

**ZF RANE AUTOMOTIVE INDIA
PRIVATE LIMITED
DOCUMENTS FOR INSPECTION
NCLT MEETING
JUNE 2025**



सत्यमेव जयते

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

Office of the Registrar of Companies

Block No. 6, B' Wing, 2nd Floor Shastri Bhawan 26, Chennai, Tamil Nadu, India, 600034

Certificate of Incorporation pursuant to change of name
[Pursuant to rule 29 of the Companies (Incorporation) Rules, 2014]

Corporate Identification Number (CIN): U35999TN1987PTC014600

I hereby certify that the name of the company has been changed from RANE TRW STEERING SYSTEMS PRIVATE LIMITED to ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED with effect from the date of this certificate and that the company is limited by shares.

Company was originally incorporated with the name RANE POWER STEERING LIMITED.

Given under my hand at Chennai this Fourth day of March two thousand twenty-two.



V T SAJEEVAN

Registrar of Companies
RoC - Chennai

Mailing Address as per record available in Registrar of Companies office:

ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED

MAITHRI 132,, CATHEDRAL ROAD, CHENNAI, Tamil Nadu, India, 600086



//Certified True Copy//

Certificate of Incorporation Consequent upon Conversion to
Private Limited Company



GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
Chennai

Block No. 6 , B' Wing, 2nd Floor , Shastri Bhawan 26 , Haddows Road Chennai -
600034, Tamil Nadu, INDIA

Corporate Identity Number : U35999TN1987PTC014600.

Fresh Certificate of Incorporation Consequent upon Conversion from Public Company to Private Company .
IN THE MATTER OF RANE TRW STEERING SYSTEMS LIMITED

I hereby certify that RANE TRW STEERING SYSTEMS LIMITED which was originally incorporated on Third day of July Nineteen Hundred Eighty Seven under any previous company law as RANE POWER STEERING LTD and upon an intimation made for conversion into Private limited by shares Company under Section 18 of the Companies Act, 2013; and approval of Central Government signified in writing having been accorded thereto by the Tamil Nadu, Chennai, Andaman and Nicobar Islands vide SRN C45593316 dated 12/03/2015 the name of the said company is this day changed to RANE TRW STEERING SYSTEMS Private Limited.

Given under my hand at Chennai this Twelfth day of March Two Thousand Fifteen.

Validity unknown
Digitally signed by
V ELANGOVAR
Date: 2015.03.12
14:19:51 GMT+05:30

V ELANGOVAR
Deputy Registrar of Companies
Registrar of Companies
Chennai

Mailing Address as per record available in Registrar of Companies office:

RANE TRW STEERING SYSTEMS Private Limited
MAITHRI 132,, CATHEDRAL ROAD ,
CHENNAI - 600086,
Tamil Nadu, INDIA

Company Number : 14600



**FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME**

In the office of the Registrar of Companies, Tamil Nadu, Madras-6.
(Under the Companies Act, 1956 (I of 1956))

IN THE MATTER OF* **M/S RANE POWER STEERING LIMITED**

I hereby certify that.....~~M/S RANE POWER STEERING LIMITED~~.....

which was originally incorporated on...3rd.....day of.....JULY...1987.....

under** Companies Act, 1956/1913 and under the name...~~M/S RANE POWER~~.....

~~STEERING LIMITED~~.....***.....***.....

having duly passed the necessary resolution on...19.2.97.....in terms of Section
21 / ~~22 (1) (a) & 22 (1) (b) & 44~~ of the companies Act, 1956 and the approval of the
Central Government signified in writing having been accorded hereto in the Ministry
of Law, Justice and Company Affairs, Department of Company Affairs, Registrar
of Companies, Madras, Letter No..~~14600/TAMI/S21/97~~ted....13.3.97.....

the name of the said company in this day changed to..~~M/S RANE TRW~~.....

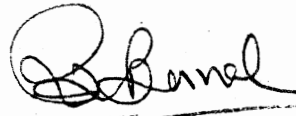
....~~STEERING SYSTEMS LIMITED~~.....

and this Certificate is issued pursuant to Section 23(1) of the said Act

Given under my hand at MADRAS this.....THIRTEENTH.....Day of.....MARCH.....
TWENTY SECOND PHALGUNA

One thousand nine hundred and NINETY SEVEN
One thousand nine hundred and EIGHTEEN (Saka)




(P.K. BANSAL)
Registrar of Companies
Tamil Nadu

* Here give the name of the company as existing prior to the change.

** Here give the name of the Act(s) under which the company was originally registered and incorporated.



Certificate For Commencement of Business

Pursuant of section 149 (3) of the Companies Act, 1956

I hereby certify that the RANE POWER STEERING LIMITED

**** * * * * *
**** * * * * *

which was incorporated under the Companies Act, 1956, on
the Third day of July 1987
Twelfth Asadha 1909
and which has this day filed a duly verified declaration in the
prescribed form that the condition of section 149 (1) (a) to (d) /
149 (2) (a) to (c) of the said Act, have been complied with, is
entitled to commence business.

Given under my hand at M.A.D.R.A.S.
this Thirtyfirst day of July
Ninth Gravana
One thousand nine hundred and eighty seven
One thousand nine hundred and nine (Saka)



(R AGHORAMURTHY)
Registrar of Companies
Tamil Nadu

FORM I. R.



CERTIFICATE OF INCORPORATION

No. 14600 of 1987.

I hereby certify that RANE POWER STEERING LIMITED

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

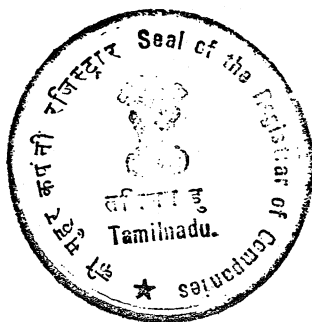
Given under my hand at M A D R A S

this THIRD day of JULY

Twelfth Asadha

One thousand nine hundred and RIGHTY SEVEN.

(One thousand nine hundred and Nine - Saka).



K. Panchapakesan

(K. PANCHAPAKESAN)
ADDL. Registrar of Companies
TAMIL NADU

Memorandum & Articles of Association of

ZF Rane Automotive India Private Limited¹

¹ Name of the Company has been changed from "Rane TRW Steering Systems Private Limited" to "ZF Rane Automotive India Private Limited", pursuant to special resolution passed at the Extra-ordinary General Meeting held on 1st February 2022.

The Companies Act, 2013
Companies Limited by Shares

**Memorandum of Association of
ZF Rane Automotive India Private Limited¹**

- I. The name of the Company is “**ZF Rane Automotive India Private Limited**”¹
 - II. The Registered Office of the Company will be situated in the State of Tamilnadu.
 - III. The objects for which the Company is formed are
 - A. Main objects of the Company to be pursued by the company on its incorporation :
 1. [To carry on the business of manufacturers, exporters, and dealers primarily in all types of Power Steering Gear systems for commercial vehicles and hydraulic power steering systems for passenger cars, Farm Tractors.]²
 2. To carry on the business of manufacturers, exporters and dealers in all types of Transmission Components including Steering Gears, Tie rod ends, Automotive Gears including Crown Wheel and Pinions, Gear bones, Propeller Shafts, Universal Joints and the like.
 3. [To carry on the business of manufacturers, exporters and dealers in all types of Pumps, Reservoirs, Hoses and fittings and such other components or assemblies required for the above and other Engineering applications.]³
- [***]⁴

1 Name of the Company has been changed from “Rane TRW Steering Systems Private Limited” to “ZF Rane Automotive India Private Limited”, pursuant to special resolution passed at the Extra-ordinary General Meeting held on 1st February 2022.

2 The following changes has been made in clause III (A) pursuant to the special resolution at the Extraordinary General Meeting held on 01st February, 2022.

Sub-Clause 1 substituted. Prior to substitution, sub-clause 1 read as follows:

“To carry on the business of manufacturers, exporters, and dealers primarily in all types of Power Steering Gear systems for Automotive, Tractors, Earth moving Machines, Fork lifts for on road and off road applications.”

3.Sub-Clause 3 substituted. Prior to substitution, sub-clause 3 read as follows:

To carry on the business of manufacturers, exporters and dealers in all types of Pumps required for the above and other Engineering applications.

4.Sub-Clauses 4, 5 and 6 deleted. Prior to deletion, sub-clauses 4, 5 and 6 read as follows:

Clause 4.To carry on the business of manufacturers, exporters and dealers in all types of Reservoirs required for the above systems.

Clause 5To carry on the business of manufacturers, exporters and dealers in all types of Hoses and Fittings for the above systems.

Clause 6To manufacture, produce, repair, export, import, purchase, sell and deal in and generally carry on business in manufacture, sale and supply of Power and Manual Steering Gear systems wholly and partly.

5.The following new sub-clause inserted as sub-clause 4

To manufacture, sell or otherwise deal in occupant safety systems including but not to the exclusion of seat belts, airbags, airbag modules, inflators, crash sensors safety electronic systems, assemblies, related parts, components and any other high-precision components for automotive industry.

6.Sub-clauses 7 and 8 sub-clauses renumbered as sub-clauses 5 and 6 respectively.

4. [To manufacture, sell or otherwise deal in occupant safety systems including but not to the exclusion of seat belts, airbags, airbag modules, inflators, crash sensors safety electronic systems, assemblies, related parts, components and any other high-precision components for automotive industry.]⁵
5. [To manufacture, sell or otherwise deal in all such materials or components as are allied and akin to the above mentioned products.]⁶
6. [To carry on the business of manufacture of components/raw materials that are required for the above mentioned products.]⁶

B. The objects incidental or ancillary to the attainment of the main objects are:

1. To acquire land and buildings and alter or renovate the same for the purpose of business of the company.
 2. To enter into arrangements for technical collaboration and or other forms of assistance including capital participation with foreign or Indian manufacturers of all types of goods or products manufactured or proposed to be manufactured or processed by the company or for doing specialised service falling within the objects of the company and to pay for such technical assistance or collaboration royalties or other fees in cash, or in any other form.
 3. To acquire, provide, construct, establish, run and maintain factories, workshops, buildings, plant, machinery warehouse and other conventions necessary for any of the purposes or business of the company.
 4. To establish, maintain and operate training schools for apprentices, artisans, mechanics, technicians, engineers, supervisors or any employees or personnel employed in connection with the business of the company.
 5. To act as buying or selling agents or other types of agents and brokers of Government or Public authorities, or any company, body corporate, association, firm or persons and perform all and the several duties, services and offices which the agents and brokers can do and perform and to enter into any agreement or agreements for any of the purposes aforesaid.
 6. To acquire and run any industrial concern or factory considered necessary for any of the purposes or business of the company.
 7. To enter into any arrangement with any Government or authorities, municipal, local or otherwise, or any persons or company in India or abroad that may seem conducive to the objects of the company or any of them and to obtain from any such Government, authority, persons or company any rights, privileges, charters, contracts, licences and concessions.
 8. To purchase, take on lease or in exchange or under amalgamation, licence or concession or otherwise, absolutely or conditionally, solely or jointly with others and make, construct, maintain, work, hire, hold, improve, alter, pull down, remove or replace, enlarge, manage, control, let, sell, dispose of or exchange, roads, canals, water-sources, ferries, piers, aerodromes, lands, buildings, warehouses, works, offices, factories, shops, mills, workshops, railway sidings, tramways, engines, machinery and apparatus, water rights, way leaves, trade marks, patents and designs, privileges or rights of any description or kind, which may seem calculated directly or
-

indirectly to advance the interests of the company.

9. To bring, buy, sell, prepare, repair, convert, hire, alter, treat, manipulate, let on hire, import, export, dispose of and deal in machinery, implements, rolling stock, plant, hardware metals, natural and synthetic rubber carbon- black, rayon, nylon, chemicals, sealants, plastics, cement, stone materials, tools, appliances, apparatus, products, substances and articles of all kinds which are required for the purpose of any of the businesses which the company has expressly or by implication authorised to carry on.
10. To acquire the whole or any part of the undertaking and assets of any business within the objects of the Company and any lands, privileges, rights, contracts, property or effects held or used in connection therewith and upon any such purchase to undertake the liabilities of any such company, association, partnership or person.
11. To act as agents or brokers, stockists, distributors and agents, sales agents, representatives and as trustees for any person or company and to undertake perform subcontracts.
12. To amalgamate, enter into partnership, or into any arrangement for sharing profits, union of interests, co-operation, joint ventures or reciprocal concessions with any person or company carrying on or engaged in or about to carry on or engage in, any business or transactions which the company is authorised to carry on.
13. To apply for, purchase, or otherwise acquire and protect and renew in any part of the world any patents, patent rights, brevets d' invention, licences, concessions and the like, conferring any exclusive or non-exclusive or limited rights to their use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company and to use, exercise, develop or grant licence in respect of or otherwise turn to account the property, rights or information so acquired, and to expend money to experimenting upon, testing or improving any such patents, invention, information or rights.
14. To establish or promote or concur in establishing or promoting any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of the company.
15. To subsidise, assist and guarantee the payment of money or the performance of any contract, engagement or obligation by any persons or companies, and in particular, customers of the company or any persons or companies with whom the company may have or intend to have business relations.
16. To enter into a contract or contracts of loan or guarantee with any company, firm or persons for payment or performance of any debts, contracts, or obligations of and the payment of the capital and the dividends and interests on any stock, shares or securities of any company, firm or persons in any case in which such loan or guarantee may be considered by the Directors likely directly or indirectly to further the objects of the company or the interests of members.
17. Generally to purchase, take on lease or in exchange, hire or otherwise acquire, any real and personal property and any rights or privileges which the company may think necessary or convenient for the purpose of its business or which may enhance the value of any other property of the company and in particular any land, buildings, easements, machinery, plant, vehicles and stock-in-trade.
18. To train or pay for the training in India or abroad of any of the company's employees, officers, directors, technicians or any candidate in the interest of or for furtherance of

the company's objects.

19. To invest and deal with the moneys of the company not immediately required in any manner and in particular to accumulate funds or to acquire or take by subscriptions, purchase or otherwise howsoever or to hold shares or stock in or the security of any company, association or undertaking in India or abroad.
20. To lend and advance moneys or give credit to such persons or companies and on such terms as may seem expedient, and in particular to customers and others having dealings with the company, and to guarantee the payment of money and the performance of contracts or engagements entered into by any company or person and to secure the payment of the money and the performance of any contracts or engagements entered into by the company or by any other company or persons and to discharge any debt or other obligation of or binding upon the company or any other company or person by mortgage or charge upon all or any part of the undertaking, property and rights of the company (either present or future, or both) including its uncalled capital or by the creation or issue of debentures, debenture stock or other securities or by any other means.
21. To receive money on deposit or loan at interest within the permissible limit and borrow or raise money in such manner as the company shall think fit and in particular by the issue of debentures, or debenture stock (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the company (both present and future), including its uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the company or any other person or company of any obligation undertaken by the company or any other person or company, as the case may be, PROVIDED that the company shall not carry on any business of banking within the meaning of the Banking Companies Regulation Act, 1949.
22. To insure any or all properties, godowns, stocks (in godowns or in transit), machinery, Directors and employees with any insurance company or companies against all kinds of risk to the company or to its Directors and employees.
23. To remunerate (by cash or otherwise or by other assets) any person, firm, association or company for services rendered or to be rendered or for rendering technical aid and advice, granting licenses or permission for the use of patents, trade secrets, trade marks, processes and in acting as trustees for debenture-holders or debenture-stockholders of the company or for services rendered in or about the formation of promotion of the company or any company promoted by this company or in introducing any party or business to the company or in or about the conduct of the business of this company or for guaranteeing payment of such debenture stock or other securities and any interest thereon.
24. To pay for any business, property or rights acquired or agreed to be acquired by the company and generally to specify any obligation of the company by the issue or transfer of shares of this company or other company credited as fully or partly paid up or of debentures or other securities of this or any other company.
25. To pay, satisfy, or compromise, claims made against the company which it may be necessary or seem expedient to pay, satisfy or compromise, and also do so notwithstanding that the same may not be valid in law.
26. To open any kind of account in any Bank.
27. To draw, make, accept, endorse, discount, execute and issue and negotiate cheques, promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
28. To pay for any rights or property acquired by the company and to remunerate any

person or company whether by cash payment or by the allotment of shares or debentures or other securities of the company credited as paid up in full or in part or otherwise.

29. To pay out of funds of the company all expenses which the company may lawfully pay with respect to the formation and Registration of the company or the issue of its capital.
30. To sell, lease, mortgage, exchange or otherwise dispose of the property, assets or undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, stocks, debentures or other securities of any other company whether or not having objects altogether or in part similar to those of the company.
31. To distribute among the members in specie any property of the Company or any proceeds of the sale or disposal of any property of the Company, in the event of its being wound up but so that no distribution amounting to a reduction of capital be made except in accordance with the provisions of the Companies Act.
32. To improve, manage, develop, grant rights or privileges in respect of or otherwise deal with, all or any part of the property and rights of the company.
33. To establish, join, support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the company or the dependants or connections of such persons or the public and to make payments towards insurance and to subscribe, contribute or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general, or useful object, the support of which will in the opinion of the company lead to the increase of its reputation or goodwill among its employees, customers' agents or the public.
34. Subject to the provisions of the Companies Act, to provide for the welfare of the directors, trustees and employees or ex-directors, ex-trustees or ex-employees of the Company and the wives, widows and families or the dependants or connections of such persons, by buildings or contributing to the building of houses, dwellings, by grants of money, pensions, gratuities, allowances, bonuses or other payments, or by creating and from time to time subscribing or contributing to provident and other funds, institutions funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation or hospitals and dispensaries, medical and other attendance and other assistance as the company shall think fit and to subscribe or contribute or otherwise assist or to guarantee money to charitable, benevolent, religious, scientific, national or allied institutions, bodies and objects which shall have moral or other claims to the support or aid by the company either by reason of locality of operation or public and general utility.
35. To procure the company to be registered or recognised in any part of the world outside India.
36. To open and keep a register or registers in any country or countries where it may be deemed advisable to do so, and to allocate any number of shares in the company to such register or registers.
37. To create any depreciation fund, reserve fund, sinking fund or any other special fund whether for depreciation or for repairing, improving, extending or maintaining any of the properties of the company or for any other purpose conducive to the interest of the company.

38. Subject to the provisions of Companies Act, to place, to reserve or to distribute as bonus among the members or otherwise to apply, as the company may from time to time think fit, any monies received by way of premium on shares or debentures issued at a premium by the company and any monies received in respect of dividends secured on forfeited shares.
39. To establish, provide and conduct or otherwise subsidise research laboratories and experimental work-shops for scientific and technical research and experiments; to undertake and carry on scientific and technical researches, experiments and tests of all kinds to promote studies and researches both scientific and technical, investigations and inventions by providing, subsidising, endowing conferences and by providing for or contributing to the remuneration of scientific or technical professors or teachers and by providing for or contributing to the award of scholarships, prizes, grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any business which the company is authorised to carry on.
40. Subject to the provisions of the Companies Act, or any other enactment in force, to indemnify and keep indemnified members, Officers, Directors, Agents and Employees of the company against proceedings, costs, damages, claims, and demands in respect of anything done or ordered to be done by them for and in the interests of the company and for any loss, damage or misfortune whatever and which shall happen in execution of the duties of their office or in relation thereto.
41. To take or concur in taking all such steps and proceedings as may seem best calculated to uphold and support the credit of the company and to obtain and justify public confidence and to avert or minimise financial disturbances which might affect the company.
42. To apply for promote and obtain any Act, of Parliament, Charter, privilege concession, licence or authorisation of any Government, State or Municipality, provisional order or licence of any authority for enabling the company to carry on any of its objects into effect or for extending any of the powers of the company or effecting any modification of the constitution of the company or for any other purpose which may seem expedient and to oppose any proceedings on application which may seem calculated directly or indirectly to prejudice the interests of the company.
43. To agree to refer to arbitration and to refer to arbitration any dispute present or future between the company and other company, firm or individual and to submit the same to arbitration in India or abroad either in accordance with Indian or any foreign system of law.

