamated Company, the secured creditors of the Amalgamating Company shall not be entitled to any further or additional security over the properties, assets, rights, benefits and interest of the Amalgamated Company.
- 3.3.2 The Amalgamated Company shall, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or novation or other writings or arrangements with any party to any contract or arrangement in relation to which the Amalgamating Company has been a party, in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Amalgamating Company and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company.
- 3.3.3 Upon the Scheme becoming effective, for statistical purposes only and without any separate deed, instrument or writing, the Amalgamating Company and/or the Amalgamated Company shall, if required, simultaneously with the amendment in the register of charges, file particulars of the modified charge with the concerned Registrar of Companies. Any documentation subsequently entered into with the terms lenders or the working capital lenders of the Amalgamating Company and the Amalgamated Company, shall be for the sake of convenience and record only and to reflect the changes in the security pursuant to the Scheme and there shall be no break in the continuity of such charge and the same shall relate back to the date of its creation thereof in the Amalgamating Company.

- 3.3.4 Upon the Scheme becoming effective, all statutory permissions, licenses, approvals, consents, privileges, benefits, tax holidays, tax concessions and benefits of filings and all other incorporeal rights emanating from such licenses (together the "**Licenses**", for the purpose of this Clause 3.3.4) relating to the Amalgamating Company, shall stand transferred to and vested in the Amalgamated Company without any further act, instrument or deed, as more particularly provided hereinabove. Notwithstanding such transfer/ vesting of the Licenses, if any application is required for the statistical record of the statutory authorities to implement the transfer and vesting of the Licenses, as provided hereinabove, the Amalgamated Company shall facilitate the statutory authorities by filing such applications, which shall be granted/ approved in favour of the Amalgamated Company based on the sanction order of the Scheme by the High Court.
- 3.3.5 Upon the Scheme becoming effective, the Amalgamated Company is expressly entitled to revise its direct or indirect tax returns and related withholding certificates and shall be entitled to claim refund, advance tax credits including MAT credit, CENVAT and MODVAT credit etc.
- 3.3.6 From the Effective Date, all bank accounts of the Amalgamating Company shall be permitted to be continued with the same balances as of the Effective Date in the name of the Amalgamated Company and for statistical record the Amalgamated Company shall be permitted to file names and particulars of the new authorised signatories for withdrawals and/or deposits/credits in such bank accounts and the relevant bank accounts shall be reconstituted accordingly.
- 3.4 Conduct of Business from the Appointed Date upto the Effective Date**
- 3.4.1 With effect from the Appointed Date and until occurrence of the Effective Date:
- (i) the Amalgamating Company undertakes to carry on and shall be deemed to have carried on all its business activities and stand possessed of its properties and assets, for and on account of and in trust for the Amalgamated Company; and
 - (ii) all profits accruing to the Amalgamating Company and all taxes thereon or losses accumulated or otherwise arising or incurred by it shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of the Amalgamated Company; and
 - (iii) the Amalgamating Company shall carry on its business, with reasonable diligence and business prudence and in the same manner as it had been doing hitherto and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal, in any of its properties/assets, except: (a) when the same is expressly provided in this Scheme; or (b) when the same is in the ordinary course of business as carried on by it as on the date of filing of this Scheme in the High Court; or (c) when a prior written consent of the Amalgamated Company has been obtained in this regard; and
 - (iv) except by mutual consent of the Board of Directors of the Amalgamating Company and the Amalgamated Company and subject to changes pursuant to commitments, obligations or arrangements prior to the Appointed Date or as part of this Scheme, pending sanction of this Scheme by the High Court, the Amalgamating Company shall not make any change in its capital structure either by any increase (by issue of equity shares, bonus shares, preference shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of reorganisation of capital of the Amalgamating Company; and
 - (v) the Amalgamating Company shall not vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligations undertaken prior to the date of approval of the Scheme by the Board of Directors of the Amalgamating Company, the terms and conditions of employment of any of its employees, nor shall it conclude settlement with any union or its employees except with the written concurrence of the Amalgamated Company; and
 - (vi) the Amalgamating Company shall not alter or substantially expand its business except with the written concurrence of the Amalgamated Company; and
 - (vii) the Amalgamating Company shall not amend its Memorandum of Association and / or its Articles of Association, except with the written concurrence of the Amalgamated Company.
- 3.5 With effect from the Appointed Date, all debts, liabilities, duties and obligations of the Amalgamating Company as on the close of business on the date preceding the Appointed Date, whether or not provided in their books, and all liabilities which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of the Amalgamated Company.
- 3.6 With effect from the Effective Date, the Amalgamated Company shall commence and carry on and shall be authorized to carry on the business of the Amalgamating Company.
- 3.7 Upon this Scheme becoming effective, the Amalgamating Company shall stand dissolved, without being wound-up.
- 3.8 For the purpose of giving effect to the amalgamation order passed under Sections 391 to 394 and other applicable provisions of the Act in respect of the Scheme by the High Court, the Amalgamated Company shall, at any time pursuant to the orders on the Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Amalgamating Company, in accordance with the provisions of Sections 391 to 394 of the Act.

- 3.9 The Amalgamating Company is a wholly-owned (100%) subsidiary company of the Amalgamated Company and the Amalgamating Company has given and shall always be deemed to have given its consent to its amalgamation with the Amalgamated Company and accordingly, the requirement of convening of meetings of the equity shareholders of the Amalgamating Company for according approval to the Scheme may be dispensed with by the High Court, pursuant to appropriate application being filed by the Amalgamating Company in this regard.

4. CHANGE IN OBJECTS CLAUSE OF AMALGAMATED COMPANY

- 4.1 Upon this Scheme becoming effective, **Clause III (A)**, i.e., "main objects" clause of the Memorandum of Association of the Amalgamated Company shall, without any further act, instrument or deed, stand altered, modified and amended as follows:

- (i) *To design, manufacture, assemble, test, import, export, buy, sell, distribute, service, repair, stock, deal and trade in Automotive steering Systems of all types, including Mechanical Steering Gear Assemblies, Power Steering Gear Assemblies and any other type of Steering Gear Assemblies and parts and components, thereof, Associated Products including Hydraulic Pumps, Valves, Steering Columns, Steering Wheels, ball Joints, Tie-Rod-Ends, Universal joints, Drop Arms, Steering Linkages and connections of all types, and parts and components thereof.*
- (ii) *To design, develop, manufacture, assemble, test, import, export, buy, sell, distribute, service, repair, stock, deal and trade in Recirculating Ball Screw Mechanisms of all types, parts components and accessories thereof and products related thereto.*
- (iii) *To design, develop, manufacture, buy, sell lease or hire, import export process, use, deal and trade in plant, machinery, equipment apparatus, materials, articles and commodities in relation to designing, developing, manufacturing, testing, assembling, installing and repairing all types of Steering Systems and parts components and accessories thereof and products related thereto.*
- (iv) *To design, develop, manufacture, assemble, test, import, export, buy, sell, distribute, services, repair, stock, deal and trade in Gearbox Assemblies and Axle Assemblies of all types, parts and components thereof, including gears of all types, Synchronisers, Linkages, any accessories thereof and materials equipment and stores used in any relation thereof.*
- (v) *To develop, manufacture, sell, import export and deal in forgings and casting of all types, and all equipment, materials and stores used therein or in any relation thereof.*
- (vi) *To carry on the business of designing, manufacturing, developing, fabricating, machining, assembling, improving, buying, selling, importing, exporting, and dealing in all kinds of pressings, forgings, stampings, tubular parts, rollings, castings, laminations, fabrications, extrusions, automatic machines, electrical, electronic, mechanical, components and auto parts.*
- (vii) *To develop and commercialize technologies in the field of automation including tools, dyes, moulds, jigs fixtures, special purpose machines and allied business.*
- (viii) *To act as agents, retailers, whole sellers, sub-agents, middlemen and authorised representatives of government undertakings, companies and multinational corporations engaged in manufacture and dealing in all or any of the items included in sub-clause (i) and (ii) above and to set up godowns, warehouses, stores and other facilities to deal in the items included above."*

It is hereby clarified that for the purposes of this Clause 4.1, the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution under Section 16 or any other applicable provisions of the Act, would be required to be separately passed by the Amalgamated Company.

PART-IV

REORGANIZATION OF SHARE CAPITAL AND ACCOUNTING TREATMENT

5. CONSIDERATION

- 5.1 Upon coming into effect of this Scheme and upon vesting in and transfer of the assets and liabilities of the Amalgamating Company to the Amalgamated Company in accordance with Part III of this Scheme, no consideration shall be payable by the Amalgamated Company and no shares shall be allotted by the Amalgamated Company to the Amalgamating Company or to its shareholders.
- 5.2 The whole of the share capital of the Amalgamating Company held by the Amalgamated Company and the investment as shown in the balance sheet of the Amalgamated Company, being shares held in the Amalgamating Company, shall stand cancelled.

6. CHANGE IN AUTHORIZED SHARE CAPITAL

- 6.1 Upon this Scheme becoming effective and upon the vesting and transfer of the Amalgamating Company in the Amalgamated Company pursuant to the terms of this Scheme and consideration thereof, the entire authorized share capital of the Amalgamating Company amounting to Rs. 2,10,00,000/- divided into 2,10,000 equity shares of Rs. 100/- each shall stand transferred from the authorized share capital of the Amalgamating Company to the authorized share capital of the Amalgamated Company.

Accordingly, the authorized share capital of the Amalgamated Company shall stand increased by an amount of Rs. 2,10,00,000/- divided into 2,10,000 equity shares of Rs. 100/- each and **Clause V** in the memorandum of association of the Amalgamated Company shall stand substituted to read as follows :

"The Authorized Share Capital of the Company is Rs.27, 10,00,000/- (Rupees Twenty Seven Crore Ten Lacs only) divided into 27,10,00,000 (Twenty Seven Crore Ten Lacs) number of Equity Shares of Re. 1/- (Rupee One) each. "

- 6.2 The stamp duty or filing fees paid on the authorized share capital of the Amalgamating Company are permitted to be utilized and applied towards the increase in the authorized share capital of the Amalgamated Company in accordance with this Clause 6, and no further demand of additional stamp duty or fee shall be raised or made upon the Amalgamated Company by any regulatory authorities in relation to such increase in the authorized share capital of the Amalgamated Company, including by the Registrar of Companies, NCT of Delhi and Haryana.
- 6.3 It is hereby clarified that for the purposes of increasing the authorized share capital of the Amalgamated Company in accordance with this Clause 6, the consent of the shareholders of the Amalgamated Company to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and that no further resolution under Section 16, Section 81, Section 94 or any other applicable provisions of the Act, would be required to be separately passed.

7. ACCOUNTING TREATMENT

- 7.1 On this Scheme becoming effective, the Amalgamated Company shall account for the amalgamation according to the pooling of interests method under Accounting Standard (AS) 14, 'Accounting for Amalgamations' notified under the Companies (Accounting Standards) Rules, 2006 (as amended) under section 211(3C) of the Companies Act, 1956.
- 7.2 The Amalgamated Company shall, upon this Scheme becoming effective, record the assets and liabilities of the Amalgamating Company at the respective values thereof as appearing in the books of the Amalgamating Company, at the close of business on the day preceding the Appointed Date. The Amalgamated Company shall record in its books of accounts, all the transactions of the Amalgamating Company in respect of assets, liabilities, income and expenses, from the Appointed Date to the Effective Date.
- 7.3 The identity of the reserves of the Amalgamating Company, if any, shall be preserved and they shall appear in the financial statements of the Amalgamated Company in the same form and manner, in which they appeared in the financial statements of the Amalgamating Company, prior to this Scheme becoming effective.
- 7.4 The debit balance in the Statement of Profit and Loss, as appearing in the financial statements of the Amalgamating Company shall be adjusted against/set-off with the following in the order specified, to the extent required, as appearing in the financial statements of the Amalgamated Company :
- a) Capital Redemption Reserve;
 - b) Securities Premium Account; and
 - c) General Reserve.
- 7.5 The difference between the carrying amount in the books of the Amalgamated Company of its investment in the shares of the Amalgamating Company which shall stand cancelled in terms of this Scheme and the aggregate face value of such shares shall, subject to and after making the adjustment as mentioned in Clauses 7.7 and 7.8 below, be adjusted against and reflected in the Securities Premium Account of the Amalgamated Company.
- 7.6 The reduction of share capital from the reserves / accounts of the Amalgamated Company as per Clause 7.4 above shall be effected as an integral part of the Scheme in accordance with the provisions of Section 78, Sections 100 to 104 and other applicable provisions of the Act. The approval of the shareholders of the Amalgamated Company accorded for this Scheme under the provisions of Sections 391 to 394 of the Act shall also constitute approval for such reduction of share capital of the Amalgamated Company for the purposes of Section 100 of the Act. The order of the High Court sanctioning this Scheme shall be deemed to be also the order under Section 102 of the Act for the purpose of confirming the reduction. The reduction of share capital of the Amalgamated Company as per Clause 7.4 above shall not involve either a diminution of liability in respect of the unpaid share capital or payment to any shareholder of any paid - up share capital, and the provisions of Section 101 of the Act shall not be applicable.
- 7.7 In case of any differences in the accounting policy between the Amalgamating Company and the Amalgamated Company, the impact of the same till the amalgamation will be quantified and adjusted in the Statement of Profit & Loss of the Amalgamated Company to ensure that the financial statements of the Amalgamated Company reflect the financial position on the basis of consistent accounting policy.
- 7.8 For removal of doubt it is clarified that to the extent there are inter-company supplier advances or balances as between or amongst the Amalgamating Company and the Amalgamated Company, the obligations in respect thereof shall be cancelled and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Amalgamated Company for the reduction of any assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company supplier advances or balances, with effect from the Appointed Date.