C. The other Objects of the Company not included in (A) and (B) are :

1. To carry on the business of manufacture and selling of ceramic, metallic, plastics, and polymer goods, metal ceramic, plastic and polymer insulations.
2. To carry on the business of manufacture and selling of chemicals, resins, plastics, adhesives, precipitates.
3. To carry on the business of manufacture and selling of all types of scientific and surgical instruments, appliances and equipments.
4. To construct, lay down, establish, fix, erect, equip and maintain generators machinery, electrical, equipments and cables, lines, accumulators, lamps fittings and apparatus in the capacity of principals contracts or otherwise.
5. To carry on the business of manufacture and selling of all kinds of apparatus and equipment using electronic devices together with instrumentation intended for

testing, controlling, observing and maintaining the equipment and apparatus mentioned above.

6. To carry on business as technical consultants, advisers and surveyors of technical know-how, formulae, processes and applied technology and to organise and pursue research and development in areas chosen from time to time.
7. To take part in the management, supervision or control of the business or operations of any company or undertaking, and for that purpose to appoint and remunerate any Directors, accountants or other experts or agents. However the company shall not act as Manager or Managing Agent of another company.
8. To carry on the business of hirers of and dealers in computers, electronic calculators and to generally act as consultants and advisers on information systems, and surveyors of information services based on the use of computers, electronic calculators and to furnish to the users, systems help, know-how programmes and other software relating to use of such machines and allied peripherals.
9. To purchase, take on lease or otherwise acquire, cultivate, improve, develop and turn into account any land (agricultural or otherwise) by planting, paving, draining, farming, cultivating, letting on lease laying out and preparing for building purposes, constructing, altering, pulling down, decorating, maintaining, furnishing and fitting up and improving any land and building thereon.
10. To conduct and carry on the business of Iron Masters, Metallurgists, Smelters, Steel Makers, Converters, General Metal Founders, Metal Workers, Metal Spraying Mill wrights, Spinners, Rollers and workers of Metals and their alloys, electrical, Mechanical, Mining and Civil Engineers, Metal and mineral merchants, miners, carriers and contractors.
11. To carry on the business of forging and drop stamping for all trades and industry.
12. To do manufacturing, import and export business of ferrous and non-ferrous castings of all kinds.
13. To provide a leasing advisory/counselling service to other entities and/or form the leasing arm of other entities and to do leasing business on all articles.
14. To undertake and execute any trusts the undertaking whereof may seem desirable, and also to undertake the office of executor, administrator, receiver, and to keep for any company, Government, Authority or body, any register relating to any stocks, funds or shares or securities, or to undertake any duties in relation to the registration of transfers, the issue of certificates or otherwise.
15. To appoint Trustees to hold securities on behalf of and to protect the interest of the company.
16. To carry on all or any of the businesses of the engineers, machinists, tool makers, wire drawers, mill-wrights, founders, tube makers and iron and steel converters.
17. To carry on all or any of the businesses of the saddlers, galvanisers, metal workers, welders, woodworkers, metallurgists, electro platers, annealers, japanners, painters, packing case manufacturers and welding apparatus.
18. To carry on all or any of the businesses of the heavy and light, electrical, pneumatic, hydraulic and or electric, plant and machinery, designs in existence today or to be invented hereafter.
19. To carry on in all their respective branches all or any of the businesses of builders, masonry, structural, general construction contractors, and road builders.
20. To carry on the business of merchants and dealers in brick, timber, hardware and other building requisites, builders, merchants, brick and tile, terracotta, makers, ceramic and porcelain ware manufacturers and marble manufacturers.

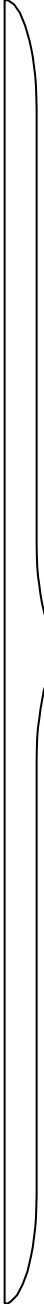
21. To carry on the business of electricians, electrical engineers, electrical contractors and repairers of all electronic equipment, used on all types of applications and manufacturers of all kinds of electrical machinery and electrical apparatus for any purpose whatsoever.
22. To carry on the business of founders of ferrous and non-ferrous metals sheet- metal work, press shop apparatus, welding engineers, refrigerator and air- conditioning and environmental control system engineers.
23. To do all or any of the above things in any part of the world either as principals, agents, contractors, trustees or otherwise and by or through trustees, agents or otherwise either alone or in conjunction with others.
24. To design, manufacture, develop and deal in valves for any heat engines and internal combustion engines operated by any fuel.
25. To carry on the business of iron founders, engineers, machinists and exporters of all kinds of implements conducive to carry on the business of the company.

IV. The liability of the Members is limited.

V. The authorised share capital of the company is Rs.9,00,00,000 (Rupees nine crores only)divided into 90,00,000 (Ninety lakhs) equity shares of Rs.10 each. The Company has power, from time to time, to increase or reduce its capital and to divide the share in the capital for thetime being into other classes and of higher denomination and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions, as may be determined by or in accordance with the Articles of Association of the Company or the legislative provisions for the time being in force in that behalf.

(Amended vide ordinary resolution passed at the Extraordinary General Meeting held on 25th January, 1995).

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

Sl. No.	Names, addresses and description of subscribers	Number of Shares taken by each subscriber	Witness with name, address and description
1.	Sd/- C Bhaskaran S/o Dr K Madhava Menon SB8, 73 McNichols Road Madras-600031. - Service	1 (One) Equity Share	 <p>Witnesses to all these signatories Sd- V Balasubramanian S/o Mr. M Venkateswaran Company Service 197/18 Asiad Colony Thirumangalam, Annanagar West Madras 600 040</p>
2.	Sd/- P B Venkataraman S/o Mr P S Balakrishnan 4/2 Rajagopalan Street Tiruvanmiyur, Madras 600 041 Service	1 (One) Equity Share	
3.	Sd/- P V Devanarayanan S/o Mr S V Sastri N3, Turnbulls Road Madras 600 035. - Service	1 (One) Equity Share	
4.	Sd/- K Subramaniam S/o Mr P Krishna Iyer O4 HIG Flats Kotturpuram Hg Bd Colony Madras 600 085. - Service	1 (One) Equity Share	
5.	Sd/- K S Krishnaswamy S/o Late K Subramanyam 5A, 37A Motilal Street Madras 600 017 Company Executive	1 (One) Equity Share	
6.	Sd/- A P Ramakrishnan S/o Mr A Parameswara Iyer No 7 Warren Road Madras 600 004. - Service	1 (One) Equity Share	
7.	Sd/- K V Ramana Rao S/o Mr K Ramachandra Rao 7, II Main Road Nehru Nagar Madras 600 020. - Service	1 (One) Equity Share	
Total Shares		7 (Seven only)	

Dated at Madras this 17th Day of June 1987

Articles of Association

of

ZF Rane Automotive India Private Limited[#]

#Name of the Company has been changed from “Rane TRW Steering Systems Private Limited” to “ZF Rane Automotive India Private Limited”, pursuant to special resolution passed at the Extra-ordinary General Meeting held on February 01, 2022.

This new revised Articles of Association of the Company was adopted by Special Resolution passed by the Members at the Extra-Ordinary General Meeting held on February 01, 2022, in substitution for and to the exclusion of the existing Articles of Association.

ZF Rane Automotive India Private Limited[#]

Under
The Companies Act, 2013

1. The regulations contained in Table “F” in the First Schedule to the Act shall not apply to the Company. However, if these Articles of Association of the Company do not make any provision for any matter and the regulations of Table “F” make any provisions in regard to such matters, then the regulations of Table “F” shall apply to such matters. *Table ‘F’ not to apply*

Interpretation

2. (a) Unless the context otherwise requires, words interpretation or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force on the date on which the Articles become binding on the Company.
- i) **“The Act”** means the Companies Act, 2013 and the rules made thereunder (as applicable), or any previous company law and rules made thereunder each as amended, modified, restated or re-enacted from time to time.
- ii) **“Affiliate”** means, with respect to any person, a person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under Common Control of that Person.
- iii) **“These Articles”** means these Articles of Association as from time to time altered.
- iv) **“The Company”** means **ZF Rane Automotive India Private Limited.**
- v) **“Control”** means, with respect to any Person: (a) the ownership of more than 50% (fifty percent) of the equity shares or other voting securities of such Person; (b) the possession of the power to direct the management and policies of such Person; or (c) the power to appoint a majority of the directors, managers, partners or other individuals exercising similar authority with respect to such Person by virtue of ownership of voting securities or management or contract or in any other manner, whether directly or indirectly, including through one or more other Persons; and the term “Common Control” and “Controlled by” shall be construed accordingly.
- vi) **“Seal”** means the Common Seal for the time being of the Company.
- vii) **“The Directors”** means the Directors for the time being of the Company.
- viii) **“The Board of Directors”** or **“the Board”** means the Board of Directors for the time being of the Company.

- ix) **“The Office”** means the Registered Office for the time being of the Company.
- x) **“Register”** means the Register of Members of the Company required to be kept under the Act.
- xi) **“Share Capital”** means the Capital for the time being raised or authorised to be raised for the purpose of the Company.
- xii) **“Shares”** means the equity shares of the Company having a face value of INR 10 (Indian Rupees Ten) each.
- xiii) **“Paid-up”** includes credited as paid up.
- xiv) **“Shareholders”** or **“Members”** means the duly registered holders of the Shares from time to time.
- xv) **“Dividend”** includes bonus.
- xvi) **“Annual General Meeting”** means an Annual General Meeting of the Members held in accordance with the provisions of the Act and these Articles.
- xvii) **“Extraordinary General Meeting”** means an Extraordinary General Meeting of the Members duly called and held in accordance with the provisions of the Act and these Articles.
- xviii) **“Ordinary Resolution”** and **“Special Resolution”** shall have the meanings respectively assigned thereto in the Act.
- xix) **“Person”** means any individual, sole proprietorship, association (including unincorporated association), unincorporated organization or joint venture, body corporate, corporation (including any non-profit corporation), company (including any limited liability company, joint stock company or joint venture), general partnership, limited partnership, limited liability partnership, estate, trust, firm, government authority or any other enterprise or other entity (whether or not having separate legal personality).
- xx) **“Proxy”** includes attorney duly constituted under a Power of Attorney.
- xxi) **“In writing”** and **“written”** include printing, lithography and other modes of representing or reproducing words in a visible form.
- xxii) **“RHL”** means Rane Holdings Limited, a company incorporated under the laws of India and having its registered office at Maithri, 132 Cathedral Road, Chennai – 600086, India.
- xxiii) **“ZF”** means ZF Automotive J.V. US LLC, (formerly known as ‘TRW Automotive J.V. LLC’) a corporation incorporated under the laws of the State of Ohio, USA, having its principal office at 1900 Richmond Road, Cleveland, Ohio 44124, USA.
- xxiv) **“ZFAG”** means ZF Friedrichshafen AG, the parent company of ZF having its registered office at Löwentaler Straße 20, 88046 Friedrichshafen, Germany.
- xxv) Words importing the singular number also include the plural number and vice versa and words importing the masculine gender also include the feminine

gender and vice versa.

- (b) References to a legislation include any statute, bye-law, regulation, rule, subordinate or delegated legislation or order, and reference to any legislation is to such legislation as amended, modified or consolidated from time to time and / or to any legislation replacing it or made under it.
- (c) The marginal notes hereto are inserted for convenience and shall not affect the construction hereof and in these presents, unless there be something in the subject or context inconsistent therewith.

Private Company

2A The Company is a private company within the meaning of Section 2(68) of the Act *Private Company*
and accordingly:

It is a company having a minimum paid-up share capital as may be prescribed by the Act, and it has:

- (i) restricted the right to transfer its shares;
- (ii) limited the number of its members to two hundred:
Provided that where two or more persons hold one or more shares in a company jointly, they shall, for the purposes of this Article, be treated as a single member:
Provided further that -
 - (A) persons who are in the employment of the Company; and
 - (B) persons who, having been formerly in the employment of the Company, were members of the Company while in that employment and have continued to be members after the employment ceased, shall not be included in the number of members; and
- (iii) prohibited any invitation to the public to subscribe for any securities of the Company.

Capital and increase and reduction of capital

- 3. The Authorised Share Capital of the Company is Rs.9,00,00,000 (Rupees nine crores only) divided into 90,00,000 (Ninety lakhs only) equity shares of Rs.10/- each. The Company shall have power to increase, consolidate, sub-divide, reduce or otherwise alter its share capital subject to the provisions of the Act and these Articles. *Authorised Share Capital*
- 4. Subject to the provisions of these Articles, the Company in General Meeting may, from time to time, by ordinary resolution, increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act and these Articles, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Directors shall determine, and in particular, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company, and with a special or without any right of voting at general meetings of the Company. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of the Act pertaining to the giving of notice to the Registrar of Companies for alteration of share capital. *Increase of Capital*

5. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise. *New capital same as existing capital*
6. Subject to the provisions of the Act and these Articles, the Company shall have the power to issue Preference Shares which are liable to be redeemed, within a period not exceeding twenty years from the date of their issue, and the resolution authorising such issue shall prescribe the manner and terms and conditions of redemption. *Redeemable Preference Shares*
7. On the issue of Redeemable Preference Shares under the provisions of Article 6 hereof the following provisions shall take effect: *Provisions to apply on issue of Redeemable Preference Shares*
 - a) no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of such redemption;
 - b) no such shares shall be redeemed unless they are fully paid;
 - c) the premium, if any, payable on redemption, subject to applicable law, must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed;
 - d) Where any such shares are proposed to be redeemed out of the profits of the Company, there shall, out of such profits, be transferred to a reserve fund to be called the **"Capital Redemption Reserve Account"**, a sum equal to the nominal amount of the shares to be redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, apply as if the Capital Redemption Reserve Account were paid up share capital of the Company;
 - e) Subject to the provisions of the Act and these Articles, the redemption of Preference Shares may be affected on such terms and in such manner as may be provided for at the time of issue;
 - f) The redemption of Preference Shares under this clause shall not be taken as reducing the amount of the Authorised Share Capital of the Company;
 - g) The Capital Redemption Reserve Fund may, notwithstanding anything in this Article, be applied by the Company in paying up unissued shares of the Company as fully paid bonus Shares.
8. Subject to the provisions of the Act and these Articles, the Company may, from time to time, by Special Resolution reduce, in any manner, reduce its share capital and any Capital Redemption Reserve Account or Premium Account and with, and subject to, any incident authorised and consent required by law and, in particular, capital may be paid off on the footing that it may be called upon again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted. *Reduction of capital*
9. Subject to the provisions of the Act and these Articles, the Company in general meeting may, from time to time, sub-divide or consolidate its shares, or any of them. The Company in General Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. *Sub-division, consolidation and cancellation of shares*
10. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of the Act, be modified, commuted, effected or abrogated, or otherwise varied subject to (a) the consent in writing by the holders of at least three-fourths of the issued shares of the class concerned or (b) the sanction of a Special Resolution passed at a separate General Meeting of the holders of shares of that class, provided that if variation by one class of shareholders affects the rights of any other class of shareholders the consent of three-fourths of such other class of shareholders shall also be obtained. To every such separate meeting, the *Modification of rights*

provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

Shares and Certificates

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| 11. | The Company shall cause to be kept a Register and Index of Members in accordance with the Act. The Company shall be entitled to keep in any Country outside India a ‘foreign register’ of Members residing outside India in accordance with the Act. | <i>Register and Index of Members</i> |
| 12. | The shares in the capital shall be numbered progressively according to their several denominations and shall be distinguished by their distinctive numbers. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished. | <i>Shares to be numbered progressively</i> |
| 13. | Subject to the provisions of these Articles and of the Act, the shares including any shares forming part of any increased capital of the Company shall be under the control of Directors who may issue, allot or otherwise dispose of the same or any of them to such persons in such proportion, on such terms and conditions, and at such times as the Directors think fit and subject to the sanction of the Company in General Meeting with full power, to give any person the option to call for or be allotted shares of any class of the Company either (subject to the provisions of the Act) at a premium or at par or at a discount and such option being exercisable for such time and for such consideration as the Directors think fit. The Board shall cause to be filed the returns as to allotment provided for in the Act. | <i>Shares under control of Directors</i> |
| 14. | <p>a) In addition to and without derogating from the powers for that purpose conferred on the Board under Article 13, the Company in General Meeting may, subject to the provisions of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such person (whether members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of the Act) at a premium or at par or at a discount, as such General Meeting shall determine and with full power to give any person (whether a member or not) the option or right to call for, of or be allotted shares of any class of the Company either (subject to compliance with the provisions of the Act) at a premium or at par or at a discount, such option being exercisable at such time and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provisions whatsoever for the issue, allotment or disposal of any shares.</p> <p>b) Without prejudice to any special rights or privileges to any existing shares in the capital of the Company, the new shares may be issued upon such terms and conditions and with such rights and privileges annexed thereto as the General Meeting, resolving upon the creation thereof, shall direct and if no direction is given, as the Directors shall determine ; and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in General Meeting.</p> <p>c) Subject to Article 124 (Reserved Matters) in the event the Company is desirous of issuing any new equity securities (including by way of rights issue or a preferential allotment) (“New Issuance”), all Shareholders shall have a pro rata right to subscribe to such New Issuance (“Pre-emptive Right”).</p> <p>d) Subject to the applicable law, the Pre-emptive Right shall be offered by the Company by issuing a written notice to the Shareholders (“Issuance Notice”) setting forth in detail the terms of the New Issuance, including the New Issuance price</p> | <i>Power to Company in General Meeting to issue shares</i> |

("Issuance Price"), the proposed date of closing of the New Issuance and the number of equity securities proposed to be issued ("Issuance Shares").

e) If a Shareholder wishes to exercise its Pre-emptive Right ("Exercising Shareholder"), then the Exercising Shareholder shall inform the Company within a period of 15 (fifteen) days from the date of receipt of the Issuance Notice that it wishes to exercise its Pre-emptive Right ("Shareholder Issuance Shares"). Thereafter, on the closing date for the New Issuance, the Exercising Shareholder shall pay for and subscribe to the Shareholder Issuance Shares at the Issuance Price and on the terms and conditions set out in the Issuance Notice. The closing for the New Issuance shall be extended by such further period as may be mutually agreed between the Company and the Exercising Shareholders, if any government approvals are required for such purchase and payment. Subject to the receipt of the payment against exercise of the Pre-emptive Right by the Exercising Shareholder, the Company shall issue and allot the Shareholder Issuance Shares to the Exercising Shareholder on the date of closing of the New Issuance as stated in the Issuance Notice. To the extent that a Shareholder does not exercise its right to subscribe for its full entitlement of the New Issuance or in the event an Exercising Shareholder fails to pay the price for the Shareholder Issuance Shares after exercising its Pre-emptive Right, then such Shareholder's shareholding in the Company shall accordingly stand diluted and the Company shall first offer the unsubscribed portion of the Issuance Shares to the other Shareholder(s) on a pro-rata basis on the same terms as mentioned in the Issuance Notice, within 10 (ten) days from the closing (or the proposed date of closing) of the Shareholder Issuance Shares.