<p style="text-align: center;">PART-V MISCELLANEOUS</p>

8. GENERAL TERMS AND CONDITIONS

- 8.1 The amalgamation in accordance with this Scheme of the Amalgamating Company with the Amalgamated Company shall take place with effect from the Appointed Date and shall be pursuant to and in compliance with the provisions of Section 2(1B) of the Income Tax Act, 1961.
- 8.2 The Amalgamated Company shall be entitled to file/revise its income tax returns and other statutory returns, if required, and shall have the right to claim refunds, advance tax credits, if any, as may be required consequent to implementation of this Scheme. Upon the Scheme becoming effective, the Amalgamated Company shall be entitled to set off losses (if any) of the Amalgamating Company against the profits of the Amalgamated Company as per the provisions of the Income Tax Act, 1961.
- 8.3 The amalgamation in accordance with this Scheme of the Amalgamating Company with the Amalgamated Company shall take place in compliance with all Applicable Laws including the circulars CIR/CFD/DIL/5/2013 dated February 4, 2013 and CIR/CFD/DIL/8/2013 dated May 21, 2013 issued by the Securities and Exchange Board of India.
- 8.4 The Amalgamated Company and the Amalgamating Company shall, with all reasonable dispatch, make respective applications to the High Court, under Sections 391 to 394 and other applicable provisions of the Act, seeking orders for dispensing with or for convening, holding and/or conducting of the meetings of the classes of their respective members and creditors (secured and unsecured) as per the requirements of the Act.
- 8.5 Upon this Scheme being approved by the requisite majority of the members and creditors (secured and unsecured) of the Amalgamated Company and by the members and creditors (secured and unsecured) of the Amalgamating Company, the Amalgamated Company and the Amalgamating Company shall, with all reasonable dispatch, file respective petitions before the High Court for sanction of this Scheme under Sections 391 to 394 and other applicable provisions of the Act, and for such other order or orders, as the High Court may deem fit for carrying this Scheme into effect. On this Scheme becoming effective, the members of both the Amalgamated Company and the Amalgamating Company shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme.
- 8.6 The reference consolidated summary balance sheet of the Amalgamated Company (i.e., inclusive of the Amalgamating Company) as on the Appointed Date, assuming that this Scheme has become effective, is attached hereto as **Annexure III**.
- 8.7 The Scheme is conditional upon and subject to the following:
- (a) the Scheme being approved by the requisite majority in number and value of the members and creditors of the Amalgamating Company and the Amalgamated Company as required under Applicable Laws and as may be directed by the High Court;
 - (b) the Scheme being sanctioned by the Hon'ble High Court of Delhi and the Hon'ble High Court of Punjab & Haryana under Sections 391 to 394 of the Act and the necessary orders being obtained in respect of the same; and
 - (c) such other sanctions and approvals including sanctions of any governmental or regulatory authority as may be required by law or contract in respect of the Scheme being obtained; and
 - (d) the certified copies of the orders of the Hon'ble High Court of Delhi and the Hon'ble High Court of Punjab & Haryana referred to in this Scheme being filed with the Registrar of Companies, N.C.T of Delhi & Haryana.
- 8.8 This Scheme shall become effective on such date when certified copies of the orders of the Hon'ble High Court of Delhi and the Hon'ble High Court of Punjab & Haryana sanctioning this Scheme are filed by the Amalgamated Company and the Amalgamating Company with the Registrar of Companies, NCT of Delhi & Haryana. Such date shall be known as the **"Effective Date"**.
- 8.9 Each of the Amalgamated Company and the Amalgamating Company (acting through their respective Boards of Directors) may assent to any modifications or amendments to this Scheme, which the High Court and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme. Each of the Amalgamated Company and the Amalgamating Company (acting through its respective Boards of Directors) be and is hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any orders of the High Court or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith. The Amalgamated Company and the Amalgamating Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the High Court or any other authority is not on terms acceptable to them.
- 8.10 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.

- 8.11 Upon the sanction of this Scheme and after this Scheme has become effective, with effect from the Appointed Date, the amalgamation of the Amalgamating Company with the Amalgamated Company in compliance with Section 2(1B) of the Income Tax Act, 1961, in accordance with this Scheme, shall be deemed to have occurred.
- 8.12 In case any doubt or difference or issue shall arise between the parties hereto or any of their shareholders, creditors and/or other persons entitled to or claiming any right to any equity shares in the Amalgamated Company and the Amalgamating Company, as to the construction thereof or as to any account, valuation or apportionment to be taken or made of any asset or liability transferred to the Amalgamated Company or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to arbitration in Delhi under the Indian Arbitration and Conciliation Act 1996, and the decision of the arbitral tribunal in such a case shall be final and binding on all concerned.
- 8.13 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Amalgamated Company and the Amalgamating Company and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.
- 8.14 If any part of this Scheme is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under Applicable Laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.
- 8.15 The transfer of properties and liabilities to and the continuance of proceedings by or against the Amalgamated Company as envisaged in Part III of this Scheme above shall not affect any transaction or proceedings already concluded by the Amalgamating Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the Amalgamating Company, in respect thereto as done and executed on behalf of their selves.

ANNEXURE I

LIST OF IMMOVABLE PROPERTIES OF AMALGAMATING COMPANY

1. 16 kanal or 2 acres or 9680 square yards (approximately) of freehold land under khata no. 273 / 332, Mustil No. / Kila No. 47/14 (8-0) located in Institutional Area, Village Khurrampur, Tehsil Farrukhnager, Gurgaon - 122 001, Haryana. Total built-up area on the land is 1825 square metres (approximately) consisting of industrial hall on ground floor for manufacturing purposes and double-storeyed RCC framed administrative office, canteen, DG Room and surrounded by 5th high av. boundary wall with two gates and security room.