15. An application signed by an applicant for Shares in the Company, or where the Power of attorney or other Authority under which such application is signed or a notarially certified copy of that power or authority is deposited at the Registered Office of the Company, an application signed on behalf of such person, followed by an allotment of any Share therein, shall be an acceptance of Shares within the meaning of these Articles; and every person who thus or otherwise accepts any Share and whose name is on the Register, shall for the purposes of these Articles be a Member. Acceptance of Shares
16. The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly. Deposit, call, etc., to be debt payable immediately
17. Every member, or his heirs, executors, administrators, shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require or fix for the payment thereof. Liability of member

Certificates

18. a) Every person whose name is entered in the Register of Members or in the Register of holders of Debentures shall be entitled to receive within the time specified in the Act or within such other period as the conditions of issue shall provide one certificate for all his Shares or Debentures, without payment. The Company shall on receipt of request in writing from any Member or debenture-holder, issue free of charge, the required number of certificates, each such certificate being for that number of Shares or debentures which represent the market lot for the time being or for more or less than the number, in cancellation of the certificate or certificates specifying the Shares or debentures in the Company or which he is the registered Issue of certificates

owner.

- b) Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issue against letters of acceptance or letters of renunciation or in case of bonus shares. Every such certificate shall be issued under the Seal of the Company, which shall be affixed in the presence of two Directors duly authorized by the Board for the purpose or duly authorized by a Committee of the Board, if so authorized by the Board or persons acting on behalf of the Directors under a duly registered power of attorney, and the Secretary or some other person appointed by the Board for the purpose, and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permit it, atleast one of the aforesaid two Directors shall be a person other than a Managing or Wholetime Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued indicating the date of issue.
- c) In respect of any Share or Shares or any Debenture or Debentures held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate for a Share or Debenture to one of several joint holders shall be sufficient delivery to all such holders.

19.

- a) No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated into marketable lot or in replacement of those which are defaced, mutilated, torn or old, decrepit, worn out, or where the pages on the reverse for recording transfers have been fully utilised, unless the certificate inlieu of which it is issued is surrendered to the Company, provided that no fee should be charged for issue of such new certificate.
- b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and be recorded in the register maintained forthe purpose that it is “issued in lieu of share certificate no..... sub-divided / replaced / on consolidation” and also that no fee shall be payable pursuant to Scheme of arrangement sanctioned by the High Court or Central Government and against the stub or counterfoil to the effect that it is issued in lieu of share certificate no. sub- divided/replaced/or consolidation of shares.
- c) The issue and sealing of Share certificates and duplicates and the issue and sealing of new Share certificates on consolidation or sub-division or in replacement of Share certificates which are surrendered for cancellation due to their being defaced, mutilated, torn, old, decrepit or worn out or the pages for recording transfers having been utilised or of Share certificates which are lost or destroyed shall be in accordance with the provisions of the Act. If any Share certificate be lost or destroyed, then upon proof thereof to the satisfaction of the Board, and on such indemnity as the Board thinks fit being given, a new certificate in lieu thereof shall begiven free of charge to the party entitled to the Shares to which such lost or destroyed certificate shall relate.
- d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall be stated prominently on the face of it and be recorded in the Register maintained for the purpose that it is “duplicate issued in lieu of share certificate no....” and the word ‘duplicate’ shall be stamped or printed prominently on the faceof the share certificate, against the stub or counterfoil to the effect that it is duplicate issued in lieu of share certificate No. The word “Duplicate” shall be stamped or punched in bold letters across the face of the share certificate.
- e) Where a new share certificate has been issued in pursuance of clause (a) or clause

*Renewal ofshare
certificate, Issue of
duplicate ornew
certificates*

(c) of this Article, particulars of every such Share certificate shall be entered in a Register of Renewed and Duplicate Certificates indicating against the names of the persons to whom the certificate is issued the number and date of Issue of the Share Certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in the "Remarks" column.

- f) A Director may sign a Share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.
- g) The following persons shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates, including the blank forms of share certificates referred to in sub-rule(1), namely :
 - (i) the committee of the Board, if so authorized by the Board or where the Company has a company secretary, the Company Secretary; or
 - (ii) where the Company has no company secretary, a director specifically authorized by the Board for such purpose.
- h) All books referred to in above clauses be preserved in good order permanently.

- 20. If any share stands in the names of two or more persons, the person first named in the Register shall as regards receipts of dividends of bonus or service of notices and all or any other matter connected with the Company, except voting at meetings, and the transfer of the shares, be deemed the sole holder thereof, but the joint holders of a share shall be severally, as well as jointly, liable for the payment of all instalments and calls due in respect of such shares and for all incidents thereof according to the Company's regulations. *The first named of joint holders deemed soleholder*
- 21. Except as required by law no person shall be recognised by the Company as holding any shares upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share or (except only as is by these Articles or law otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, in the person from time to time registered as the holder thereof; but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them. *Company not Bound to recognise any interest in share other than that of registered holder*
- 22. The Company may, from time to time, subject to compliance with the Act and these Articles, purchase its own Shares or other specified securities. *Buy-back*

Underwriting and Brokerage

- 23. Subject to the provisions of the Act, the Company may at any time pay a commission to any person in connection with the subscription to its securities. *Commission may be paid.*
- 24. The Company may pay a reasonable sum for brokerage. *Brokerage*

Calls

- 25. The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by circular resolution) make such call as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by instalments. *Directors may make calls*
- 26. Fourteen days' notice in writing at the least of any call shall be given by the Company *Notice of calls.*

specifying the time and place of payment, and the person or persons to whom such call shall be paid.

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| 27. | A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments. | <i>Calls to date from resolution</i> |
| 28. | A call may be revoked or postponed at the discretion of the Board. | <i>Calls may be revoked or postponed</i> |
| 29. | The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. | <i>Liability of joint holders</i> |
| 30. | The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who by reason of residence at a distance or other cause the Board may deem are fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour. | <i>Directors may extend time</i> |
| 31. | If any member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member. | <i>Calls to carry interest</i> |
| 32. | Any sum, which by the terms of issue of a share become payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purpose of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified. | <i>Sums deemed to be calls</i> |
| 33. | On the trial or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered, is alleged to have become due on the shares in respect of which such money is sought to be recovered; that the resolution making the call is duly recorded in the Minute Book, and that notice of such call was duly given to the member or his representatives used in pursuance of these Articles; and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt. | <i>Proof on trial</i> |
| 34. | Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted, by the Company in respect of the payment of any such money, shall preclude the Company thereafter from proceeding to enforce a forfeiture of such shares as hereinafter provided. | <i>Partial payment not to preclude forfeiture</i> |
| 35. | The Board may, if it thinks fit, agree to and receive from any member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums actually called upon and upon the moneys so paid in advance, or upon so much thereof from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay | <i>Payment in anticipation of calls may carry interest</i> |

at any time an amount so advanced or may at any time repay the same upon giving to the member one month's notice in writing provided that moneys paid in advance of calls on any shares may carry interest but shall not confer a right to dividend or to participate in profits.

36. No member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would be but for such payment become presently payable.

Forfeiture and Lien

37. If a Member fails to pay any call or instalment of a call on or before the day appointed for the payment of the same, the Board may, at any time thereafter during such time as the call or instalment remains unpaid, serve a notice on such Member requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment. *Service of notice*
38. The notice aforesaid shall :- *Form of notice*
- i. name a further day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid; and
 - ii. state that, in the event of non-payment on or before the time and at the place appointed, the Shares in respect of which such call was made or instalment is payable will be liable to be forfeited.
39. If the requirements of any such notice as aforesaid are not complied with, any Shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. *Forfeiture on non-compliance with notice*
40. When any Share shall have been forfeited, notice of the resolution shall be given to the Member in whose name it stood immediately prior to the forfeiture or to his legal representative and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid. *Notice of forfeiture*
41. The forfeiture of a Share shall involve the extinction, at the time of forfeiture, of all interest in and all claims and demands against the Company in respect of that Share, and all other rights incidental to the Share except such as are by these Articles expressly saved. *Effect of forfeiture*
42. Any Share so forfeited shall be deemed to be the property of the Company, and the Board may sell, re-allot or otherwise dispose of the same in such manner as it thinks fit. *Forfeited Share to become property of the Company*
43. The Board may, at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit. *Annullment of Forfeiture*
44. i) A person whose Share has been forfeited shall cease to be a Member in respect of the forfeited Share, but shall, notwithstanding such forfeiture, remain liable to pay and shall forthwith pay to the Company all calls or instalments, interest and expenses owing upon or in respect of the Share, at the time of the forfeiture, together with such interest thereon, from the time of forfeiture until payment, as the Board may decide and the Board may enforce the payment thereof, or any part thereof, without any deduction or allowance for the value of the Share at the time of forfeiture, but shall not be under any obligation to do so. *Liability on forfeiture*
- ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the Shares.

45. i) A duly verified declaration in writing that the declarant is a Director, the Manager or Secretary of the Company and that certain Shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Shares.
 ii) The Company may receive the consideration, if any, given for the Shares on the sale or disposition thereof and may, or appoint some person, to execute a transfer of the Share in favour of the person to whom the Share is sold or disposed of.
 iii) The transferee shall thereupon be registered as the holder of the Share.
 iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity or invalidity in the proceedings with reference to the forfeiture, sale or disposition of the Share. *Evidence of forfeiture*
46. The provisions of these Articles as to forfeiture shall apply in the case of non-payments of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of a Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified. *Forfeiture provisions to apply to non-payment in terms of issue*
47. (1) The Company shall have a first and paramount lien
 (a) on every share (not being a fully-paid share), for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 (b) on all shares (not being fully-paid shares) standing registered in the name of a single person, for all moneys presently payable by him or his estate to the Company.
Company's lien on shares
 Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article.
 (2) The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared thereon from time to time.
48. For the purpose of enforcing such lien the Board may sell the Share subject thereto in such manner as it thinks fit, but no sale shall be made until such time for payment as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such Member, his executor or administrator or his committee, curator bonis or other legal representative as the case may be and default shall have been made by him or them in the payment of the moneys called or payable at a fixed time in respect of such Share for fourteen days after the due date of notice, but if the Shareholders over whose Shares the lien exists be outside India two months' notice shall be allowed. *As to enforcing lien by sale*
49. A certificate in writing under the hands of a Director that the power of sale given by the preceding Article has arisen and is exercisable by the Company under these presents shall be conclusive evidence of the facts therein stated. *Evidence that power of sale has arisen*
50. (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
 (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale. *Application of proceeds of sale.*

Transfer and Transmission of Shares

51. Save as provided in the Act no transfer of any securities of the Company shall be registered unless a proper instrument of transfer duly stamped, dated and executed by and on behalf of the transferor and by and on behalf of the transferee has been delivered to the Company within a period of 60 days from the date of execution together with the certificate relating to such security or, if no such certificate is in existence, the Letter of Allotment of such security. Each signature to such transfer shall be duly attested by the signature of one credible witness who shall add his address. *Execution of instrument of transfer*

The transferor shall be deemed to remain the holder of the security to be transferred until the name of the transferee is entered upon the relevant register in respect thereof.

Notwithstanding anything contained in the Articles of Association, the Company shall be entitled to dematerialise its shares including preference shares, debentures and other securities pursuant to the Depositories Act, 1996 and to offer its shares, debentures or other securities for issue in dematerialised form. The Company shall be further entitled to maintain a Register of Members with the details of members holding shares both in physical and dematerialised form in any media as permitted by law including any form of electronic media.

Notwithstanding anything contained herein, in the case of transfer of shares, whether preference and/ or equity or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in electronic and fungible form; the provisions of Depositories Act, 1996 as amended from time to time shall apply.

The register and index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996 shall be deemed to be the register and index of members and register and index of debenture holders and register and index of other security holders, as the case may be, for the purpose of the Act.

52. a) Any transfer of securities that takes place shall require prior written consent of the Board, which consent shall be granted by the Board at its sole discretion. *Restriction to transfer*
- b) The Board may refuse to register any transfer of a security made in contravention of these Articles.
- c) Application for the registration of the transfer of a security of the Company may be made either by the transferor or the transferee, provided that, where such application is made by the transferor, no registration shall, in the case of a partly paid Share, be effected unless the Company gives notice of the application to the transferee in the manner prescribed by the Act, and subject to the provisions of these Articles, the Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register the name of the transferee in the same manner and subject to the same conditions as if the application for the registration of the transfer was made by the transferee.
- d) Any transfer or attempt to transfer any shares including any purported transfer in violation of these Articles, shall be null and void and the Company shall not register such transfer; and may institute proceedings for this purposes, if required by applicable law.
- e) Notwithstanding anything contained in these Articles or any agreements entered into between ZF and RHL, ZF may sell or transfer all or any part of the Shares held by ZF in the Company, assign all or any part of ZF's rights under these Articles and/or delegate all or any part of ZF's remaining obligations under these Articles, to an Affiliate of ZF, provided that:
- (i) such Affiliate prior to such sale, transfer, assignment or delegation, respectively, agrees to be bound by these Articles, and

- (ii) ZF shall unconditionally guarantee the performance of the Affiliate's respective obligations.
- f) Except as expressly provided in these Articles, or as may otherwise be agreed in writing between ZF and RHL, ZF shall not, directly or indirectly, sell, transfer, assign, pledge, charge, mortgage or in any other way dispose of or encumber all or any part of the Shares held by ZF in the Company or any of its rights or obligations under these Articles to any Person, without the prior written consent of RHL, provided that upon a prior written notice to RHL, ZF may transfer its entire Shares held in the Company and assign all its rights and delegate its duties under these Articles to any third Person as part of its global sale of business.
- g) Notwithstanding anything contained in these Articles or any agreements entered into between ZF and RHL, RHL may sell or transfer all or any part of the Shares held by RHL in the Company, assign all or any part of RHL's rights under these Articles and/or delegate all or any part of RHL's remaining obligations under these Articles, to an Affiliate of RHL, provided that:
- (i) such Affiliate prior to such sale, transfer, assignment or delegation, respectively, agrees to be bound by these Articles, and
 - (ii) RHL shall unconditionally guarantee the performance of the Affiliate's respective obligations.
- h) Except as expressly provided in these Articles, or as may otherwise be agreed in writing between ZF and RHL, RHL shall not, directly or indirectly, sell, transfer, assign, pledge, charge, mortgage or in any other way dispose of or encumber all or any part of the Shares held by RHL in the Company or any of its rights or obligations under these Articles to any Person, without the prior written consent of ZF.
53. a) The instrument of transfer of any Share shall be in writing and all the provisions of the Act shall be duly complied with in respect of all transfer of Shares and the registration thereof. *Form of the instrument of transfer*
- b) The Directors may accept applications for sub-division or consolidation if required to be made to comply with a statutory order or an order of a court of law or a request from a member to convert his holding of odd lots of shares into transferable/marketable lots, subject however, to verification by the Company.
- c) Share Certificates shall be issued to every person whose name is entered in the register of members within such other period as may be prescribed by the Act.
54. The Board, without assigning any reason for such refusal, may, subject to the right of appeal conferred by the Act, refuse to register: *Director's rights to decline transfer*
- (a) any transfer of a Share not being fully paid up to a person of whom they do not approve; and
 - (b) any transfer of a Share on which the Company has a lien.
55. If the Board refuses in pursuance of the preceding Article or otherwise, to register the transfer of any shares, the Company shall give notice of the refusal within 30 days from the date on which the instrument of transfer was lodged with the Company in accordance with the provisions of the Act. *Notice of refusal to register transfer*
56. The Board shall have the power on giving not less than seven days' previous notice in the manner prescribed by applicable law, to close the Transfer Books, the Register of Members, the Register of Debenture holders or the register of other security holders at such times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year. *Transfer Books and Register of Members when closed*

57. In the case of the death of any one or more of the persons named in the Register of Members as the joint holders of any share, the survivors shall be the only persons recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. *Death of one or more joint holders of shares*
58. The nominee or nominees, executors or administrators or holders of a Succession Certificate or the legal representatives of a deceased member (not being a joint holder) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member, and the Company shall not be bound to recognise such nominee(s), executors or administrators or holders of a Succession Certificate or the legal representatives unless such nominee(s), executors or administrators or legal representative shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India; provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of Probate or Letters of Administration or Succession Certificate, upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and under this Article 58 register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member as a member. *Title of shares of deceased member*
59. Subject to the provisions of the Act and Articles 57 and 58 any person becoming entitled to shares in consequence of the death, and any person becoming entitled to shares in consequence of lunacy, bankruptcy or insolvency of any member, or any committee or guardian of an infant member or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the shares. *Registration of persons entitled to shares otherwise than by transfer*
60. A person entitled to a share by transmission shall, subject to the right of the Board to retain such dividends or money as hereinafter provided, be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the share. *Persons entitled may receive dividend without being registered as member*
61. No fee shall be charged by the Company for the following:
a) for registration of transfers of shares and debentures, or for transmission of shares and debentures;
b) for sub-division and consolidation of share and debenture certificates and for sub-division of letters of allotment, split, consolidation, renewal and transfer receipts into denominations corresponding to the market units of trading;
c) for sub-division of renounceable letters of right;
d) for registration of any power of attorney, probate, letters of administration or other legal representation. *Fee on transfer or transmission*
62. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give *Company not liable for disregard of a notice prohibiting registration of a transfer*

effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to it in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

63. The Board shall have the same right to refuse to register a person entitled by transmission to any Shares or his nominees, as if he were the transferee named in an ordinary transfer presented for registration. *Right to refuse transmission*
64. a) If the person so becoming entitled under the transmission Article shall elect to be registered as the holder of the Share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. *Election under transmission article*
b) If the person aforesaid shall elect to transfer the Share, he shall testify his election by executing an instrument of transfer of the Share.
c) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of instruments of transfer of a Share shall be applicable to any such notice or transfer as aforesaid as if the death, lunacy, bankruptcy or insolvency of the Member had not occurred and the notice of transfer were a transfer signed by that Member.
65. A person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. *Rights of persons entitled to Shares under the transmission*

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Share, until requirements of the notice have been complied with.

Copies of Memorandum and Articles to be sent to Members

66. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in the Act shall be sent by the Company to every member at his request within seven days of the request on payment of the sum of Rupee one for such copy. *Copies of Memorandum and Articles of Association to be sent by the Company*

Borrowing Powers

67. Subject to the provisions of the Act and Reserved Matters under Article 124, the Board may, from time to time, at its discretion, by a resolution passed at a meeting of the Board, accept deposit from members either in advance of calls or otherwise and generally raise, borrow or secure the payment of any sum or sums of money for the purposes of the Company. *Power to borrow*
68. Subject to the provisions of Article 67 hereof, the payment or re-payment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution shall prescribe including by the issue of debentures or debenture-stock of the Company charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being; and debentures, debenture-stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. *Payment or Repayment of moneys borrowed*
69. Subject to applicable provisions of law and these Articles, any Debentures, Debenture-Stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of *Issue at discount etc. or with special privileges*

Shares, attending at General Meetings of the Company (but not for voting thereat) appointment of Directors and otherwise.

Provided that Debentures with the right to allotment of or conversion into Shares shall not be issued except in conformity with the provisions of the Act and these Articles.