ANNEXURE II

EMPLOYEE BENEFITS OF AMALGAMATING COMPANY

Sl. No.	Subject	Code / No.	Government Authority	Address
1	Employees' Provident Fund	GNGGN0028876000	Sub-Region Provident Fund, Gurgaon	Plot- 43, Sec-44, Gurgaon, Haryana
2	Employees' State Insurance	69000416020000606	Sub-Regional Office, Employees' State Insurance Corporation Gurgaon	Plot- 47, Sec-34, Gurgaon, Haryana

ANNEXURE III
REFERENCE BALANCE SHEET

REFERENCE BALANCE SHEET
AS AT 1st APRIL, 2013
SONA KOYO STEERING SYSTEMS LIMITED

Particulars	Note No.	AS AT 1st April, 2013 Rs.
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	1	198,741,832.00
Reserves and surplus	2	2,135,038,817.75
Sub-Total		2,333,780,649.75
Non-current liabilities		
Long-term borrowings	3	1,973,315,014.34
Deferred tax liabilities (net)	4	391,281,000.00
Other long-term liabilities	5	4,445,652.00
Long-term provisions	6	43,692,768.00
Sub-Total		2,412,734,434.34
Current liabilities		
Short-term borrowings	7	511,875,610.89
Trade payables	8	1,506,535,054.04
Other current liabilities	9	894,624,540.04
Short-term provisions	6	177,589,720.31
Sub-Total		3,090,624,925.28
Total		7,837,140,009.37
ASSETS		
Non-current assets		
Fixed assets		
Tangible assets	10	4,062,996,093.09
Intangible assets	10	195,791,922.44
Capital work-in-progress		249,898,080.32
Intangible assets under development		64,792,365.26
Non-current investments	11	623,990,817.00
Long-term loans and advances	12	88,583,663.75
Other non-current assets	13	1,922,208.10
Sub-Total		5,287,975,149.96
Current assets		
Inventories	14	552,614,722.94
Trade receivables	15	1,576,891,957.05
Cash and bank balances	16	15,144,342.64
Short-term loans and advances	12	182,492,851.09
Other current assets	13	222,020,985.69
Sub-Total		2,549,164,859.41
Total		7,837,140,009.37

Note to the reference balance sheet:

This opening balance sheet is the true and fair account of Sona Koyo Steering Systems Ltd. as on 1st April, 2013 and has been compiled on the basis of following documents :

1. Audited balance sheet of the Amalgamating Company as on 31st March, 2013;
2. Audited balance sheet of the Amalgamated Company as on 31st March, 2013; and
3. The provisions of scheme of Amalgamation

Notes to reference balance sheet as at 1st April, 2013

Particulars	AS AT 1st April, 2013 Rs.	
Note 1 Share capital		
Authorised Shares (in nos)		
271,000,000 Equity Shares of Re. 1/- each		271,000,000.00
Issued, Subscribed and Paid up Shares (in nos)		
198,741,832 Equity Shares of Re. 1/- each fully paid up		198,741,832.00
		198,741,832.00
Note 2 Reserves & surplus		
Capital Reserve (on account of re-issue of forfeited equity shares)		43,075.00
Securities Premium Account		807,075,837.79
General Reserve		766,571,374.49
Surplus in the statement of profit and loss		561,348,530.47
Total reserve and surplus		2,135,038,817.75
	Non-current portion	Current maturities
	AS AT 1st April, 2013 Rs.	AS AT 1st April, 2013 Rs.
Note 3 Long term borrowings		
Term Loans		
From Banks		
Indian rupee loans from banks (secured)	1,619,912,414.34	465,320,124.00
Foreign currency loans from banks (secured)	324,237,500.00	118,812,500.00
From Financial Institution		
Indian rupee loan from financial institution (secured)	-	4,896,131.00
From Others		
Indian rupee loan from NBFC (secured)	29,165,100.00	19,443,400.00
	1,973,315,014.34	608,472,155.00
Amount disclosed under the head "other current liabilities" (Refer note 9)	-	(608,472,155.00)
	1,973,315,014.34	-
Note 4 Deferred tax liabilities (net)		
Deferred tax liability		
Depreciation		407,331,696.99
Amount of payments made during the year and allowed for tax purposes on payment basis but to be charged to the statement of profit and loss in the subsequent year.		3,248,000.00
Gross deferred tax liability		410,579,696.99
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes is subsequent years.		16,807,641.00
Provision for doubtful advances		340,000.00
Unabsorbed depreciation & business loss as per Income Tax Act		2,151,055.99
Gross deferred tax assets		19,298,696.99
Net deferred tax liability/(asset)		391,281,000.00

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				Amt In Rs.
SI No	Assets	Gross Block (At Cost) As at 01.04.2013	Depreciation/Amortization Up to 31.03.2013	Net Block As at 01.04.2013
Note 10 Fixed assets				
Tangible assets :				
1	Freehold land	202,188,144.10	-	202,188,144.10
2	Leasehold land	22,149,838.00	785,396.31	21,364,441.69
3	Buildings	1,131,885,578.74	168,500,406.45	963,385,172.29
4	Lease hold improvements	3,089,585.30	1,415,755.83	1,673,829.47
5	Plant & machinery	4,388,264,282.16	1,902,965,552.67	2,485,298,729.49
6	Jigs & fixtures	58,992,387.05	24,592,577.32	34,399,809.73
7	Electric installations	251,905,919.84	91,304,241.09	160,601,678.75
8	Furniture & fixtures	82,328,353.49	42,769,049.53	39,559,303.96
9	Office equipments	216,070,240.19	126,592,944.98	89,477,295.21
10	Vehicles	55,133,928.50	21,797,483.24	33,336,445.26
11	R&D-Plant & machinery	45,808,812.14	15,296,608.93	30,512,203.21
12	R&D-Office equipments	10,333,766.91	9,134,726.98	1,199,039.93
	Sub total	6,468,150,836.42	2,405,154,743.33	4,062,996,093.09
Intangible assets :				
1	R&D-Computer softwares	6,232,906.54	5,247,463.91	985,442.63
2	Computer softwares	62,041,224.73	14,148,459.35	47,892,765.38
3	Technical know-how	-	-	-
4	Product development cost	275,848,949.21	128,935,234.78	146,913,714.43
	Sub total	344,123,080.48	148,331,158.04	195,791,922.44
	Total	6,812,273,916.90	2,553,485,901.37	4,258,788,015.53
Capital work in progress - Tangible assets				249,898,080.32
Capital work in progress - Intangible assets				64,792,365.26
				314,690,445.58
				AS AT
				1st April, 2013
				Rs.
Note 11 Non current investments				
Long-term investments (at cost)				
Trade investments				
Unquoted equity instruments, fully paid up				
Domestic :				
4,66,669	Equity Shares of Rs.10/- each in Roop Automotive Ltd.			2,000,020.00
Overseas :				
49,29,636	Equity Shares of Euro 1 each, in Fuji Autotech, Europe S.A.S., (Incorporated in France)			293,209,927.00
In Subsidiary Companies :				
50,99,993	Equity Shares of Rs. 10/- each, in Sona Fuji Kiko Automotive Ltd.			50,999,930.00
2,77,78,094	Equity Shares of Rs. 10/- each, in JTEKT Sona Automotive India Ltd.			277,780,940.00
				623,990,817.00