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| 70. | The Directors shall cause a proper Register to be kept in accordance with Act of all mortgages and charges specifically affecting the property of the Company; and shall duly comply with the requirements of the Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with all the requirements of the Act including among others as to keeping a copy of every instrument creating any mortgage or charge by the Company at its registered office along with the register of charges and as to giving intimation of the payment of satisfaction of any charge or mortgage created by the Company. | <i>Register of mortgages and charges</i> |
| 71. | The Company shall, if at any time it issues debentures or other securities, keep a Register and Index of Debenture holders or holders of any other security issued by the Company in accordance with the Act. The Company shall have the power to keep in any Country outside India a 'foreign register' of Debenture and other security holders residing outside India in accordance with the Act. | <i>Register and Index of Debenture- holders and other securities</i> |
| 72. | If any uncalled Capital of the Company is included in or charged by any mortgage or other securities, the directors may, subject to the provisions of the Act and these presents, by instrument under the Company's seal, authorise the person in whose favour such mortgage or security is executed, or any other person in trust for him, to make calls on the members in respect of such uncalled capital, and the provisions hereinbefore contained in regard to calls shall, mutatis mutandis, apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Director's power or otherwise and shall be assignable if expressed so to be. | <i>Assignment of uncalled capital</i> |
| 73. | Where any uncalled capital of the Company is charged all persons taking any subsequent charge thereon shall take the same subject to such prior charge and shall not be entitled by notice to the Shareholders or otherwise, to obtain priority over such prior charge. | <i>Charge of uncalled capital</i> |
| 74. | Subject to the provisions of the Act, if the Directors or any of them, or any other persons shall become personally liable for the payment of any sum primarily due from the Company, the Board may cause to be executed any mortgage, charge, or security over or affecting the whole or any part thereof of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability. | <i>Liability of Directors</i> |

Conversion of Shares into Stock and Reconversion

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| 75. | <p>a) The Directors, with the sanction of a resolution of the Company in General Meeting, may convert any fully paid-up Shares into Stock and may convert any Stock into fully paid-up Shares of any denomination. When any Shares have been converted into Stock, the several holders of such Stock may, thenceforth transfer their respective interests therein, or any part of such interest in the same manner and subject to the same regulations as, and subject to which, the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances will admit. But the Directors may, from time to time, if they think fit, fix the minimum amount of Stock transferable.</p> <p>b) The Stock shall confer on the holders thereof respectively the same privileges and advantages as regards participation in profits and voting at meetings of the Company and for other purposes, as would have been conferred by Shares of equal amount in the Capital of the Company but so that none of such privileges or advantages (except the participation in profits of the Company or in the assets</p> | <p><i>Conversion of Shares into Stock and vice versa</i></p> <p><i>Privileges and advantages</i></p> |
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of the Company on a winding up) shall be conferred by any such aliquot part of Stock as would not, if existing in Shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preference or other special privilege attached to the shares so converted. Such of the regulations of the Company as are applicable to paid-up Shares shall apply to Stock and the words “Share” and “Shareholder” in those regulations shall include “Stock” and “Stockholder” respectively.

General Meeting

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| 76. | <p>a) General Meetings of the Company shall be held within such intervals as are specified in the Act, and subject to the provisions of the Act, at such times and places as may be determined by the Board. Each such General Meeting shall be called an “Annual General Meeting” and shall be specified as such in the notice convening the Meeting. Any other Meeting of the Company shall be called an “Extraordinary General Meeting”.</p> | <p><i>When Annual
General Meeting to
be held</i></p> |
| | <p>b) The Board may whenever it thinks fit call an Extraordinary General Meeting and it shall, on the requisition of the Members in accordance with the Act, proceed to call an Extraordinary General Meeting. The requisitionists may, in default of the Board convening the same, convene the Extraordinary General Meeting as provided in the Act. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.</p> | <p><i>When Extra-
Ordinary General
Meeting to be called</i></p> |
| | <p>c) The Company shall comply with the provisions of the Act as to giving notice or resolutions and circulating statements on the requisition of Members.</p> | <p><i>Circulation of
Members Resolution</i></p> |

Notice of Meeting

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| 77. | <p>i) Save as provided in the Act, not less than clear twenty one days’ notice shall be given to every Member and every other person entitled to receive such notice of every General Meeting of the Company, either in writing or through electronic mode. Every notice of a Meeting shall specify the place and the date, day and the hour of the Meeting and shall contain a statement of the business to be transacted thereat and there shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of him and that a Proxy need not be a Member of the Company. Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent. of the members entitled to vote at such meeting. Where any such business consists of “special business” as hereinafter defined in Article 78 hereof, there shall be annexed to the notice a statement complying with the Act.</p> <p>Provided that where the notice of a General Meeting is given by advertising the same in newspaper circulating in the neighbourhood of the Office in accordance with, and to the extent permitted under, the provisions of the Act, the statement of material facts need not be annexed to the notice but it shall be mentioned in the advertisement that the statement has been forwarded to the Members of the Company.</p> <p>ii) The accidental omission to give any such notice to or its non-receipt by any Member or other person to whom it should be given shall not invalidate the proceedings of the Meeting or any resolutions passed thereat.</p> | <p><i>Notice of
meeting</i></p> |
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Proceedings at General Meetings

78. The ordinary business of an Annual General Meeting shall be to receive and consider the Financial Statements, Reports of the Directors and of the Auditors, to elect Directors in the place of those retiring, to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at any other General Meeting shall be deemed special business. *Business of Meetings*
79. No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the Meeting proceeds to transact the business. Subject to provisions of the Act, any 2 (two) Shareholders, present in person or through their representatives, shall constitute quorum for all Annual General Meetings or General Meetings, provided that for any decisions (at the shareholders' level) on any of the Reserved Matters, the quorum shall require the presence of at least 1 (one) authorized representative of ZF and 1 (one) authorized representative of RHL. *Quorum*
80. If such quorum is not present within 1 (one) hour from the time appointed for the respective Annual General Meeting or General Meeting (as the case may be), the meeting shall adjourn to the same place, same time and same day of the following week ("**Adjourned Shareholders Meeting**"). If quorum is not present within 1 (one) hour from the time appointed for the Adjourned Shareholders Meeting, then the Shareholders (then) present shall constitute a quorum, subject to the presence of 1 (one) authorized representative of ZF and further subject to Article 124 (*Reserved Matters*) below, take decisions on any or all matters listed in the notice. Provided that the Company shall give notice to members of an adjourned meeting or of a change of day, time or place as hereinbefore stated in the manner prescribed in the Act. *When, if quorum not present, Meeting to be dissolved and when to be adjourned*
81. Any act or resolution which under the provisions of these Articles or of the Act is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently so done or passed, if effected by an ordinary resolution as defined in the Act, unless either the Act or these Articles specifically require such act to be done or resolution passed by a special resolution as defined in the Act or by any other resolution requiring the affirmative vote of a specific member. Provided that the decisions on any of the Reserved Matters under Article 124, shall be taken only with the presence of two authorised representatives, one each from ZF and RHL. *Resolution to be passed by Company in General Meeting*
82. a) The Chairman may with the consent of any Meeting at which a quorum is present and shall, if so decided by the Meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place. *Power to adjourn General Meeting*
b) When a meeting is adjourned for thirty days or more, notice of the adjourned Meeting shall be given as in the case of the original Meeting but save as aforesaid and as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned Meeting.
83. Every resolution submitted to a Meeting shall be decided in the first instance by a show of hands, unless a poll is demanded in accordance with the provisions of the Act, and in the case of an equality of votes, whether on a show of hands or on a poll, but subject always to Article 126, the Chairman of the Meeting shall not have a casting vote, in addition to the vote to which he may be entitled as a Member. *How resolution to be decided at Meeting*
84. Every Director of the Company shall have the right to attend at any General Meeting of the Company and also to take part in the discussions thereat even if he may not be required to hold any Shares in the Capital of the Company. *Director's right to attend at General Meetings participate in discussions thereat.*
85. At any General Meeting, unless a poll is (before or on the declaration of the result on the show of hands) demanded in accordance with the provisions of the Act, a *What is to be evidence of the*

declaration by the Chairman that the resolution has or has not been carried, either unanimously or by a particular majority, and ~~in~~ an entry to that effect in the book containing the Minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against the resolution. *passing of a resolution where poll not demanded*

86. Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf, by such number of members as has been prescribed under the Act. *Poll*

87. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

88. a) If a Poll is demanded as aforesaid on a question of adjournment or election of a Chairman, it shall be taken forthwith, and in any other case in such manner and at such time, not being later than forty eight hours from the time when the demand was made, and at such place as the Chairman of the Meeting directs, and, subject as aforesaid, either at once or after the interval or adjournment or otherwise;

b) Where a poll is to be taken the Chairman of the Meeting shall appoint such number of scrutineers as he deems necessary, to scrutinise the poll process and votes given on the poll and to report to him thereon.

c) The Chairman shall have power at any time, before the result of the poll is declared, to remove a scrutineer from office and to fill vacancies in the office of scrutineer arising from such removal or any other cause.

d) On a poll a Member entitled to more than one vote, or his proxy or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

e) The demand for a poll shall not prevent the continuance of a Meeting for the transaction of any business other than the question on which a poll has been demanded.

89. a) Subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken.

b) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

Votes of Members

90. a) Save as hereinafter provided, on a show of hands every Member present in person and being a holder of Equity Shares shall have one vote. *Votes of Members*

b) Save as hereinafter provided, on a poll the voting rights of a holder of Equity Shares shall be as specified in the Act.

91. Where there are joint registered holders of any Share any one of such persons may vote at any Meeting either personally or by proxy in respect of such Shares as if he were solely entitled thereto; and if more than one of such joint holders be present at any Meeting either personally or by proxy, then one of the said persons so present whose name stands first on the Register in respect of such Share alone shall be entitled to vote in respect thereof. Several executors or administrators of a deceased Member in whose name a Share is registered shall for the purpose of this Article be deemed joint holders thereof. *Votes of Joint holders*

92. Any person entitled under the Transmission Article to transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such Shares, provided that forty eight hours at least before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to transfer such Shares, unless the Board shall have previously admitted his right to vote at any such Meeting in respect thereof. *Votes in respect of deceased, insane and insolvent Members*

If any Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, give their votes by proxy. Provided that such evidence as the Director may require of the authorities of the person claiming to vote shall have been deposited at the office not less than forty-eight hours before the time of holding the meeting at which he proposes to vote.

93. No Member shall be entitled to exercise any voting rights either personally or by proxy at any Meeting of the Company in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien. *Restriction on voting*
94.
 - a) Any objection as to the admission or rejection of a vote, either on a show of hands or on a poll made in due time, shall be referred to the Chairman of the Meeting who shall forthwith determine the same, and such determination made in good faith shall be final and conclusive. *Admission or rejection of votes*
 - b) No objection shall be raised to the qualification of any voter except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered and every vote not disallowed at such Meeting shall be valid for all purposes.
95. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for taking of the poll ; and in default the instrument of the proxy shall not be treated as valid. *Instruments appointing proxy to be deposited at office*
96. Every instrument appointing a Proxy shall be retained by the Company and shall be in the form as prescribed in the Act. *Form of proxy*
97. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or the insanity of the principal, or the revocation of the instrument, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer of the Shares shall have been received by the Company at the Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used. *When vote by proxy valid though authority revoked*
98.
 - a) The Company shall cause minutes of all proceedings of every General Meeting of any class of shareholders or creditors, every resolution passed by postal ballot and every meeting of its Board of Directors and every committee of the Board to be prepared and signed in such manner as may be prescribed under the Act. *Minutes of General Meeting and Inspection thereof by Members*
 - b) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of the Chairman within that period, by a Director duly authorised by the Board for the purpose.

In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

 - d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
 - e) All appointments made at any meeting as aforesaid shall be included in the minutes of the meeting.
 - f) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:-

- i) is or could reasonably be regarded as, defamatory of any person, or
- ii) is irrelevant or immaterial to the proceedings, or
- iii) is detrimental to the interest of the Company.

The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.

- g) Any such minutes shall be evidence of the proceedings regard therein.
- h) The book containing the minutes of proceedings of General Meeting shall be kept at the registered office of the Company and shall be open, during business hours, subject to reasonable restrictions as the Company may impose in these Articles or in a General Meeting, for such period, not being less in the aggregate than two hours in each business day, to the inspection by any member without charge.

Directors

- | | | |
|---|--|--|
| 99. | Subject to the provisions of the Act, the number of Directors shall not be less than two, or more than fifteen, unless a special resolution is passed in this regard. | <i>Number of Directors</i> |
| 100. | Subject to the provisions of the Act, the Board of Directors of the Company may appoint any person as an alternate director not being a person holding any alternate directorship for any other director in the Company, to act for a director (hereinafter in this Article called “the Original Director”) during the absence for a period of not less than three months from India. A director appointed under this Article shall not hold office as such for a period longer than that permissible to the original director in whose place he has been appointed and shall vacate office if and when the original director returns to India. Further, if the term of office of the original director is determined before he so returns to India, any provision for the automatic re-appointment of retiring directors in default of another appointment shall apply to the original, and not to the alternate director. | <i>Appointment of Alternate Director</i> |
| <p>Provided further that ZF and RHL shall be entitled to nominate an alternate director for their nominee directors and the Board shall appoint such alternate director nominated by RHL and/or ZF in place of their original nominee directors in accordance with this Article. The alternate Director shall be entitled to receive notice of all meetings and to attend and vote at such meetings in place of the Original Director and generally to perform all functions of the Original Director in his/her absence.</p> | | |
| 101. | <p>a) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the public financial institutions under the Act (each of the above is hereinafter in this Article referred to as “the Corporation”) out of any loans/debenture assistance granted by them to the Company or so long as the Corporation holds or continues to hold debentures/shares in the Company as a result of underwriting or by direct subscription or private placement or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, Wholtime or non Wholtime (which Director or Directors, is/are hereinafter referred to as “Nominee Director/s”) on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place(s).</p> <p>b) The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation, such Nominee Director/s shall not be required to hold any share qualification in the Company.</p> | <i>Directors nominated by financial institutions, RHL & ZF</i> |

Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

- c) The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds debentures in the Company as a result of direct subscription or private placement or so long as the Corporation holds Shares in the Company as result of underwriting or direct subscription or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.
- d) The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the meetings of the committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.
- e) The Board of Directors is empowered to decide, from time to time the payment to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission, moneys or remuneration in any form is payable to the Directors of the Company, the fees, commission, moneys and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or directorships shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.

Provided that if any such Nominee Director/s is an officer of the Corporation, sitting fees in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.

Provided further that if such Nominee Director/s is an officer of the Reserve Bank of India, the sitting fees in relation to such Nominee Director/s shall also accrue to IDBI and the same shall accordingly be paid by the Company directly to IDBI.

- f) In the event of the Nominee Director/s being appointed as whole time Director/s, such Nominee Director/s shall exercise such powers and have such rights as are usually exercised or available to a whole time Director in the Management of the affairs of the Company. Such whole time Director/s shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation.
- g) i) RHL and ZF, each shall have the right to nominate Directors on the Board. Such RHL and ZF nominees shall be appointed by the Company to the Board. So long as RHL holds at least 10% (ten percent) of the Share Capital, the Director nominated by RHL shall be the Chairman of the Board, who shall not have a second or casting vote.
ii) Unless otherwise agreed by ZF and RHL in writing but subject to Article 127 (Fall-Away of Rights), the Board shall comprise of a maximum of 7 (seven) Directors out of which ZF shall have the right to designate/nominate 4 (four) Directors (each a “**ZF Director**”) and RHL shall have the right to designate/nominate 3 (three) Directors (each a “**RHL Director**”). None of the

Directors shall be liable to retire by rotation. Provided that where any lender / Corporation is given the right to nominate a Director / Nominee Director on the Board of the Company to represent itself, ZF shall have the right to nominate an extra Director for each Director nominated by any such lender / Corporation so that ZF shall always retains a majority of the Board.

iii) the nominees of ZF and RHL under (ii) above, shall be appointed by the Company to the Board and the Shareholders shall vote their shares accordingly at all times to ensure such appointment.

iv) RHL or ZF, as the case may be, at any time by written notice to the Company, require the Company to remove the Directors nominated by them and nominate another person in the place of the Director so removed. Upon receipt of such written notice, the Company shall remove the directors required to be removed by RHL or ZF, as the case may be, and shall appoint such other persons as may be nominated by RHL and/or ZF (as the case may be) in their stead.

v) The Company shall not remove any director nominated by either RHL or ZF unless such removal is in accordance with paragraph (iv) above.

vi) in the event that a director nominated by either RHL or ZF is unwilling or unable to serve as director or is removed from office by the shareholder which nominated him or her, such shareholder will promptly nominate a successor to such director and the Company shall appoint such successor to the Board, provided that the selection of the Chairman-elect is agreed to by ZF.

vii) Each of ZF and RHL will vote for the election of the designated directors of the other person, and for one of the RHL designated directors to be the Chairman of the Board.

102. a) The directors shall have power at any time and from time to time to appoint any person other than a person who fails to get appointed as a director in a general meeting, Company, as an additional director, but so that the total number of directors shall not at any time exceed the maximum number fixed, but any director so appointed shall hold office only until the next Annual General Meeting of the Company or the last date on which the annual general meeting should have been held, whichever is earlier. *Additional Director*
- b) No person not being a retiring Director, shall, be eligible for election to the office of Directors at any General Meeting, unless he, or some other Member intending to propose him has not less than 14 days before the Meeting, left at the registered office of the Company a Notice in writing under duly signed, signifying his candidature for the office or the intention of such Member to propose him, in accordance with the provisions of the Act.
103. Unless otherwise determined by the Company in General Meeting a Director shall not be required to hold in his own name or jointly with any other person whether beneficially or as a transferee or otherwise any share in the capital of the Company as qualification share, but nevertheless a director shall be entitled to attend and speak at any general meeting of the Company and at any separate meeting of holding of any class of shares in the Company. *Share qualification of Directors*
104. Each Director including a Nominee Director shall be paid out of the funds of the Company as remuneration for his services an amount not exceeding such sum as may be prescribed under the Act for each meeting of the Board or Committee thereof attended by him, which shall be decided by the Directors from time to time at the Board Meeting. Where the remuneration consists of a monthly payment, it shall be deemed to accrue on a day-to-day basis. The Directors shall also be entitled to receive a commission or other remuneration in accordance with the provisions of the Act. The Directors shall also be entitled to be paid their reasonable travelling, hotel and other expenses incurred in consequence of their attendance at Board Meetings and otherwise *Remuneration of Directors*

- in the execution of their duties as Directors. The Company may from time to time increase the remuneration. Unless otherwise decided by the Board of Directors, the Directors shall not be entitled to any sitting fees for attending the Board meetings but ZF and RHL shall each bear all expenses in relation to the travel and stay of their respective nominee Directors attending such Board meetings.
105. Subject to the provisions of the Act, if any Director, being willing, shall be called upon to perform extra services, or to make any special exertion in going or residing abroad or otherwise for any of the purposes of the Company, such Director may be remunerated by a fixed sum, or by a percentage of profits or otherwise as may be either determined by the Board and such remuneration may be either in addition to or in substitution for the remuneration above provided, or his remuneration under his contract (if any) with the Company. *Extra remuneration for special services*
106. The continuing Directors of the Board may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by the Act and these Articles for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose. *Board may act notwithstanding vacancy*
107. The office of a Director shall become vacant on the happening of any of the events specified by the Act. and other applicable law *Vacation of office of Director*
108. No Director or related party, shall hold an office or place of profit save as permitted under the Act. *Office of profit*
109. Subject to the provisions of the Act, a Director of the Company may be or become a Director of any other Company promoted by this Company or in which it may be interested as a member, shareholder or otherwise and no such Director shall be accountable for any benefits as a Director or Member of such Company. *When Director of this Company appointed Director of a company in which the Company is interested either as a Member or otherwise*
110. Subject to the provisions of the Act, no Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall a Director be disqualified by reason of his holding any other office or place of profit under the Company in conjunction with his office of Director, and he may be appointed thereto upon such terms as to remuneration, salary, tenure of office or otherwise, as may be determined by the Company in General Meeting, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested, be avoided, nor shall any Director so contracting or being so interested or holding such office or place be liable to account to the Company for any profit realised by any such contract or arrangement, or received from such office or place, by reason only of such Director holding that office, or the fiduciary relation thereby established; but it is declared that the nature of his interest must be disclosed by him at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change and at the meeting at which the contract or arrangement is determined on. Presence of a director interested in any contract or arrangement with a related party shall be permitted only as per applicable law. Provided however that no Director shall, as a Director, vote in respect of any contract or arrangement in which he is so interested, and if he does so, his vote shall *Conditions under which Directors may contract with Company.*
Disclosure of a Director's interest.
Discussion & voting by Director interested.

- not be counted. Subject to applicable law, this proviso shall not apply to any contract by or on behalf of the Company to give to the Directors or any of them an indemnity against any loss which they or any of them may suffer by reason of becoming or being sureties for the Company.
111. If any Director appointed by the Company in general meeting vacates office as a Director before his term of office will expire in the normal course, the resulting casual vacancy may be filled by the board at a meeting of the board, but any person so appointed shall retain his office so long only as the vacating director would have retained the same if no vacancy has occurred. Provided that the board may not fill such a vacancy by appointing thereto any person who has been removed from the office of director under Article 113 hereof. Provided further that this Article shall be subject to Article 101(g). *Board may fill up casual vacancies*
112. The Company in general meeting may, subject to the provisions of these Articles, from time to time appoint new directors and subject to the provisions of the Act and these Articles, increase or reduce the number of its directors within the limits fixed by Article 99 and may alter their qualifications. *Company may increase or Reduce the Number of directors*
113. Subject to Article 101, the Company may remove any Director other than a Nominee Director before the expiration of his period of office in accordance with the provisions of the Act and may, subject to the provisions of the Act, appoint another person in his stead. *Power to remove Directors*
114. a) Subject to Article 101, the Directors may from time to time appoint a person or persons from amongst themselves as Chairman and / or Vice-Chairman of the Company. *Chairman /Vice-Chairman*
- b) The Chairman and / or Vice-Chairman of the Company shall be paid such remuneration allowances and perquisites as the Board of Directors may from time to time determine, subject to the provisions of the Act.
- c) The Chairman or, in his absence, the Vice-Chairman shall preside over the meetings of the Board of Directors and all General Meetings of the Company including the Annual General Meetings. If there is no person appointed as Chairman or Vice-Chairman, or if at any meeting either the Chairman or the Vice-Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose any one of their Members to preside at the meeting.
- d) If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.
- Managing Director, CEO and Key Managerial Positions (KMP)***
115. Subject to the provisions of the Act and, any agreement between ZF and RHL the Board may, from time to time appoint one or more of their body to be Managing Director (“MD”) and / or Chief Executive Officer (“CEO”) of the Company for a fixed term and may, from time to time (subject to the provisions of the Act and any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his place or places. *Power to appoint Managing Director and CEO*
- 115A (a) Any chief finance officer, company secretary and/or any other key managerial personnel (other than the MD and the CEO) (“KMP”) to fill any key managerial position at the Company (“Key Managerial Positions”), then the MD/CEO shall have a right to recommended for such appointment, the names of the candidates, and if such recommendation is acceptable to both ZF and RHL, then such appointment may be considered and made by the Board subject to the approval of the majority of the Directors. If the MD/CEO’s recommendation of any candidate for any Key Managerial Position is not acceptable to ZF or RHL, then either ZF or RHL shall be entitled to nominate a candidate(s) for such Key Managerial *Power to appoint CFO, Company Secretary, KMP*

Position and the nomination made by either ZF and RHL may be considered and made by the Board subject to the approval of the majority of the Directors.

(b) Subject to the overall supervision of the Board, KMPs (with the exception of the MD/CEO) shall follow a matrix reporting structure and shall report to the MD/CEO on a day to day basis as well as to the relevant functions within ZF. Subject to Articles 101(g)(i), it is hereby clarified that the Board shall have the power to remove a KMP at any time by simple majority.

116. The remuneration of a Managing Director may from time to time be fixed by the Board in accordance with and subject to the provisions of the Act. *Remuneration of Managing Director*
117. A Managing Director shall (subject to the provisions of the Act and any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be a Managing Director, if he ceases to hold the office of Director from any cause. *To what provisions Managing Director shall be subject*
118. Subject to the provisions of the Act, the Board may from time to time, entrust to and confer upon a Managing Director for the time being such of the powers exercisable under these presents by the Directors as it may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as it thinks fit and it may confer such powers, either collaterally with, or to the exclusion of, and in substitution for all or any of the powers of the Directors in that behalf; and may from time to time revoke, withdraw, alter or vary all or any such powers. *Powers of Managing Director or Directors*
119. a) The Board of Directors shall have power from time to time and at any time, to appoint any person as an "Executive Director" on such terms and conditions as to remuneration and otherwise as the Board may deem fit, and at their discretion to remove or suspend such person from the said office. Any person so appointed shall not be a Director of the Company for any of the purposes of the Act nor shall he have any of the powers of, or be subject to any of the duties of a Director, nor the right to attend any meetings of the Board. *Executive Director*
- b) The designation under which any person so appointed shall describe himself and shall sign documents and correspondence relating to the business of the Company, shall be "Executive Director" coupled with such other description as shall be determined by the Board and shall be subject to such restrictions as the Board may enforce from time to time. The use of the word "Director" in the said designation shall not be construed as constituting such person as a "Director" of the Company for any of the purpose of the Act.
- Subject as aforesaid, every person appointed as "Executive Director" shall exercise such powers and discharge such duties as the Board of Directors may from time to time determine.

Proceedings of Directors

120. a) The meetings of the Board shall be held at such intervals and in such manner as may be prescribed under the Act at the registered office of the Company, registered or principal office of RHL or ZF or at such location as may be designated by a decision taken by the concurring vote of at least two (2) Directors, One (1) designated by each of ZF and RHL and at such time as determined by the Board. *Meeting of Directors*
- b) Each Director shall have 1 (one) vote in all matters presented to the Board for decision or approval. Written notices accompanied by a reasonably detailed agenda and supporting information shall be required with respect to all meetings of the Board unless waived in writing by all Directors. Unless waived in writing by all Directors (before or during a meeting), such written notice shall be given to each Director/alternate Director at least 7 (seven) calendar days prior to the scheduled

date of any meeting of the Board. A Board meeting may also be called at a shorter notice subject to the provisions of the Act. Any Director shall be entitled to call a meeting of the Board. Any matter outside the agenda shall not be discussed at any Board meeting, except with the permission of the Chairman and the consent of at least 1 (one) ZF Director.

c) In the event that a Director seeks to add any additional item(s) on the agenda, then such Director shall, by giving at least 5 (five) days' prior notice in writing to the Chairman and/or secretary of the Company, specify the additional item(s) to be included in the agenda. The Chairman or the secretary shall, upon receipt of such additional item(s) to be included in the agenda, notify all Directors of the additional item(s) to be included in the agenda accompanied with copies of all supporting documents (if any) in respect of such additional item(s). Any decision to be taken by the Company on a "Reserved Matters" shall be in accordance with Article 124.

121. The quorum for the Meeting of the Board shall be determined from time to time in accordance with the provisions of the Act. Subject to the provisions of the Act, the Directors may participate in Board meetings by audio-video conferencing or any other means of contemporaneous communication. The participation of the Directors by video conferencing or other audio visual means shall be counted for the purpose of quorum. *Quorum*

Provided however that no quorum shall be present unless three Directors comprising of at least one nominee Director of RHL and two nominee Directors of ZF are present at the Meeting except where the same is waived by both in writing.

If such quorum is not present within 1 (one) hour from the time appointed for the Board meeting, the meeting shall be adjourned to the same place, same time and same day of the following week ("**Adjourned Board Meeting**"). If quorum is not present within 1 (one) hour from the time appointed for the Adjourned Board Meeting, then the minimum Directors (then) present as per the Act shall constitute quorum and (except in respect of the matters set out in Article 124 (*Reserved Matters*) below) shall be entitled to take decisions on any or all matters listed in the notice.

122. a) Subject to the provisions of the Act, the Board shall hold regular meetings at such time and place as may be determined by the Board, such that not more than 120 days shall elapse between two consecutive Board meetings. *Board Meetings*

123. Save as otherwise provided by the Act and unless specifically waived by RHL and ZF in writing, any action required or permitted to be taken by the Board may be taken without a meeting, by a resolution by circulation executed by majority of Directors of the Board, provided that the draft of the circular resolution has been circulated to all the Directors in advance along with all supporting documents in respect of the matters that are contemplated in the draft circular resolution. Provided further that in case of "Reserved Matters" under Article 124, the Board may decide by way of circular resolution only if the prior consent of RHL and ZF is obtained in writing.

124. Subject to the provisions of the Act, questions arising at any meeting shall be decided by a majority of votes. *Reserved Matters* *Provided that*, in respect of the following matters ("**Reserved Matters**") no obligation of the Company shall be created and no action shall be taken by or with respect to the Company unless (i) the affirmative vote of 2 (two) ZF Directors and 1 (one) RHL Director; or (ii) the affirmative vote of 1 (one) authorized representative ZF and 1 (one) authorized representative of RHL at a Shareholders' Meeting; or (iii) the concurring written consent of ZF and RHL is obtained:

- (i) any increase or decrease to the authorized, issued and paid up share capital of the Company;
- (ii) any restructuring involving any scheme of arrangement, combination, consolidation or merger or demerger of the Company with any other business enterprise;

- (iii) any dissolution, liquidation, sale of all or substantially all of the assets or any division or undertaking of the Company, or the cessation of the active conduct of the Business of the Company;
- (iv) any change in the nature and purpose of the Business of the Company, including, without limitation, the adoption or any change in the export policies of the Company and any change in the Products manufactured or distributed by the Company;
- (v) entering into any arrangement or settlement with the debtors or creditors of the Company, other than in the Ordinary Course of Business, with a deviation of $\pm 5\%$ (five percent) outside of the Company Business Plan;
- (vi) appointment or reappointment of any statutory auditor of the Company which is not one of the Big6 Accounting Firms and/or removal of any statutory auditor of the Company before the expiry of the appointment tenure;
- (vii) Any declaration of dividends out of the Company's profits or any distribution of the Company's profits which is less than 40% (forty percent) of the domestic after-tax profit and 100% (one hundred percent) of the exports profit after-tax, it being understood that the Shareholders intend to distribute by way of dividends a substantial part of the profits, subject to the operating and business plans contemplated under Article 5.6 (*Operating Plans and Business Plans*) above;
- (viii) any distribution of any form of stock dividend of the Company, including, without limitation, any rights or bonus issue;
- (ix) the adoption of any amendment to the memorandum of association of the Company or the articles of association of the Company, except the amendments (if any) that are proposed to be made by a majority Shareholder to the memorandum of association and/or the articles of association of the Company pursuant to, and in the manner contemplated under, Article 5.13 below;
- (x) any contribution by the Company to any charities or public or political funds;
- (xi) any investment by the Company in other Persons, exceeding 60% (sixty percent) of the Company's paid-up share capital, free reserves and securities premium account or 100% (one hundred percent) of the Company's free reserves and securities premium account, whichever is more;
- (xii) the assumption or guaranty by the Company of the indebtedness of other Persons or taking of any loans or borrowings by the Company exceeding 60% (sixty percent) of the Company's paid-up share capital, free reserves and securities premium account or 100% (one hundred percent) of the Company's free reserves and securities premium account, whichever is more;
- (xiii) changing the name or the registered office of the Company or the business name under which the Company operates in the Ordinary Course of Business;
- (xiv) entering into, directly or indirectly, any transaction with a related party or amendment of an existing agreement with a related party, except a transaction undertaken in the Ordinary Course of Business and on arm's length basis with an Affiliate;

Provided that if RHL does not agree with ZF's determination of any such transaction with an Affiliate being in the Ordinary Course of Business and on arm's length basis, then ZF and RHL shall mutually appoint a Big6 Accounting Firm to assess and determine the arm's length pricing for such transaction and such determination will be binding on the Parties. The Parties further agree that if any other expert, assessor or valuer is required to be appointed for undertaking such determination of the arm's length pricing, then such other expert, assessor or valuer shall be appointed by the Big6 Accounting Firm mutually agreed upon, for, and on behalf of, the Parties.

- (xv) adoption of any employee stock option plan and variation of the terms thereof;
- (xvi) incurring any capital expenditure, including for construction, leases or acquisition of properties, with a deviation of more than 5% (five percent) outside of the Company Business Plan; and
- (xvii) All offensive litigation matters involving the Company with projected legal expenses and claims totaling in excess of US\$ 40,000 (Forty Thousand Dollars) or the Indian Rupee equivalent thereof and any matter involving injunctive relief regardless of the amount of monetary relief.

Provided also that the items listed in sub-clauses (i), (ii), (iii), (iv), (v), (vii), and (ix) of this Article 124, shall be regarded as “Fundamental Reserved Matters”.

125. Neither RHL nor ZF shall grant any proxy or enter into or agree to be bound by any shareholders’ agreement or like arrangements of any kind (including any arrangement or agreement with respect to the acquisition, disposition or voting of any Shares) with any Person (including any Person that becomes a Shareholder hereafter) that is inconsistent with any of the provisions of the Articles. *No proxy*
126. Notwithstanding anything to the contrary, RHL shall have the exclusive right to decide unilaterally at its sole option and discretion with respect to any matter pertaining or affecting its Intellectual Property. Further, notwithstanding anything to the contrary, ZF shall have the exclusive right to decide unilaterally, at its sole option and discretion, with respect to
 - (i) any matter pertaining to or affecting ZF’s or ZFAG’s intellectual property rights, including without limitation the right to appoint, remove and fix the powers, duties and compensation of any the Company employee who is in charge of technology; and / or
 - (ii) any matter pertaining to or affecting global marketing and / or exports of the Company.
127.
 - i) Notwithstanding anything to the contrary in these Articles, if either ZF or RHL (either directly and/or through their Affiliates) acquires more than 75% (seventy-five percent) of the Share Capital of the Company, then all of the rights available to the minority Shareholder (and its Affiliate(s)) shall automatically fall away and be abrogated and repealed without any further action and the majority Shareholder may thereafter amend the memorandum of association and/or the articles of association of the Company to provide for such rights and matters may deem fit in its sole discretion. *Fall away rights*
 - ii) Without prejudice to the rights provided in Article 127(i) above, where a Shareholder’s shareholding (computed together with the shareholding of any of its Affiliate(s)) falls below 25% (twenty-five percent) of the Share Capital of the Company, but is more than 10% (ten percent) of the Share Capital of the Company, then such Shareholder shall continue to retain and exercise the following rights:
 - a) the right to designate/appoint/nominate 1 (one) Director on the Board of the Company
 - b) the affirmative voting rights in respect of the Fundamental Reserved Matters under Article 124.
 - c) the unilateral rights under Article 126.
 - iii) Notwithstanding anything contained in these Articles, it is hereby clarified that where a Shareholder’s shareholding (computed together with the shareholding of any of its Affiliate(s)) falls below 10% (ten percent) of the Share Capital of the Company, all the shareholder rights available to such Shareholder (and its Affiliate(s)) under these Articles in relation to the

management of the Company (including without limitation, the right to nominate/ designate any Director on the Board of the Company and the affirmative voting right in respect of any of the Reserved Matters) and the information rights available under Article 164 below (except to the extent that any of such information rights are available to a minority Shareholder under the Act) shall be automatically abrogated and repealed without any further action of ZF and RHL and the majority Shareholder may, thereafter, amend these Articles in accordance with the Act, to provide for such rights and matters (including the matters in relation to the management and governance of the Company) as such majority Shareholder may deem fit in its sole discretion.

- iv) Nothing contained in Article 127(iii) shall apply to, take away or affect the unilateral rights of ZF or RHL as set out in Article 126 above, provided that the trademark and licensing agreements with ZF and RHL, as the case maybe, are in effect and subsisting.
- v) With effect from the date on which a Shareholders' shareholding (computed together with the shareholding of any of its Affiliates) falls below (i) 25% (twenty-five percent) of the Share Capital of the Company, such Shareholder shall cause all of its nominee Directors (except 1 (one)) to resign from the Board with immediate effect; and/or (ii) 10% (ten percent) of the Share Capital of the Company, such minority Shareholder shall cause its nominee Director(s) to resign from the Board with immediate effect.

128. The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit, and may from time to time revoke such delegation. Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by such Committee in conformity with such regulations and in fulfilment of the purpose of their appointment but, not otherwise, shall have the like force and effect as if done by the Board.

Power to appoint committee and to delegate

Provided that subject to the applicable law, each committee of the Board shall consist of at least 2 (two) ZF Directors and 1 (one) RHL Director, and the quorum for any meeting of the committee of the Board shall be 2 (two) Directors consisting of 1 (one) ZF Directors and 1 (one) RHL Director. If there is a deadlock on any matter (except a Reserved Matter which shall be decided in accordance with Article 124) which is under consideration by a committee of the Board, then such matter shall be referred by such committee to the Board and the decision of the Board on such matter shall be final. Provided further that RHL and ZF have the right to waive the quorum requirement for any meeting of the committees of the Board.

129. (i) A committee may elect a Chairperson of its meetings.
(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
(iii) A committee may meet and adjourn as it thinks fit.
(iv) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, but subject always to Article 124.

Proceedings of committee

130. All acts done at any Meeting of the Directors, or of a Committee of Directors, or by any person acting as a Director, shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

When acts of Directors or committee valid notwithstanding defective appointment etc.

Provided that nothing in this Article shall be deemed to give validity to acts done by

a Director or any person acting as a Director after his appointment has been shown to the Company to be invalid or to have terminated.

131. Save as otherwise required in the Act, resolutions of directors may also be passed in circulation in accordance with the procedure prescribed under the Act. Provided that in respect of the matters referred to under proviso to Article 124 of the Articles of association no resolution shall be proposed to be passed by circulation unless such proposal is supported with the concurring written consent of at least 2 (two) directors each nominated by RHL and ZF. *Resolutions by circulation*

132. a) The Board of Directors shall cause minutes to be duly entered, in accordance with the relevant provisions of the Act, in the books provided for the purpose. *Minutes*
b) The draft minutes of every meeting of the Board shall be circulated to all the Directors by the company secretary of the Company (or in case of absence of a company secretary, any Director who is authorised by the Chairman in this regard) electronically within 15 (fifteen) days of the date of a Board meeting. Every Director shall confirm or object to the draft minutes within 7 (seven) days of receipt and where a Director fails to respond within the foregoing timeline, then it will be assumed that the draft minutes have been approved by such Director. The Chairman shall take note of the observations and comments (if any) received from a Director(s) while finalising the minutes and shall amend the draft minutes accordingly. Provided however that if any objections are received from the majority of the Directors in respect of any matter in the draft minutes (and/or on the manner in which any matter has been recorded in the draft minutes), then such matter shall be excluded from the final form of the minutes and shall be discussed and resolved by the Directors at the next meeting of the Board. Subject to the foregoing, the final form of the minutes shall be signed by the Chairman and recorded in the minutes book of the Company.