	Non-current	Current
	AS AT 1st April, 2013 Rs.	AS AT 1st April, 2013 Rs.
Note 12 Loans and advances (Unsecured, considered good)		
Capital advances	54,632,251.20	-
	54,632,251.20	-
Security deposits	29,132,844.00	7,389,391.31
	29,132,844.00	7,389,391.31
Other loans and advances		
Advance recoverable in cash or kind		
Considered good	-	26,585,546.61
Considered doubtful	-	1,000,000.00
Less Provision for doubtful advance	-	(1,000,000.00)
Loans and advances to employees	1,110,400.00	4,713,106.36
Prepaid expenses	1,063,648.00	11,065,626.90
Balance with custom, excise and sales tax authorities	2,570,250.55	84,482,920.91
Minimum Alternate Tax (MAT) credit entitlement	-	48,256,259.00
Advance income tax	74,270.00	-
	4,818,568.55	175,103,459.78
	88,583,663.75	182,492,851.09
Note 13 Other assets		
(Unsecured, considered good)		
Non-current bank balances (Refer note 16)	1,922,208.10	-
Unamortized premium on forward contracts	-	2,295,089.17
Claims receivable	-	49,735,502.68
Interest accrued but not due on fixed deposits with banks	-	8,532.44
Unbilled revenue	-	92,965,754.93
Other receivable	-	77,016,106.47
	1,922,208.10	222,020,985.69
Note 14 Inventories		
(At cost or net realisable value, whichever is lower)		
Raw materials and components		297,510,068.03
Work-in-progress		78,728,900.27
Finished goods		66,935,787.25
Stock-in-trade		508,084.20
Stores and spares		44,323,134.29
Loose tools		64,608,748.90
		552,614,722.94

Particulars	AS AT 1st April, 2013 Rs.	
Note 15 Trade receivables		
(Unsecured, considered good)		
Receivables outstanding for a period exceeding six months from the date they are due for payment		247,346,683.58
Other receivables		1,329,545,273.47
		<u>1,576,891,957.05</u>
	<u>Non-current</u>	<u>Current</u>
	AS AT 1st April, 2013 Rs.	AS AT 1st April, 2013 Rs.
Note 16 Cash and bank balances		
(Unsecured, considered good)		
Cash and cash equivalents		
Balances with banks:		
Current accounts	-	5,716,333.21
Unpaid dividend accounts	-	8,812,480.73
Cash on hand	-	615,528.70
Sub Total	<u>-</u>	<u>15,144,342.64</u>
Other bank balances		
Fixed deposits with original maturity for more than 12 months	1,922,208.10	-
Sub Total	<u>1,922,208.10</u>	<u>-</u>
Amount disclosed under non-current assets (Refer note 13)	(1,922,208.10)	-
Total	<u>-</u>	<u>15,144,342.64</u>

Complaints Report
(For the period from 2nd July, 2013 to 23rd July, 2013)


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.	Name of Complainant	Date of Complaint	Status Resolved / Pending)
1			
2	Not Applicable		
3			

For Sona Koyo Steering Systems Limited


 (Sudhir Chopra)
 President & Company Secretary

SONA KOYO STEERING SYSTEMS LTD.

Regd. Office : UGF-6, Indra Prakash 21 Barakhamba Road New Delhi-110 001 India
Tel : +91 11 2331 1924 / 2332 7205

Works: 38/6 Delhi-Jaipur Road, NH-8, Gurgaon-122 001 Haryana India
Tel : +91 124 468 5000, **Fax:** +91 124 410 4611 / 410 4621



Deming Application Prize-2003



**NATIONAL STOCK EXCHANGE
OF INDIA LIMITED**



Stock of the nation

Ref: NSE/LIST/213148-S

August 14, 2013

The Company Secretary
Sona Koyo Steering Systems Limited
Indraprakash
UGF 6, Indra Prakash,
21, Barakhamba Road
New Delhi - 110001

Dear Sir,

Sub.: Observation letter for Scheme of Amalgamation under section 391-394 of the companies Act 1956, between Sona Koyo Steerings Systems Limited and its shareholders and creditors and Sona Stampings Limited and its shareholders and creditors.

We are in receipt of the draft Scheme of Amalgamation of under section 391-394 of the companies Act 1956, between Sona Koyo Steerings Systems Limited and its shareholders and creditors and Sona Stampings Limited and its shareholders and creditors

We have perused the draft Scheme of Amalgamation and the related documents/details submitted by Sona Koyo Steerings Systems Limited including the confirmation of the Company Secretary that the Scheme so submitted does not in any way violate, over-ride or circumscribe the provisions of Securities Laws or the Stock Exchange requirements.


Pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 and SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013. SEBI has vide letter dated August 12, 2013 has given its comments as follows:

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

Accordingly, we do hereby convey our 'No-Objection' with limited reference to those matters having a bearing on listing / delisting / continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Company to file the Scheme with the Hon'ble High Court.

However, the Exchange reserves its right to withdraw this No-objection approval 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.

Yours faithfully,
For National Stock Exchange of India Limited

 Kamlesh Patel
Manager

DCS/AMAL/BS/24(f)/185/2013-14

August 14, 2013

The Company Secretary
Sona Koyo Steering Systems Limited
UGF- 6, Indra Prakash, 21,
Barakhamba Road,
New Delhi, Delhi 110001

Dear Sir / Madam,

Sub: Observation letter regarding the Scheme of Arrangement between Sona Koyo Steering Systems Limited and Sona Stampings Limited.

We are in receipt of draft Scheme of Arrangement of Sona Koyo Steering Systems Limited involving Merger of Sona Stampings Limited with the company.

The Exchange has noted the confirmation given by the Company stating that the scheme does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions of the Listing Agreement or the requirements of BSE Limited (BSE).