133. All such minutes shall be signed by the person or any of the persons who shall have presided at the General Meeting, or the Chairman of the Board Meeting, or the Committee Meeting at which the business minuted shall have been transacted or by the person or one of the persons who shall preside as Chairman at the next ensuing Meeting respectively and all minutes purporting to be signed by the chairman of any General Meeting, Board Meeting or Committee Meeting respectively, shall for all purposes whatsoever be prima facie evidence of the actual and regular passing of the resolutions and the actual and regular transactions or occurrence of the proceedings and other matters purporting to be so recorded and of the regularity of the meeting at which the same shall appear to have taken place and of the Chairmanship and signature of the person appearing to have signed as Chairman.

Powers of the Board

134. The Directors shall duly comply with the provisions of the Act and these Articles.
135. a) The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not, by the Act or by these Articles required to be exercised by the Company in General Meeting. *General powers of the Company vested in the Board*
b) A meeting of the Directors, for the time being at which a quorum is present, shall be competent to exercise all or any of the authorities, powers, or discretions for the time being vested in or exercisable by the Directors generally and under the regulations of the Company.
A resolution by circulation of the Board of Directors or by a committee thereof shall be deemed to have been passed by the Board or by the Committee thereof if the resolution has been circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the Committee address registered with the Company in India by hand delivery, by post or by courier, or through

electronic means which may include email or fax, and, subject to Article 131, has been approved by a majority of directors who are entitled to vote on the resolution.

136. Subject to the provisions of the Act and these Articles and without prejudice to the general powers conferred and other powers conferred by these presents, it is hereby expressly declared that the Directors shall have the following powers, that is to say, power to carry out all or any of the Objects set forth in the Memorandum of Association and to do the following things:

*Specific powers
given to
Directors*

1) To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit, and to sell, let, exchange or otherwise dispose of absolutely or conditionally any part of the property, privileges and undertaking of the Company upon such terms and conditions, and for such consideration as they may think fit.

2) At their discretion to pay for any property, rights, privileges acquired by or services rendered to or by the Company either wholly or partially in cash or in Shares (subject to the relevant provisions of the Act), bonds, debentures or other securities of the Company (subject to Article 73 hereof), and any such Shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon ; and any such bonds, debentures, or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

3) To open any account, or accounts, with such Banks as they may select or appoint and to make, draw, endorse, sign, accept, negotiate and give all cheques, bills of lading, drafts, hundies orders, bills of exchange, Government of India and other promissory notes and other negotiable instruments and all other documents required for the business of the Company.

4) To secure the fulfilment of any contracts, agreements or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they may think fit.

5) To appoint and at their discretion remove or suspend such agents, managers, officers, clerks and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fix their salaries or emoluments and to require security in such instances and to such amount as they think fit.

6) To accept from any Member, on such terms and conditions as shall be agreed, a surrender of his Shares or Stocks or any part thereof.

7) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes, and to execute and do all such deeds, documents and things as may be required in relation to any such trust and to provide for the remuneration of such trustee or trustees.

8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the

Company and also to compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company.

9) To refer any claims or demands by or against the Company to arbitration and observe and perform the awards.

10) To make and give receipts, releases and other discharges for money payable to Company and for the claims and demands of the Company.

11) To determine who shall be entitled to sign on the Company's behalf on bills, notes, receipts, acceptances, endorsements, cheques, releases, contracts and documents.

12) From time to time to provide for the management of the affairs of the Company in such manner as they think fit, and in particular to appoint any person or persons to be attorneys or agents of the Company with such powers (including power to sub-delegate) and upon such terms as may be thought fit.

13) To invest and deal with any of the moneys of the Company not immediately required for any purposes thereof, upon such securities (not being shares of this Company) and in such manner as they may think fit, and from time to time to vary or realise such investments.

14) To execute in the name and on behalf of the Company, in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, covenants, and provisions as shall be agreed upon.

15) To give to any person employed by the Company a commission on the profits of any particular business or transaction, or a share in the general profits of the Company, and such commission, or share of profits, shall be treated as part of the working expenses of the Company.

16) From time to time to make, vary and repeal bye-laws for the regulation of the business of the Company, its officers and servants.

17) To enter into all such negotiations and contracts, and rescind and vary all such contracts, and execute and do all such acts, deeds, and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid, or otherwise for the purposes of the Company.

18) To adopt such means of making known the products of the Company as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals, and by granting prizes, rewards, and donations and for that purpose or for other purposes acquire or run printing presses and publishing concerns.

19) To sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose of, turn to account, or otherwise deal with, all or any part of the property and rights of the Company.

20) To indemnify the members of the Company against proceedings, losses, costs, damages, claims and demands under the Workmen's Compensation Act, in respect of any accident, or alleged accident, resulting or alleged to have resulted in injury, whether fatal or otherwise to any workman or other person employed at or in connection with any business to which any Member of the Company is interested.

21) To contract for and grant any such indemnity on such terms and subject to such qualifications and conditions, as may seem expedient.

22) To take all such steps, and do all such things as may be expedient with a view to investigating the circumstances of any accident or alleged accident and all other facts, and to obtaining any information or evidence which may seem to have any bearing upon any claims or demands made, or to be made, in respect of such accident, or alleged accident, and to oppose, resist, compromise, or satisfy, wholly or in part, any such claims and demands.

23) To promote and encourage the adoption of precautionary measures of all kinds, which may seem to the Company, calculated to prevent accidents, and to minimise the danger and mitigate the consequence thereof.

24) To establish, maintain, support and subscribe to any charitable object and any institution, school, hospital, society or club which may be for the benefit of the Company or for the benefit of persons who are or have been employed by the Company or its predecessors and the wives, widows, families and dependants of such persons or which may be connected with any town or place where the Company carries on business ; to give pensions, gratuities, allowances or charitable aid to any person or persons who have served the Company or its predecessors or to the wives, widows, children or dependants of such person or persons, that may appear to Directors just and proper, whether any such person, his wife, widow or children or dependants have or have not a legal claim upon the Company.

25) To form a fund to provide for such pensions, bonus, gratuities, or compensations ; or subject to the provisions of the Act to create any provident or benefit fund in such or any other manner as the Directors may deem fit.

26) To make and alter rules and regulations concerning the time and manner of payment of the contributions of the employees and the accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof, and otherwise in relation to the working and management of the said fund.

27) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families of the dependants or connections of such persons, by building of houses, dwellings or chawls, or by grants of money, pension, gratuities, allowances, bonus or other payments, or by creating, and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason or locality of operation, or of public and general utility

or otherwise.

28) To comply with the requirements of any local law which in their opinion it shall, in the interests of the Company, be necessary or expedient to comply with.

29) Subject to the Act, from time to time, and at any time, to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board other than their power to make calls or to make loans or borrow moneys, and to authorise the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.

30) Subject to the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.

Local Management

137. Subject to the provisions of the Act and these Articles, the Directors may from time to time provide for the management and transaction of the affairs of the Company in any specified locality whether at home or abroad, in such manner as they think fit. The provisions contained in the three next following Articles shall be without prejudice to the general powers conferred by this paragraph. *Management*
138. Subject to the provisions of the Act and these Articles, the Directors from time to time and at any time, may establish any local boards or agencies for managing any of the affairs of the Company in any such specified locality, and may appoint any persons to be members of such local board, or any managers, or agents, and may fix their remuneration. And the Directors from time to time, and at any time, may delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Directors, other than the power of making calls, and may authorise the Members for the time being of any such local board, or any of them, to fill up any vacancies therein and to act notwithstanding vacancies; and any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit, and the Directors may at any time remove any person so appointed and may annul or vary any such delegation.
139. Subject to the provisions of the Act and these Articles the Directors may at any time, or from time to time, by power of attorney under the Company's seal, appoint any person or persons to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit ; and any such appointment may (if the Directors think fit) be made in favour of the Members or any of the Members of any local board established as aforesaid, or in favour of any Company, or of the Members, Directors, nominees, or managers of any Company or firm, or in favour of any fluctuating body of persons whether nominated directly or indirectly by the Directors ; and such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney or attorneys as the Directors may think fit. *Power of attorney*

140. Subject to the provisions of the Act and these Articles any such delegates or attorneys as aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.

Common Seal

141. a) The Board shall provide for the safe custody of the Seal and the Seal shall not be used except by the authority previously given of the Board or a Committee of the Board authorised by the Board in that behalf and save as provided in the Articles hereof, at least two Directors or one director and the Secretary or such other person as the Board may appoint for the purpose; and such director and Secretary or person aforesaid shall sign every instrument to which the Seal is affixed. Provided nevertheless, that any instrument bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Board to issue the same.
The Board may from time to time cancel the Common Seal and substitute a new Seal in lieu thereof.

Authentication of Documents

142. The following provisions shall have effect:
- a) All deeds executed on behalf of the Company may be in such form and contain such powers, provisions, conditions, covenants, clauses, and agreements as the Directors shall think fit, and when not required to be sealed with the Seal of the Company, shall be signed by the Managing Director / Director.
- b) All cheques, drafts, hundis, Bills of Exchange, promissory notes, or other negotiable instruments shall be accepted, made, drawn or endorsed for and on behalf of the Company and all cheques orders for payment shall be signed by the Managing Director / Director / Secretary / Chief Accountant or Accountant.
- c) Cheques or other negotiable instruments paid to the Company's bankers for collection and requiring the endorsement of the Company may be endorsed on its behalf by the Managing Director / Director / Secretary / Chief Accountant or Accountant. All moneys belonging to the Company shall be paid to such bankers as the Directors shall from time to time in writing or by resolution of the Directors appoint; and all receipts for money paid to the Company shall be signed by the Managing Director / Director / Secretary / Chief Accountant or Accountant and such receipt shall be effectual discharge for the money therein stated to be received.

Reserve Funds

143. Subject to the provisions of the Act and these Articles, the Directors may, before recommending any dividend, set aside, out of the profits of the Company, such sums as they think proper as a Reserve fund, which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision to meet contingencies, or for equalising dividends, or for special dividends, or for repairing, improving and maintaining any of the properties of the Company, towards the depreciation of the assets and for such other purposes as the Directors shall in their absolute discretion think conducive to the interests of the Company; and may, pending such application may, either employ the several sums so set aside in the business of the Company or invest it in such investments (other than shares of this Company) as they may think fit, and from time to time deal with and vary such investments, and dispose of all or any part thereof for the benefit of the Company, and may divide the Reserve fund into such special funds as they think fit, and that without being bound to keep the same separate from the other assets.
The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

Dividends

144. Subject to the rights of Members entitled to Shares (if any) with preferential or special rights attached thereto, the profits of the Company, which it shall from time to time determine to divide in respect of any year or other period, shall be applied in the payment of a dividend on the Equity Shares of the Company but so that a partly paid-up share shall only entitle the holder with respect thereof to such a proportion of the distribution upon a fully paid-up share as the amount paid thereon bears to the nominal amount of such share. *How profits shall be divisible*
145. The Company in General Meeting may declare a dividend to be paid to Members according to their rights and subject to the provisions of the Act and these Articles. *Declaration of dividends*
146. No larger dividend shall be declared than is recommended by the Board, but the Company in General Meeting may declare a smaller dividend. *Restrictions on amount of dividend*
147. Subject to the provisions of the Act and these Articles, no dividend shall be payable unless otherwise agreed between ZF and RHL in writing, for an amount not exceeding 100% (one hundred percent) of the profits after tax of the Company for a particular Fiscal Year, as may be determined and decided by the Board, in form of dividends to the Shareholders, provided however the Company shall, in any event, declare and distribute as dividends an amount up to of at least 40% (forty percent) of the domestic profits after tax and 100% (one hundred percent) of the exports profits after-tax of the Company for a particular Fiscal Year to the Shareholders. Provided further that ZF being a majority shareholder shall endeavour to cause the Company to declare and distribute as dividends an amount of at least 60% (sixty percent) of the domestic profits after tax after giving due consideration to the current and anticipated cash needs of the Company in the context of the strategic and business objectives of the Company. *Dividend policy*
148. The declaration of the Board as to the amount of the net profits of the Company shall beconclusive. *What to be deemed net profits*
149. Subject to the provisions of the Act and these Articles, the Board may, from time to time, pay to the Members such interim dividends as appear to the Board to be justified out of the profits of the Company. *Interim Dividend*
- a) Where capital is paid in advance of calls, such capital may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits. *Capital paid up in advance at interest not to earn dividend*
- All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. *Dividend in proportion to amount paid-up*
150. The Board may retain any dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. *Retention in certain cases*
151. Unless otherwise directed in accordance with the Act, any dividend, interest or other moneys that is paid by cheque or warrant may be sent through the post to the registered address of the holder who is the first named in the Register in respect of the joint holding or to such person and such address as the holder or joint holders, as the case may be, may direct, and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent. The Company shall not be liable for any cheque or warrant lost in transmission or for any dividend lost to any Member by the forged endorsement of any such cheque or warrant. *Payment by post*
152. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer by the Company. *Effect of transfer*
153. Any dividend payable in cash may be paid by cheque or warrant or in any electronic

mode to the shareholder entitled to the payment of the dividend.; provided that nothing in the foregoing shall be deemed to prohibit the capitalisation of profits or reserves of the Company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on the shares held by the Members of the Company.

154. No dividend shall be paid in respect of Shares except to the registered holder of such Share or to his order or to his bankers; but nothing contained in this Article shall be deemed to require the bankers of a registered Shareholder to make a separate application to the Company for the payment of the dividend. Nothing in this Article shall be deemed to affect in any manner the operation of Article 145.
155. No unclaimed dividend shall be forfeited by the Board and the Company shall comply with the provisions of the Act in respect of such dividend. *Unclaimed dividends*
156. Any one of several persons who are registered as joint holders of any Share may give effectual receipts for all dividends, bonuses and other payments in respect of such Shares. *Dividends to joint holders*
157. Notice of any dividend, whether interim or otherwise, shall be given to the persons entitled to share therein in the manner hereinafter provided. *Notice of dividends*
158. Where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered by the Company, it shall, notwithstanding anything contained in the Articles, transfer the dividend in relation to such shares to the Unpaid Dividend Account unless the Company is authorized by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer. *Transfer to Unpaid Dividend Account in certain cases*

Capitalisation of Reserves and Profits

159. Subject to the provisions of the Act and these Articles:
- 1) The Company in General Meeting may, upon the recommendation of the Board, resolve - *Distribution of reserves and profits.*
- a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and *Mode of distribution*
- b) that such sum be accordingly set free for distribution in the manner specified in clause *Share premium and capital redemption reserve fund*
- (2) hereunder, amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- 2) The sum aforesaid shall not be paid in cash, but shall be applied, subject to the provision contained in clause (3) hereunder, either in or towards :
- a) paying up any amounts for the time being unpaid on any Shares held by such Members respectively ;
- b) paying up in full, unissued Shares or debentures of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid ; or
- c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b).
- 3) A securities premium account and a capital redemption reserve fund may, for the purpose of this regulation, only be applied in paying up of unissued Shares to be issued to Members of the Company as fully paid Bonus Shares.
160. The Board shall give effect to the resolution passed by the Company in pursuance of this regulation. *To give effect to the Company's resolution*
161. Whenever such a resolution, as aforesaid, shall have been passed, the Board shall: *Action of Board*
- a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid Shares or

Debentures, if any, and
generally do all acts and things required to give effect thereto.

162. Subject to the provisions of the Act and these Articles, the Board shall have full power: *Powers of Board to issue of fractional certificates*
- a) to make such provision by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of Shares or Debentures becoming distributable in fractions and also ;
 - b) to authorise any person to enter on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively credited as fully paid-up, of any further Shares or Debentures to which they may be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares.

163. Any agreement made under such authority shall be effective and binding on all such Members.

Accounts

164. *Accounts to be kept*
- a) The Board of Directors shall cause to be kept books of account and other relevant books, records and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the Company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches in accordance with the provisions of the Act. The Books of accounts shall be kept at the registered office of the Company, or at such other place or places as the Board might think fit in accordance with the provisions of the Act.
 - b) Promptly after the end of the applicable period of time indicated below and without any charge, the Company will submit to RHL and ZF who shall each have the right to receive:
 - i. The Company's monthly financial statements summarizing the financial results of the Company's operations during each fiscal month;
 - ii. an annual forecast of the financial results of the Company's operations during each year;
 - iii. The Company's annual financial statements (including, without limitation, the balance sheet, the profit and loss statement, the statement of changes in financial position, related reports or statements, and the Auditors' report or statement) for and as of the end the Company's fiscal year.The Company will submit to RHL and ZF the foregoing documents and information in a form and with such supplementary information as is mutually agreed upon by the Company, RHL and ZF;
 - iv. The Company's related party transaction details including information on transfer pricing, to the extent required by RHL, ZF or their Affiliates to fulfil and complete their tax compliances under applicable law.

165. The Board of Directors shall from time to time (subject to the provisions of the Act and these Articles) determine whether and to what extent, and at what times and places, and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of the Members and no Member shall have any right of inspecting any account or book or document of the Company, except as conferred by statute or authorised by the Directors, or by a resolution of the Company in General Meeting. *Inspection*

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| 166. | At every Annual General Meeting of the Company the Directors shall lay before the Company the financial statements for the financial year. | <i>Balance sheet and profit and loss account</i> |
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Auditors

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| 167. | Auditors shall be appointed and their duties regulated in accordance with the provisions of the Act and these Articles. | <i>Appointment and duties of auditors</i> |
| 168. | If required by the Act, the Company shall appoint an internal auditor in accordance with the provisions of the Act and these Articles to conduct an internal audit of the functions and activities of the Company. | <i>Internal auditors</i> |

Service of Documents on Members by Company

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| 169. | <p>1) A document may be served by the Company on any Member thereof either personally or by sending it in such manner, including electronic or other mode as may be prescribed under the Act. Provided that a member may request for delivery of any document through a particular mode for which he shall pay such fees as may be determined by the Company in its annual general meeting.</p> <p>2) Where a document is sent by post :</p> <p style="padding-left: 20px;">a) service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document, provided that where a Member has intimated to the Company in advance that documents should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents shall not be deemed to be effected, unless it is sent in the manner intimated by the Member, and</p> <p style="padding-left: 20px;">b) unless the contrary is proved, such service shall be deemed to have been effected :</p> <p style="padding-left: 20px;">i) in the case of a notice of a meeting at the expiration of forty eight hours after the letter containing the same is posted, and</p> <p style="padding-left: 20px;">ii) in any other case, at the time at which the letter would be delivered in the ordinary course of post.</p> <p>3) Where permitted by applicable law, a document advertised in a newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly served on the day on which the advertisement appears, on every Member of the Company, who has not supplied to the Company an address for giving notices to him.</p> <p>4) A document may be served by the Company on the joint holders of a Share by serving it on the joint holder named first, in the Register in respect of the Share.</p> <p>A document may be served by the Company on the person entitled to a Share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter addressed to him by name or the titles of the representatives of the deceased or assignees of the insolvent, or by any like description at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied, by serving the document, in any manner in which it might have been served if the death or insolvency had not occurred.</p> | <i>How notice to be served on Members</i> |
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Keeping of Registers and Inspection

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| 170. | The Company shall duly keep and maintain at the office, all registers necessary to be maintained under and in accordance with all applicable law. | <i>Registers, etc., to be maintained by the Company</i> |
| 171. | The Company shall comply with the provisions of the Act as to the supplying of copies of the Registers, deeds, documents, instruments, returns, certificates and books therein mentioned to the persons therein specified when so required by such persons, | <i>Supply of Copies of registers, etc.</i> |

on payment of the charges, if any, prescribed by the Act.