As required under SEBI Circular No.CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No.CIR/CFD/DIL/8/2013 dated May 21, 2013; SEBI has vide its letter dated August 12, 2013 received on August 14, 2013 given the following comment(s) on the draft scheme of arrangement:

a) *The company shall duly comply with various provisions of the aforesaid SEBI circular.*

Accordingly, we hereby convey Exchange's 'No-objection' with limited reference to those matters having bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable you to file the scheme with the Hon'ble High Court.

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also mention the same in your application for approval of the scheme of arrangement submitted to the Hon'ble High Court.

The Exchange reserves its right to withdraw its No-objection/approval 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.

Yours faithfully,



Jayesh Ashtekar
Manager



Bhuvana Sriram
Deputy Manager

IN THE HIGH COURT OF DELHI AT NEW DELHI
COMPANY JURISDICTION
COMPANY APPLICATION (M) NO. 132 OF 2013

IN THE MATTER OF:

The Companies Act, 1956;

AND

IN THE MATTER OF:

Application under Section 391 (1) of the Companies Act, 1956;

AND

IN THE MATTER OF:

Scheme of Amalgamation between Sona Koyo Steering Systems Limited and Sona Stampings Limited and their respective Shareholders and Creditors.

AND

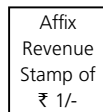
IN THE MATTER OF

SONA KOYO STEERING SYSTEMS LIMITED , a Company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at UGF-6, Indraprakash, 21, Barakhamba Road, New Delhi 110001.	APPLICANT/ AMALGAMATED COMPANY
--	---------------------------------------

FORM OF PROXY

I/We, the undersigned, as Secured Creditor of Sona Koyo Steering Systems Limited (the "Company"), hereby appoint of, and failing him/her of, as my/our proxy, to act for me/us at meeting of the Secured Creditors of the Company to be held at FICCI Auditorium, 1, Tansen Marg, Todermal Road Area, Mandi House, New Delhi - 110001 on Saturday, the 23rd day of November, 2013 at 2:00 P.M., for the purpose of considering and if thought fit, approving with or without modification(s) the Scheme of Amalgamation between Sona Koyo Steering Systems Limited and Sona Stampings Limited and their respective Shareholders and Creditors ("the Scheme") and at such meeting and any adjournment thereof, to vote, for me/us and in my/our name(s) **For/Against** the said Scheme as my/our proxy may approve.

Dated this.....day of2013.



Signature:.....

Name:.....

Address:.....

.....

Notes:

- (1) Please affix Re.1/- revenue stamp before putting signature.
- (2) The proxy must be deposited at the Registered Office of Sona Koyo Steering Systems Limited at UGF-6, Indraprakash, 21, Barakhamba Road, New Delhi 110001 at least 48 hours before the time of holding the meeting.
- (3) Strike out which is not necessary.
- (4) All alterations made in the Form of Proxy should be initialed.
- (5) Bodies Corporate would be required to deposit certified copies of Board Resolution/Power of Attorney, as the case may be, authorizing the individuals named therein, to attend & vote at the meeting on its behalf. These documents must be deposited at the Registered Office of Sona Koyo Steering Systems Limited at UGF-6, Indraprakash, 21, Barakhamba Road, New Delhi 110001 at least 48 hours before the time of holding the meeting.

SONA KOYO STEERING SYSTEMS LIMITED

Registered Office: UGF-6, Indraprakash, 21, Barakhamba Road, New Delhi 110001.

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting venue)

I hereby record my presence at the court convened meeting of the Secured Creditors of **SONA KOYO STEERING SYSTEMS LIMITED** having its Registered Office at UGF-6, Indraprakash, 21, Barakhamba Road, New Delhi 110001, convened pursuant to the Order dated 07th October, 2013 of the High Court of Delhi at New Delhi, at FICCI Auditorium, 1, Tansen Marg, Todermal Road Area, Mandi House, New Delhi - 110001, on Saturday, the 23rd day of November, 2013 at 2:00 P.M.

Name(s) of the Secured Creditor	Name of the Authorised Representative/Proxy	Address
1.		
2.		
3.		

Please tick the appropriate box

☐ Authorised Signatory ☐ Proxy

.....
Authorised Signatory's Signature

.....
Proxy's Signature

Notes:

1. Secured Creditors/Proxies are requested to bring their slip with them, complete and hand it over at the entrance of the meeting.

**IN THE HIGH COURT OF DELHI AT NEW DELHI
COMPANY JURISDICTION
COMPANY APPLICATION (M) NO. 132 OF 2013**

IN THE MATTER OF:

The Companies Act, 1956;

AND

IN THE MATTER OF:

Application under Section 391 (1) of the
Companies Act, 1956;

AND

IN THE MATTER OF:

Scheme of Amalgamation between Sona
Koyo Steering Systems Limited and Sona
Stampings Limited and their respective
Shareholders and Creditors.

AND

IN THE MATTER OF

SONA KOYO STEERING SYSTEMS

LIMITED, a Company incorporated under the
provisions of the Companies Act, 1956 and
having its Registered Office at UGF-6,
Indraprakash, 21 Barakhamba Road, New
Delhi-110001.

**APPLICANT/
AMALGAMATED COMPANY**

**NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF
SONA KOYO STEERING SYSTEMS LIMITED ("THE COMPANY").**

NOTICE is hereby given that by an Order made on the 07th day of October, 2013, the Hon'ble High Court of Delhi at New Delhi, has directed that a meeting of the Equity Shareholders of the Company, be held at FICCI Auditorium, 1, Tansen Marg, Todermal Road Area, Mandi House, New Delhi 110001 on Saturday, the 23rd day of November, 2013 at 10:00 A.M., for the purpose of considering and if thought fit, approving with or without modification(s), the Scheme of Amalgamation between Sona Koyo Steering Systems Limited and Sona Stampings Limited and their respective Shareholders and Creditors (the "Scheme").

In pursuance of the said Order and as directed therein, further notice is hereby given that a meeting of Equity Shareholders of the Company will be held at FICCI Auditorium, 1, Tansen Marg, Todermal Road Area, Mandi House, New Delhi 110001 on Saturday, the 23rd day of November, 2013 at 10:00 A.M., at which time and place the Equity Shareholders are requested to attend.

Copy of the Scheme and the statement under Section 393 of the Companies Act, 1956 can be had free of charge at the Registered Office of the Company at UGF-6, Indraprakash, 21 Barakhamba Road, New Delhi 110001 or at the office of its Advocates, Amarchand & Mangaldas & Suresh A. Shroff & Co., Amarchand Towers, 216, Okhla Industrial Estate, Phase-III, New Delhi-110 020.