172. The Company may in accordance with the provisions of the Act close the Register of Members or the Register of Debenture holders or Register of other security holders as the case may be.
- Register of
Members and
Debenture holders
and
other security
holders may be
Closed*

Secrecy Clauses

173. Every Director, Manager, Auditor, Trustee, Member of a committee, Officer, Servant, Agency, Accountant or other person employed in the business of the Company, shall before entering upon his duties, if called upon to do so, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company with the customers and the state of accounts with individuals, and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of the duties, except when required so to do, by the Board of Directors or by any meeting, or by a Court of Law, or by the persons to whom such matters relate, and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
- Secrecy*

Winding Up

174. Subject to the Act:
- 1) If the Company shall be wound up, the liquidator may with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the Members in specie or kind the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
 - 2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division be carried out as between the Members or different classes of Members.
- The liquidator may, with the like sanction vest the whole or part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction shall think fit, but so that no Member shall be compelled to accept any shares or other securities wherein there is any liability.


Indemnity

175. Subject to the provisions of the Companies Act, the Directors, Auditors, Secretary and other Officers for the time being acting in relation to any of the affairs of the Company and their heirs, executors and administrators respectively shall be indemnified out of the assets of the Company from and against all suits, proceedings, costs, charges, losses, damages, and expenses which they, or any of them shall or may incur or sustain by reason of any act done or omitted in or about the execution of their duty in their respective offices or trust except such (if any) as they shall incur or sustain by or through any fraud committed by them respectively, and no such Officer or trustee shall be answerable for the acts, receipts, neglects or defaults of any other Officer or trustee, or for joining in any receipt for the sake of conformity or for the solvency or honesty of any bankers or other persons with whom any moneys or effects belonging to the Company shall be invested or for any other loss or damages due to any such cause as aforesaid or which may happen in or about the execution of his office on trust unless the same shall happen through the willful neglect or default of such Officer or trustee.

Dissolution

176. Subject to the other terms of these Articles, the Company may be dissolved only at such time as ZF and RHL may jointly determine in writing. *Dissolution*

177. In accordance with the approval of the relevant authorities and subject to Article 176 (*Dissolution*) above or the other terms of these Articles, upon dissolution of the Company, the affairs of the Company will be liquidated forthwith and the remaining assets and liabilities will be divided between ZF and RHL as Shareholders in accordance with the aggregate Shares held by ZF and RHL respectively in the Company at that time and these Articles will be terminated and cease to have effect. *Distribution of Assets and Liabilities*

<i>Sl. No.</i>	<i>Names, addresses and description of subscribers</i>	<i>Witness with name, address and description</i>
1.	Sd/- C Bhaskaran S/o Dr K Madhava Menon SB8, 73 McNichols Road Madras-600031. - Service	 <div style="display: inline-block; vertical-align: middle; text-align: center;">Sd- V Balasubramanian S/o Mr M N Venkateswaran Company Service 197/18 Asiad Colony Thirumangalam Annanagar West Madras 600 040</div>
2.	Sd/- P B Venkataraman S/o Mr P S Balakrishnan 4/2 Rajagopalan Street Tiruvannamiyur, Madras 600 041 Service	
3.	Sd/- P V Devanarayanan S/o Mr S V Sastri N3, Turnbolls Road Madras 600 035. - Service	
4.	Sd/- K Subramaniam S/o Mr P Krishna Iyer O4 HIG Flats Kotturpuram Hg Bd Colony Madras 600 085. - Service	
5.	Sd/- K S Krishnaswamy S/o Late K Subramanyam 5A, 37A Motilal Street Madras 600 017 Company Executive	
6.	Sd/- A P Ramakrishnan S/o Mr A Parameswara Iyer No 7 Warren Road Madras 600 004. - Service	
7.	Sd/- K V Ramana Rao S/o Mr K Ramachandra Rao 7, II Main Road Nehru Nagar Madras 600 020. - Service	

Dated at Madras this 17th Day of June 1987.

ZF LIFETEC RANE AUTOMOTIVE INDIA PRIVATE LIMITED
CONSTITUTION DOCUMENTS



**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

Central Registration Centre

Certificate of Incorporation

[Pursuant to sub-section (2) of section 7 and sub-section (1) of section 8 of the Companies Act, 2013 (18 of 2013) and rule 18 of the Companies (Incorporation) Rules, 2014]

I hereby certify that ZF LIFETEC RANE AUTOMOTIVE INDIA PRIVATE LIMITED is incorporated on this FOURTH day of JULY TWO THOUSAND TWENTY FOUR under the Companies Act, 2013 (18 of 2013) and that the company is Company limited by shares

The Corporate Identity Number of the company is **U29302TN2024PTC171639**

The Permanent Account Number (PAN) of the company is **AACCZ4295K***

The Tax Deduction and Collection Account Number (TAN) of the company is **CHEZ04405C***

Given under my hand at Manesar this FOURTH day of JULY TWO THOUSAND TWENTY FOUR

PRAMOD MEENA

Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies

For and on behalf of the Jurisdictional Registrar of Companies

Registrar of Companies

Central Registration Centre

Disclaimer: This certificate only evidences incorporation of the company on the basis of documents and declarations of the applicant(s). This certificate is neither a license nor permission to conduct business or solicit deposits or funds from public. Permission of sector regulator is necessary wherever required. Registration status and other details of the company can be verified on mca.gov.in

Mailing Address as per record available in Registrar of Companies office:

ZF LIFETEC RANE AUTOMOTIVE INDIA PRIVATE LIMITED

"Maithri", 132, Cathedral Road, Gopalapuram (Chennai), Chennai, Chennai- 600086, Tamil Nadu

*as issued by Income tax Department



MEMORANDUM OF ASSOCIATION
OF
ZF LIFETEC RANE AUTOMOTIVE INDIA PRIVATE LIMITED

The Companies Act, 2013
Companies Limited by Shares
Memorandum of Association
Of
ZF LIFETEC RANE AUTOMOTIVE INDIA PRIVATE LIMITED

- I. The name of the Company is “**ZF LIFETEC RANE Automotive India Private Limited**”.
- II. The Registered Office of the Company will be situated in the State of Tamil Nadu
- III. The objects for which the Company is formed are:

A. Main objects of the Company to be pursued by the company on its incorporation:

- 1. To manufacture, sell or otherwise deal primarily in occupant safety systems and equipment including but not to the exclusion of seat belts, seat webbings, airbags, airbag modules, inflators, crash sensors safety electronic systems, assemblies, steering wheels, door trims, related parts, applications components and any other high-precision components for automotive industry.
- 2. To carry on the business of manufacturers, exporters and dealers in all types of Hoses and fittings, face masks, personal protective equipment, fabric based protective gears, covers, belts, helmets, cabin air filtration, nylon cords, parachutes, inflatable boats, air balloons and such other components or assemblies required for the safety systems, equipment and other engineering applications in motor vehicles, railways and all other types of automobiles and aircrafts.
- 3. To design, manufacture, sell or otherwise deal in all such materials, components/ raw materials as are allied and akin to the above mentioned products.

B. The objects incidental or ancillary to the attainment of the main objects are:

- 1. To acquire land and buildings and alter or renovate the same for the purpose of business of the company.

2. To enter into arrangements for technical collaboration and or other forms of assistance including capital participation with foreign or Indian manufacturers of all types of goods or products manufactured or proposed to be manufactured or processed by the company or for doing specialised service falling within the objects of the company and to pay for such technical assistance or collaboration royalties or other fees in cash, or in any other form.
3. To acquire, provide, construct, establish, run and maintain factories, workshops, buildings, plant, machinery warehouse and other conventions necessary for any of the purposes or business of the company.
4. To establish, maintain and operate training schools for apprentices, artisans, mechanics, technicians, engineers, supervisors or any employees or personnel employed in connection with the business of the company.
5. To act as buying or selling agents or other types of agents and brokers of Government or Public authorities, or any company, body corporate, association, firm or persons and perform all and the several duties, services and offices which the agents and brokers can do and perform and to enter into any agreement or agreements for any of the purposes aforesaid.
6. To acquire and run any industrial concern or factory considered necessary for any of the purposes or business of the company.
7. To enter into any arrangement with any Government or authorities, municipal, local or otherwise, or any persons or company in India or abroad that may seem conducive to the objects of the company or any of them and to obtain from any such Government, authority, persons or company any rights, privileges, charters, contracts, licences and concessions.
8. To purchase, take on lease or in exchange or under amalgamation, licence or concession or otherwise, absolutely or conditionally, solely or jointly with others and make, construct, maintain, work, hire, hold, improve, alter, pull down, remove or replace, enlarge, manage, control, let, sell, dispose of or exchange, roads, canals, water-sources, ferries, piers, aerodromes, lands, buildings, warehouses, works, offices, factories, shops, mills, workshops, railway sidings, tramways, engines, machinery and apparatus, water rights, way leaves, trademarks, patents and designs,

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privileges or rights of any description or kind, which may seem calculated directly or indirectly to advance the interests of the company.

9. To bring, buy, sell, prepare, repair, convert, hire, alter, treat, manipulate, let on hire, import, export, dispose of and deal in machinery, implements, rolling stock, plant, hardware metals, natural and synthetic rubber carbon-black, rayon, nylon, chemicals, sealants, plastics, cement, stone materials, tools, appliances, apparatus, products, substances and articles of all kinds which are required for the purpose of any of the businesses which the company has expressly or by implication authorised to carry on.
10. To acquire the whole or any part of the undertaking and assets of any business within the objects of the Company and any lands, privileges, rights, contracts, property or effects held or used in connection therewith and upon any such purchase to undertake the liabilities of any such company, association, partnership or person.
11. To act as agents or brokers, stockists, distributors and agents, sales agents, representatives and as trustees for any person or company and to undertake perform subcontracts.
12. To amalgamate, enter into partnership, or into any arrangement for sharing profits, union of interests, co-operation, joint ventures or reciprocal concessions with any person or company carrying on or engaged in or about to carry on or engage in, any business or transactions which the company is authorised to carry on.
13. To apply for, purchase, or otherwise acquire and protect and renew in any part of the world any patents, patent rights, brevets d'invention, licences, concessions and the like, conferring any exclusive or non-exclusive or limited rights to their use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company and to use, exercise, develop or grant licence in respect of or otherwise turn to account the property, rights or information so acquired, and to expend money to experimenting upon, testing or improving any such patents, invention, information or rights.
14. To establish or promote or concur in establishing or promoting any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of the company.

15. To subsidise, assist and guarantee the payment of money or the performance of any contract, engagement or obligation by any persons or companies, and in particular, customers of the company or any persons or companies with whom the company may have or intend to have business relations.
16. To enter into a contract or contracts of loan or guarantee with any company, firm or persons for payment or performance of any debts, contracts, or obligations of and the payment of the capital and the dividends and interests on any stock, shares or securities of any company, firm or persons in any case in which such loan or guarantee may be considered by the Directors likely directly or indirectly to further the objects of the company or the interests of members.
17. Generally, to purchase, take on lease or in exchange, hire or otherwise acquire, any real and personal property and any rights or privileges which the company may think necessary or convenient for the purpose of its business or which may enhance the value of any other property of the company and in particular any land, buildings, easements, machinery, plant, vehicles and stock-in-trade.
18. To engage, employ, suspend executives, engineers, agents, managers, superintendents, assistants, clerks and other employees and workers, and to remunerate any such person at such rate as shall be thought fit, and to grant bonus, compensation, pension and gratuity to such persons.
19. To train or pay for the training in India or abroad of any of the company's employees, officers, directors, technicians or any candidate in the interest of or for furtherance of the company's objects
20. To invest and deal with the moneys of the company not immediately required for its business, in any manner and in particular to accumulate funds or to acquire or take by subscriptions, purchase or otherwise howsoever or to hold shares or stock in or the security of any company, association or undertaking in India or abroad.
21. To lend and advance moneys or give credit to such persons or companies and on such terms as may seem expedient, and in particular to customers and others having dealings with the company, and to guarantee the payment of money and the performance of contracts or engagements entered into by any company or person and to secure the payment of the money and the performance of any contracts or engagements entered into by the company or by any other company or persons and

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to discharge any debt or other obligation of or binding upon the company or any other company or person by mortgage or charge upon all or any part of the undertaking, property and rights of the company (either present or future, or both) including its uncalled capital or by the creation or issue of debentures, debenture stock or other securities or by any other means.

22. To receive money on deposit or loan at interest within the permissible limit and borrow or raise money in such manner as the company shall think fit and in particular by the issue of debentures, or debenture stock and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the company (both present and future), including its uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the company or any other person or company of any obligation undertaken by the company or any other person or company, as the case may be, provided that the company shall not carry on any business of banking within the meaning of the Banking Companies Regulation Act, 1949.
23. To insure any or all properties, godowns, stocks (in godowns or in transit), machinery, Directors and employees with any insurance company or companies against all kinds of risk or liability to the company or to its Directors and employees.
24. To remunerate (by cash or otherwise or by other assets) any person, firm, association or company for services rendered or to be rendered or for rendering technical aid and advice, granting licenses or permission for the use of patents, trade secrets, trademarks, processes and in acting as trustees for debenture-holders or debenture-stock-holders of the company or for services rendered in or about the formation or promotion of the company or any company promoted by this company or in introducing any party or business to the company or in or about the conduct of the business of this company or for guaranteeing payment of such debenture stock or other securities and any interest thereon.
25. To pay for any business, property or rights acquired or agreed to be acquired by the company and generally to specify any obligation of the company by the issue or transfer of shares of this company or other company credited as fully or partly paid up or of debentures or other securities of this or any other company.
26. To pay, satisfy, or compromise, claims made against the company which it may be necessary or seem expedient to pay, satisfy or compromise, and to institute or defend

any suit, appeal, application for review or revision or any other application of any nature whatsoever, to take out executions, to enter into agreements of reference to arbitration, and to perform, enforce and where need be, to contest any awards, whether in India or abroad, and for such purpose to engage or retain counsels, attorneys and agents.

27. To undertake financial and commercial obligations, transactions and operations of all kinds; and to open any kind of account in any Bank or with a Depository.
28. To draw, make, accept, endorse, discount, execute and issue and negotiate cheques, promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
29. To issue shares, debentures or other securities of the Company for cash or for consideration other than cash, by conversion of loan or in any other manner, and on such terms and conditions as it thinks fit, subject to the applicable provisions of the Companies Act, 2013.
30. To pay for any rights or property acquired by the company and to remunerate any person or company whether by cash payment or by the allotment of shares or debentures or other securities of the company credited as paid up in full or in part or otherwise.
31. To pay out of funds of the company all expenses which the company may lawfully pay with respect to the formation and Registration of the company, issue of its capital and conduct of its business
32. To sell, lease, mortgage, exchange or otherwise dispose off the property, assets or undertaking of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, stocks, debentures or other securities of any other company whether or not having objects altogether or in part similar to those of the company.
33. To distribute among the members in specie any property of the Company or any proceeds of the sale or disposal of any property of the Company, in the event of its being wound up but so that no distribution amounting to a reduction of capital be made except in accordance with the provisions of the Companies Act.
34. To improve, manage, develop, grant rights or privileges in respect of or otherwise deal with, all or any part of the property and rights of the company.

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35. To establish, join, support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the company or the dependants or connections of such persons or the public and to make payments towards insurance and to subscribe, contribute or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general, or useful object, the support of which will in the opinion of the company lead to the increase of its reputation or goodwill among its employees, customers' agents or the public.
36. Subject to the provisions of the Companies Act, 2013, to provide for the welfare of the directors, trustees and employees or ex-directors, ex-trustees or ex-employees of the Company and the wives, widows and families or the dependants or connections of such persons, by buildings or contributing to the building of houses, dwellings, by grants of money, pensions, gratuities, allowances, bonuses or other payments, or by creating and from time to time subscribing or contributing to provident and other funds, institutions funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation or hospitals and dispensaries, medical and other attendance and other assistance as the company shall think fit and to subscribe or contribute or otherwise assist or to guarantee money to charitable, benevolent, religious, scientific, national or allied institutions, bodies and objects which shall have moral or other claims to the support or aid by the company either by reason of locality of operation or public and general utility.
37. To procure the company to be registered or recognised in any part of the world outside India.
38. To open and keep a register or registers in any country or countries where it may be deemed advisable to do so, and to allocate any number of shares in the company to such register or registers.
39. To create any depreciation fund, reserve fund, sinking fund or any other special fund whether for depreciation or for repairing, improving, extending or maintaining any of the properties of the company or for any other purpose conducive to the interest of the company.
40. Subject to the provisions of Companies Act, 2013, to place, to reserve or to distribute as bonus among the members or otherwise to apply, as the company may from time

to time think fit, any monies received by way of premium on shares or debentures issued at a premium by the company and any monies received in respect of dividends accrued on forfeited shares and money arising from re-issue of forfeited shares.

41. To establish, provide and conduct or otherwise subsidise research laboratories and experimental work-shops for scientific and technical research and experiments; to undertake and carry on scientific and technical researches, experiments and tests of all kinds to promote studies and researches both scientific and technical, investigations and inventions by providing, subsidising, endowing conferences and by providing for or contributing to the remuneration of scientific or technical professors or teachers and by providing for or contributing to the award of scholarships, prizes, grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any business which the company is authorised to carry on.
 42. Subject to the provisions of the Companies Act, 2013, or any other enactment in force, to indemnify and keep indemnified members, Officers, Directors, Agents, Representatives and Employees of the company against proceedings, costs, damages, claims, and demands in respect of anything done or ordered to be done by them for and in the interests of the company and for any loss, damage or misfortune whatever and which shall happen in execution of the duties of their office or in relation thereto.
 43. To take or concur in taking all such steps and proceedings as may seem best calculated to uphold and support the credit of the company and to obtain and justify public confidence and to avert or minimise financial disturbances which might affect the company.
 44. To apply for promote and obtain any privilege concession, licence or authorisation of any Government, State or Municipality, provisional order or licence of any authority for enabling the company to carry on any of its objects into effect or for extending any of the powers of the company or effecting any modification of the constitution of the company or for any other purpose which may seem expedient and to oppose any proceedings on application which may seem calculated directly or indirectly to prejudice the interests of the company.
- IV.** The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.

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- V. The authorised share capital of the company is Rs. **10,00,000** (Rupees Ten Lakhs only) divided into **1,00,000** (One Lakh equity shares) of face value of Rs.10 each.