Persons entitled to attend and vote at the meeting, may vote in person or by proxy, provided that the proxy in the prescribed form is deposited at the Registered Office of the Company at UGF-6, Indraprakash, 21 Barakhamba Road, New Delhi 110001, not later than 48 hours before the time of the meeting.

Form of proxy can be had at the Registered Office of the Company.

The Hon'ble High Court has appointed Mr. Jasmeet Singh, Advocate and failing him, Ms. Neelam, Court Officer, to be the Chairperson of the said meeting.

Dated this 18th day of October, 2013

Sd/-
Jasmeet Singh
(Chairperson appointed for the meeting)

**दिल्ली उच्च न्यायालय, नई दिल्ली में
कम्पनी न्यायालय
कम्पनी आवेदन (एम) सं. 132 वर्ष 2013**

के मामले में :

कम्पनी अधिनियम, 1956 ;

तथा

के मामले में :

कम्पनी अधिनियम, 1956 की

धारा 391 (1) के तहत आवेदन ;

तथा

के मामले में :

सोना कोयो स्टीयरिंग सिस्टम्स लिमिटेड

और सोना स्टांपिंग्स लिमिटेड और

उनके संबंधित शेयरधारकों और क्रेडिटर्स

के बीच समामेलन की स्कीम

तथा

के मामले में :

सोना कोयो स्टीयरिंग सिस्टम्स लिमिटेड,

कम्पनी अधिनियम, 1956 के प्रावधानों के

तहत गठित एक कम्पनी, जिसका पंजीकृत

कार्यालय यूजीएफ-6, इंद्रप्रकाश, 21 बाराखम्बा

रोड, नई दिल्ली-110001 में स्थित है।

आवेदक/

समामेलित कम्पनी

सोना कोयो स्टीयरिंग सिस्टम्स लिमिटेड ("कम्पनी") के इक्विटी

शेयरधारकों की बैठक के आयोजन की सूचना

एतद्वारा सूचना दी जाती है कि माननीय दिल्ली उच्च न्यायालय, नई दिल्ली के आदेश दिनांक 07 अक्टूबर, 2013 द्वारा निर्देशित किया गया है कि कम्पनी के इक्विटी शेयरधारकों की एक बैठक शनिवार, 23 नवम्बर, 2013 को प्रातः 10:00 बजे फिक्की ऑडीटोरियम, 1, तानसेन मार्ग, टोडरमल रोड एरिया, मंडी हाउस, नई दिल्ली-110001 में सोना कोयो स्टीयरिंग सिस्टम्स लिमिटेड और सोना स्टांपिंग्स लिमिटेड और उनके संबंधित शेयरधारकों और क्रेडिटर्स के बीच समामेलन की स्कीम ("स्कीम") पर विचार करने और यदि उपयुक्त विचारित किया जाए, संशोधन(नौ) सहित अथवा संशोधन(नौ) के बिना अनुमोदन के प्रयोजनार्थ आयोजित की जाए।

उक्त आदेश के अनुसरण में तथा उसमें निर्देशितानुसार आगे सूचना दी जाती है कि कम्पनी के इक्विटी शेयरधारकों की एक बैठक शनिवार, 23 नवम्बर, 2013 को प्रातः 10:00 बजे फिक्की ऑडीटोरियम, 1, तानसेन मार्ग, टोडरमल रोड एरिया, मंडी हाउस, नई दिल्ली-110001 में आयोजित की जाएगी, जिसमें इक्विटी शेयरधारकों से भाग लेने हेतु अनुरोध किया जाता है।

समामेलन की उक्त स्कीम और कम्पनी अधिनियम की धारा 393 के अधीन व्याख्यात्मक विवरण की प्रति कम्पनी के पंजीकृत कार्यालय यूजीएफ-6, इंद्रप्रकाश, 21 बाराखम्बा रोड, नई दिल्ली-110001 से अथवा इसके अधिवक्ताओं अमरचन्द ऐण्ड मंगलदास ऐण्ड सुरेश ए. श्रॉफ ऐण्ड कम्पनी, अमरचन्द टावर्स, 216, ओखला इंडस्ट्रियल एस्टेट, फेस-III, नई दिल्ली-110020 स्थित कार्यालय से निःशुल्क प्राप्त की जा सकती है।

बैठक में भाग लेने और मतदान करने का अधिकार रखने वाले व्यक्ति व्यक्तिशः अथवा परोक्षी द्वारा मतदान कर सकते हैं, परंतु शर्त यह है कि परोक्षी निर्धारित फार्म में कम्पनी के पंजीकृत कार्यालय यूजीएफ-6, इंद्रप्रकाश, 21 बाराखम्बा रोड, नई दिल्ली-110001 में बैठक के समय से कम से कम 48 घंटे पूर्व जमा कर दिए जाने चाहिए।

परोक्षी का फार्म कम्पनी के पंजीकृत कार्यालय से प्राप्त किया जा सकता है।

न्यायालय ने श्री जसमीत सिंह, अधिवक्ता को उक्त बैठक का अध्यक्ष तथा उनकी अनुपस्थिति में सुश्री नीलम, न्यायालय अधिकारी को वैकल्पिक अध्यक्ष नियुक्त किया है।

दिनांकित 18 अक्टूबर, 2013

हस्ता./-

जसमीत सिंह

(बैठक हेतु अध्यक्ष नियुक्त)

**IN THE HIGH COURT OF DELHI AT NEW DELHI
COMPANY JURISDICTION
COMPANY APPLICATION (M) NO. 132 OF 2013**

IN THE MATTER OF:

The Companies Act, 1956;

AND

IN THE MATTER OF:

Application under Section 391 (1) of the
Companies Act, 1956;

AND

IN THE MATTER OF:

Scheme of Amalgamation between Sona
Koyo Steering Systems Limited and Sona
Stampings Limited and their respective
Shareholders and Creditors.

AND

IN THE MATTER OF

SONA KOYO STEERING SYSTEMS

LIMITED, a Company incorporated under the
provisions of the Companies Act, 1956 and
having its Registered Office at UGF-6,
Indraprakash, 21 Barakhamba Road, New
Delhi-110001.

**APPLICANT/
AMALGAMATED COMPANY**

**NOTICE CONVENING MEETING OF THE SECURED CREDITORS OF
SONA KOYO STEERING SYSTEMS LIMITED ("THE COMPANY").**

NOTICE is hereby given that by an Order made on the 07th day of October, 2013, the Hon'ble High Court of Delhi at New Delhi, has directed that a meeting of the Secured Creditors of the Company, be held at FICCI Auditorium, 1, Tansen Marg, Todermal Road Area, Mandi House, New Delhi 110001 on Saturday, the 23rd day of November, 2013 at 02:00 P.M., for the purpose of considering and if thought fit, approving with or without modification(s), the Scheme of Amalgamation between Sona Koyo Steering Systems Limited and Sona Stampings Limited and their respective Shareholders and Creditors (the "Scheme").

In pursuance of the said Order and as directed therein, further notice is hereby given that a meeting of Secured Creditors of the Company will be held at FICCI Auditorium, 1, Tansen Marg, Todermal Road Area, Mandi House, New Delhi 110001 on Saturday, the 23rd day of November, 2013 at 02:00 P.M., at which time and place the Secured Creditors are requested to attend.

Copy of the Scheme and the statement under Section 393 of the Companies Act, 1956 can be had free of charge at the Registered Office of the Company at UGF-6, Indraprakash, 21 Barakhamba Road, New Delhi 110001 or at the office of its Advocates, Amarchand & Mangaldas & Suresh A. Shroff & Co., Amarchand Towers, 216, Okhla Industrial Estate, Phase-III, New Delhi-110 020.

Persons entitled to attend and vote at the meeting, may vote in person or by proxy, provided that the proxy in the prescribed form is deposited at the Registered Office of the Company at UGF-6, Indraprakash, 21 Barakhamba Road, New Delhi 110001, not later than 48 hours before the time of the meeting.

Form of proxy can be had at the Registered Office of the Company.

The Hon'ble High Court has appointed Mr. Randhir K. Singh, Advocate and failing him, Mr. Abhishek Gupta, Advocate, to be the Chairperson of the said meeting.

Dated this 25th day of October, 2013

Sd/-
Randhir K. Singh
(Chairperson appointed for the meeting)

**दिल्ली उच्च न्यायालय, नई दिल्ली में
कम्पनी न्यायालय
कम्पनी आवेदन (एम) सं. 132 वर्ष 2013**

के मामले में :

कम्पनी अधिनियम, 1956 ;

तथा

के मामले में :

कम्पनी अधिनियम, 1956 की

धारा 391 (1) के तहत आवेदन ;

तथा

के मामले में :

सोना कोयो स्टीयरिंग सिस्टम्स लिमिटेड

और सोना स्टांपिंग्स लिमिटेड और

उनके संबंधित शेयरधारकों और क्रेडिटर्स

के बीच समामेलन की स्कीम

तथा

के मामले में :

सोना कोयो स्टीयरिंग सिस्टम्स लिमिटेड,

कम्पनी अधिनियम, 1956 के प्रावधानों के

तहत गठित एक कम्पनी, जिसका पंजीकृत

कार्यालय यूजीएफ-6, इंद्रप्रकाश, 21 बाराखम्बा

रोड, नई दिल्ली-110001 में स्थित है।

आवेदक/

समामेलित कम्पनी

**सोना कोयो स्टीयरिंग सिस्टम्स लिमिटेड ("कम्पनी") के प्रत्याभूत
क्रेडिटर्स की बैठक के आयोजन की सूचना**

एतद्वारा सूचना दी जाती है कि माननीय दिल्ली उच्च न्यायालय, नई दिल्ली के आदेश दिनांक 07 अक्टूबर, 2013 द्वारा निर्देशित किया गया है कि कम्पनी के प्रत्याभूत क्रेडिटर्स की एक बैठक शनिवार, 23 नवम्बर, 2013 को अप. 2:00 बजे फिक्की ऑडीटोरियम, 1, तानसेन मार्ग, टोडरमल रोड एरिया, मंडी हाउस, नई दिल्ली-110001 में सोना कोयो स्टीयरिंग सिस्टम्स लिमिटेड और सोना स्टांपिंग्स लिमिटेड और उनके संबंधित शेयरधारकों और क्रेडिटर्स के बीच समामेलन की स्कीम ("स्कीम") पर विचार करने और यदि उपयुक्त विचारित किया जाए, संशोधन(नों) सहित अथवा संशोधन(नों) के बिना अनुमोदन के प्रयोजनार्थ आयोजित की जाए।

उक्त आदेश के अनुसरण में तथा उसमें निर्देशितानुसार आगे सूचना दी जाती है कि कम्पनी के प्रत्याभूत क्रेडिटर्स की एक बैठक शनिवार, 23 नवम्बर, 2013 को अप. 2:00 बजे फिक्की ऑडीटोरियम, 1, तानसेन मार्ग, टोडरमल रोड एरिया, मंडी हाउस, नई दिल्ली-110001 में आयोजित की जाएगी, जिसमें प्रत्याभूत क्रेडिटर्स से भाग लेने हेतु अनुरोध किया जाता है।

समामेलन की उक्त स्कीम और कम्पनी अधिनियम की धारा 393 के अधीन व्याख्यात्मक विवरण की प्रति कम्पनी के पंजीकृत कार्यालय यूजीएफ-6, इंद्रप्रकाश, 21 बाराखम्बा रोड, नई दिल्ली-110001 से अथवा इसके अधिवक्ताओं अमरचन्द एण्ड मंगलदास एण्ड सुरेश ए. श्रॉफ एण्ड कम्पनी, अमरचन्द टावरों, 216, ओखला इंडस्ट्रियल एस्टेट, फेस-III, नई दिल्ली-110020 स्थित कार्यालय से नि:शुल्क प्राप्त की जा सकती है।

बैठक में भाग लेने और मतदान करने का अधिकार रखने वाले व्यक्ति व्यक्तिशः अथवा परोक्षी द्वारा मतदान कर सकते हैं, परंतु शर्त यह है कि परोक्षी निर्धारित फार्म में कम्पनी के पंजीकृत कार्यालय यूजीएफ-6, इंद्रप्रकाश, 21 बाराखम्बा रोड, नई दिल्ली-110001 में बैठक के समय से कम से कम 48 घंटे पूर्व जमा कर दिए जाने चाहिए।

परोक्षी का फार्म कम्पनी के पंजीकृत कार्यालय से प्राप्त किया जा सकता है।

न्यायालय ने श्री रुपधीर के. सिंह, अधिवक्ता को उक्त बैठक का अध्यक्ष तथा उनकी अनुपस्थिति में श्री अभिषेक गुप्ता, अधिवक्ता को वैकल्पिक अध्यक्ष नियुक्त किया है।

दिनांकित 25 अक्टूबर, 2013

हस्ता./-

रुपधीर के. सिंह

(बैठक हेतु अध्यक्ष नियुक्त)