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

SL No.	Names, addresses and description of subscribers	Number of Equity Shares taken by each subscriber	Signed Date	Witness with name, address and description
1.	<p>ZF Rane Automotive India Private Limited</p> <p>CIN: U35999TN1987PTC014600</p> <p>Body Corporate</p> <p>Registered Office: "Maithri", 132, Cathedral Road, Chennai - 600 086.</p> <p>Represented by its Authorised Representative:</p> <p>Senthil Nathan, Son of Shanmugam,</p> <p>Address: Crystal Manor, 14, Andavar Nagar, 6th Street, Kodambakkam, Chennai 600024,</p> <p>Occupation: Company Executive</p> <p>(Authorised Person)</p> <p>Designation: Senior Vice President – Finance, Chief Financial Officer and Company Secretary for and on behalf of ZF Rane Automotive India Private Limited and as Authorised representative of ZF Rane Automotive India Private Limited</p>	9,999	July 03, 2024	<p>FCS Krishnamurthy Sriram, Son of Subramanyam Krishnamurthy</p> <p>Address:</p> <p>"Shreshtam", Old No.17, New No. 16, Pattammal Street, Mandaveli, Chennai – 600 028, Occupation: Practising Company Secretary,</p> <p>COP No.:2215</p> <p>Membership No.: 6312</p>
2.	<p>Subha Shree Sridharan, Daughter of Sridharan Parthasarathy</p> <p>Address: No 14/26, Sarojini Street, Rajaji Nagar, Kanchipuram – 600 043</p> <p>Occupation: Company Executive</p>	1	July 03, 2024	
Total Shares		10,000		

**ARTICLES OF ASSOCIATION
OF
ZF LIFETEC RANE AUTOMOTIVE INDIA PRIVATE LIMITED**

ZF LIFETEC RANE AUTOMOTIVE INDIA PRIVATE LIMITED

Under
The Companies Act, 2013

1. The Regulations contained in Table F of Schedule I to the Companies Act, 2013, or any statutory modifications thereof, to the extent mandatorily applicable to a Private Company Limited by shares, shall apply to this Company, except in so far as specifically excluded, modified or otherwise expressly incorporated hereinafter.

Interpretation

In the interpretation of these Articles, unless repugnant to the subject or context:

2. (a) "The company" or "This company" means ZF LIFETEC RANE Automotive India Private Limited
- (b) "The Act" means the Companies Act, 2013 or any statutory modifications or re-enactment thereof for the time being in force as may be applicable and shall include Rules made thereunder wherever the context so requires. References to Sections of the Act shall, unless otherwise specified, mean the Sections of the Companies Act, 2013.
- (c) "General Meeting" means a meeting of the members of the company.
- (d) "Seal" means the Common Seal of the company, for the time being.
- (e) "ZRAI" means ZF Rane Automotive India Private Limited, a company incorporated under the laws of India and having CIN:U35999TN1987PTC014600 and its registered office at "Maithri", 132, Cathedral Road, Chennai – 600 086, India.
- (f) Words importing the singular number include, where the context admits or requires, the plural number and vice – versa.
- (g) Words importing the masculine gender shall include the feminine gender and vice-versa.
- (h) Words or expressions contained herein shall bear the same meaning as in the Act and/or rules, regulations, guidelines, clarifications, circulars and notifications made or issued thereunder, as may be relevant or applicable, from time to time.

Private Company

2A.

The Company is a private company within the meaning of Section 2(68) of the Act, having a minimum paid-up share capital as may be prescribed. Accordingly:

- (a) Rights of the members to transfer their shares shall be restricted in the manner provided in these Regulations.
- (b) The number of members shall be limited to 200 (two hundred), not including:
 - (i) persons who are in the employment of the company; and
 - (ii) persons who, having been formerly in the employment of the company were members while in that employment and have continued to be members after the employment ceased

Provided that, where two or more persons hold one or more shares in the company jointly, they shall, for the purposes of this clause, be treated as a single member.
- (c) No invitation shall be issued to the public to subscribe for any securities of the company.
- (d) The Company has power, from time to time, to increase or reduce its capital and to divide the share in the capital for the time being into other classes and of higher denomination and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions, as may be determined by or in accordance with the Articles of Association of the Company or the legislative provisions for the time being in force in that behalf.

Share capital and variation of rights

3. Subject to the provisions of the Act and these Regulations, the shares in the capital of the company shall be under the control of the Board of Directors who may issue, allot or otherwise dispose off the same or any of them in any manner provided in or permitted under the Act, including in particular by way of rights issue, bonus issue, private placement, preferential issue, or on conversion of loans or debentures, with approval of the members wherever required, and with or without any preferential or differential rights as to dividend, voting, repayment of capital or otherwise, for cash or for consideration other than cash, to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time(s) as they may from time to time think fit.

The company shall be entitled to issue and allot shares or other securities in dematerialized form. Upon either the company or a member exercising an option to issue or hold securities with a depository in dematerialized form, the company shall enter into an agreement with a depository or depositories to enable dematerialization. Securities held in dematerialized form shall be governed by the provisions of the Depositories Act, 1996 or any amendment or re-enactment thereof for the time being in force, and the rules, regulations, bye-laws, circulars and notifications made or issued thereunder, from time to time, as may be applicable to the company.

4. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the Memorandum of Association or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provide, one certificate, or if so requested more than one certificate(s), for all his shares, without payment of any charges.

Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two directors or by a director and the company secretary, wherever the company has appointed a company secretary:

Provided that in case the company has a common seal it shall be affixed in the presence of the persons required to sign the certificate.

In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

The provisions of this Article relating to issue of share certificate(s) shall not apply to issue, allotment, transfer or transmission of shares or other securities in dematerialised form with a depository, in accordance with the provisions of the Depositories Act, 1996.

5. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given, without payment of any charges.

The provisions of Article Nos. 1 to 2 hereof shall mutatis mutandis apply to debentures of the company.

6. Except as required under the Act or by any other law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by the Act or any other law otherwise provided) any other rights in respect of any share, except an absolute right to the entirety thereof in the registered holder.
7. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply.

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8. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
9. Subject to the provisions of section 55, any preference shares may be issued on the terms that they are to be redeemed or converted into Equity shares on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

Lien

10. The Company shall have a first and paramount lien
 - (a) on every share (not being a fully-paid share), for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - (b) on all shares (not being fully-paid shares) standing registered in the name of a single person, for all moneys presently payable by him or his estate to the Company.

Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

11. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made-

- (a) unless a sum in respect of which the lien exists is presently payable; or
 - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
12. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

The purchaser shall be registered as the holder of the shares comprised in any such transfer.

The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

13. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

14. The Board may, from time to time, make calls (of such sums, payable at such times as it thinks expedient) upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times;

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

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

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

16. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
17. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

The Board shall be at liberty to waive payment of any such interest wholly or in part.

18. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

19. The Board-
 - (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
 - (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of Shares

20. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

Provided that, the transfer of any shares held in dematerialised form with a depository shall, subject to these Articles, be governed by the applicable provisions of the Depositories Act, 1996, or any amendment or re-enactment thereof for the time being in force.

No member shall be entitled transfer any share(s) held by them to any other person (not being another member or nominee of a corporate member), without prior approval of the Board. Every such transfer shall be made at a price not less than the price fixed by the Board, which shall be determined by the Board in accordance with applicable laws (including the Act) in force from time to time.

The instrument of transfer is in respect of only one class of shares.

Provided that, the transfer of any shares held in dematerialised form with a depository shall, subject to these Articles, be governed by the applicable provisions of the Depositories Act, 1996.

21. On giving not less than seven days, previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Transmission of shares

22. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares

Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

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23. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-

- (a) to be registered himself as holder of the share; or
- (b) to make such transfer of the share as the deceased or insolvent member could have made.

The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

24. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

25. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Forfeiture of shares

26. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

27. The notice aforesaid shall-

- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

28. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

29. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

30. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

31. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

The transferee shall thereupon be registered as the holder of the share; and

The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

32. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

33. The Authorised Share Capital of the company shall be such amount, divided into such kind, description, class and number of shares, as is stated in Clause 5 (Capital Clause) of the Memorandum of Association, from time to time, and the shares shall carry such rights, privileges and conditions as provided in the Act or in these Regulations or by the terms of issue thereof.

The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such kind, description or class, and of such number and amount, as may be specified in the resolution;

The company may, from time to time, by ordinary resolution or if so required under the Act or these Regulations, by special resolution, re-classify its existing share capital into such kind, description or class of shares and such number and amount of shares, as may be specified in the resolution.

34. Subject to the provisions of section 61, the company may, by ordinary resolution, -
- (a) increase its authorised share capital by such amount as it thinks expedient;
 - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

35. Where shares are converted into stock, -

- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

36. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, -

- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account

Capitalization of profits

37. The company in general meeting may, upon the recommendation of the Board, resolve-

- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and
- (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards-

- (A) Paying up any amounts for the time being unpaid on any shares held by such members respectively;
- (B) Paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
- (C) Partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
- (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
- (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

38. Whenever such a resolution as aforesaid shall have been passed, the Board shall-

- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
- (b) generally, do all acts and things required to give effect thereto.

The Board shall have power-

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

Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

39. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

General Meetings

40. All general meetings other than annual general meeting shall be called extraordinary general meeting.

41. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.
- (iii) Subject to the provisions of the Act, any general meeting (including Annual General Meeting) may be called by giving not less than 7 (seven) days' notice in writing, or with the consent of all the members entitled to attend and vote thereat, at a shorter notice, and statement of material facts in terms of Section 102 of the Act need not be annexed to Notice of General Meetings.

Proceedings at General Meetings

42. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

Subject to the provisions of the Act, 2 (two) members present in person or through proxy shall be the quorum for a general meeting of the company.
43. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
44. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be the Chairperson of the meeting.
45. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their member to be the Chairperson of the meeting.

Adjournment of meeting

46. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

47. Subject to any rights or restrictions for the time being attached to any class or classes of shares, -
 - (a) on a show of hands, every member present in person shall have one vote; and
 - (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company
48. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
49. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
50. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
51. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

52. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

53. A member entitled to attend and vote at a general meeting of the company shall be entitled to appoint a proxy to attend and vote on his behalf, and the proxy need not be a member of the company.

The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company at any time before the time fixed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, at any time before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

Subject to the provisions of the Act, a proxy shall be entitled to vote both on a show of hands and on a poll, and may, with the permission of the Chairperson, speak at the meeting.

54. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
55. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death, insanity of the Principal, or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its registered office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

56. The company shall have a minimum of 2 (two) and maximum of 15 (fifteen) directors, subject to the applicable provisions of the Act.

The following persons shall be the first (nominee) directors (nominee of ZRAI) of the company:

- (a) Mr. Balakrishnan Ayyappan (DIN: 10566149)
- (b) Mr. Senthilnathan (DIN: 09642457)

Subject to the provisions of the Act and these Regulations, the Directors shall be nominated by ZRAI in writing and such nominees shall be appointed by the Board of Directors. The Nominee directors shall not be liable to retire by rotation and shall hold office until withdrawal of nomination/ removal by ZRAI in writing or their resignation, whichever is earlier.

The Board of Directors may appoint or re-appoint any director as Managing, Whole-time or Executive Director(s) of the company, to hold such office for a term not exceeding 5 (five) years at a time.

Subject to the provisions of the Act, the Directors of the company (including the Managing Director and Whole-time Director(s)) shall be entitled to such remuneration including by way of salary, perquisites, commission, as may be decided by the Board of Directors from time to time.

Unless otherwise decided by the Board of Directors, the Directors shall not be entitled to any sitting fees for attending the Board meetings.

57. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

In addition to the remuneration, the directors may be paid all travelling, hotel and other expenses properly incurred by them –

- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; and
- (b) in connection with the business of the company

58. The Board may, subject to the provisions of the Act, the Memorandum and Articles of Association, or any regulations not inconsistent therewith and duly made thereunder, including regulations made by the company in general meeting, exercise all such powers and do all such acts and things as the company is authorised to exercise and do, including, but not limited to the following:
- (a) to pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the company;
 - (b) to appoint, employ or engage employees, professionals, consultants, agents, suppliers, contractors and other persons, as may be required in the normal course of business of the company, determine the terms of such appointment or engagement, enter into contracts or agreements with them and remunerate such persons;
 - (c) to purchase or otherwise acquire for the company any property, rights or privileges which the company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit;
 - (d) to pay for any property, rights or privileges acquired by or services, rendered to the company, either wholly or partially, in cash or through issue of shares, debentures or other securities of the company;
 - (e) to borrow monies from banks, financial institutions, or any other person, as may be required for the business of the company from time to time, including through issue of debentures; and secure or guarantee repayment of the same;
 - (f) to create hypothecation, mortgage, pledge, lien, charge or similar interest on any of the properties, undertakings and assets of company, for securing any loans taken or debentures issued by the company or for securing fulfillment of any contracts or engagements entered into by the company;
 - (g) to secure or guarantee the performance of any contract or obligation;
 - (h) to invest and deal with any moneys of the company not immediately required for the purpose of its business in such manner as they think fit, and from time to time to vary or realise such investments;
 - (i) to give loans to and provide guarantee or security in connection with loans to any other person or body corporate;
 - (j) to undertake financial and commercial obligations, transactions and operations of all kinds;
 - (k) to institute, conduct, defend, compound, or abandon any legal proceedings by or against the company its directors or officers, or otherwise concerning the affairs of the company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claim or demands by or against the company and to refer any differences to arbitration, and observe and perform any awards made thereon;
 - (l) to make and give receipts, releases, and other discharges for moneys payable to the company and for the claims and demands of the company;
 - (m) to open, operate and close banking accounts and demat accounts;
 - (n) to determine from time to time who shall be entitled to sign, on the company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents, and to give the necessary authority for such purpose;
 - (o) to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the company, either by reason of locality of operation, or of public and general utility or otherwise;
 - (p) subject to the applicable provisions of the Act, to delegate to any person any of the powers, authorities and discretion for the time being vested in the Board, and annul or vary any such delegation;
 - (q) to issue Power(s) of Attorney, appointing any person(s) as the Attorney(s) of the Company, for such purposes and with such powers, authorities and discretions and for such period and subject to such conditions as the Board may from time to time think fit; and the Power of Attorney may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them

- (r) to acquire, build, make, construct, equip, maintain, improve, alter and operate factories, workshops and other work places;
 - (s) to apply for, purchase or otherwise, acquire and protect, prolong and renew in India or any part of the world, any patents, patent rights, brevets d' invention, trademarks, designs, licenses, protections, and other intellectual property rights;
 - (t) to enter into arrangements with Government and local authorities in connection with the business of the company;
 - (u) to establish, maintain and operate places of business for the company in India and abroad;
 - (v) to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the company as they may consider expedient, or as may arise in the normal course of business of the company;
 - (w) to take up, renew and maintain policies of insurance in respect of properties and assets of the company, and against losses, liabilities, damages and risks of all kinds which may affect the company, or which may be necessary or expedient in the normal course of business of the company; and
 - (x) to make, vary and repeal by-laws for regulation of the business of the company, its directors, officers and employees.
59. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
60. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
61. Subject to the provisions of section 149 and section 161, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Act or these Regulations. Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Subject to the provisions of section 161, the Board may appoint a person, not being a person holding any alternate directorship for any other director in the company or holding directorship in the same company, to act as an alternate director for a director during his absence for a period of not less than three months from India.

Subject to the provisions of section 161, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may be filled by the Board of Directors at a meeting of the Board, which shall be subsequently approved by members in the immediate next general meeting.

Subject to the provisions of section 161, the Board may appoint as a Director, any person nominated by any institution or entity in pursuance of any law for the time being in force or in pursuance of any agreement entered into by the company. The person so appointed shall hold such office during the subsistence of such legal or contractual provision or until withdrawal of the nomination by the nominating entity.

Proceedings of the Board

62. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
63. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

64. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
65. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold such office.
- If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be the Chairperson of the meeting.
66. The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
67. A committee may elect a Chairperson of its meetings.
- If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the Committee members present may choose one of their number to be the Chairperson of the meeting.
68. A committee may meet and adjourn as it thinks fit.
- Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson of the Committee, if any, shall have a second or casting vote.
69. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
70. Save as otherwise expressly provided in the Act or these Regulations, a resolution circulated in writing, signed or approved by majority of the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

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

71. Subject to the provisions of the Act, -
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
 - (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer subject to the applicable laws

The Seal

72. The Board shall provide for the safe custody of the seal, and may, from time to time, destroy the seal, and/or substitute a new seal in lieu of an existing seal.

The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least one director and of the secretary or such other person as the Board may appoint for the purpose; and that one director and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

The Board of directors may, at any time, decide not to have the seal, and adopt the alternate procedure prescribed under the Act or any other applicable law, for execution and authentication of various documents.

Dividends and Reserve

73. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
74. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
75. The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

76. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

77. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
78. Any dividend, interest or other monies payable in cash in respect of shares may be paid through electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

79. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
80. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
81. No dividend shall bear interest against the company.

Accounts

82. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Winding up

83. Subject to the provisions of Chapter XX of the Act and rules made thereunder-
- (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind,

the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

84. The directors, auditors, officers and employees of the company, and consultants, advisors, agents, representatives and trustees acting in relation to the affairs of the company shall be entitled to be indemnified, out of the assets and funds of the company, of any liability incurred by them in defending bona fide proceedings arising by reason of any act done or committed in or about the execution of their duties, except those done or committed by reason of or on account of their gross negligence, wilful default, breach of duty, misfeasance or breach of trust. The company may provide for such liability by creating a Fund, taking Indemnity Insurance or otherwise.

Others

85. **Secrecy:** The Board of directors shall have the power to take such measures as it deems necessary to maintain and enforce maintenance by other persons of, the secrecy of such information in relation to the affairs of the company, which in its opinion, would not be expedient in the interests of the company to disclose, except where such information is required to be disclosed by or under any law for the time being in force. For such purpose, the Board may lay down Code of Conduct for employees, directors, representatives and other persons associated with the company's affairs and require such persons to sign a declaration of secrecy.

No member shall be entitled to visit or inspect the company's offices, factories or workplaces without prior permission of the Board or to require disclosure of information regarding the company's dealings on any matter which is or may be in the nature of a trade secret or confidential information, and which, in the opinion of the Board, would not be expedient in the company's interests to disclose

General Authority:

Wherever in the Act, it has been provided that the company shall have any right, privilege or authority or that the company could carry out any transaction, only if the company is so authorised by its Articles of Association, then and in that case, this regulation hereby authorises and empowers the company to have such right, privilege or authority and to carry out such transactions as have been permitted by the Act, without there being any specific regulation in that behalf herein provided.

Subscriber Details				
SL No.	Names, addresses and description of subscribers	DIN / PAN / Passport Number	Place	Signed date
1.	<p>ZF Rane Automotive India Private Limited</p> <p>CIN: U35999TN1987PTC014600</p> <p>Body Corporate</p> <p>Registered Office: "Maithri", 132, Cathedral Road, Chennai - 600 086.</p> <p>Represented by its Authorised Representative:</p> <p>Senthil Nathan, Son of Shanmugam,</p> <p>Address: Crystal Manor, 14, Andavar Nagar, 6th Street, Kodambakkam, Chennai 600024,</p> <p>Occupation: Company Executive (Authorised Person)</p>	<p>AAACR3147C</p> <p>09642457</p>	Chennai	July 03, 2024

Designation: Senior Vice President – Finance, Chief Financial Officer and Company Secretary for and on behalf of and as Authorised representative of ZF Rane Automotive India Private Limited

2. Subha Shree Sridharan, Daughter of Sridharan Parthasarathy
- Address:** No 14/26, Sarojini Street, Rajaji Nagar, Kanchipuram – 600043

AZRPS4865R

Chennai

July 03, 2024
- Occupation:** Company Executive

Signed before me

Name	Addresses And Occupation	DIN / PAN / Passport Number / Membership Number	Place
FCS Krishnamurthy Sriram, Son of Subramanyam Krishnamurthy	"Shreshtam", Old No.17, New No.16, Pattammal Street, Mandaveli, Chennai – 600 028., Occupation: Practising Company Secretary COP No.: 2215	6312	Chennai

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SCHEME OF ARRANGEMENT

BETWEEN

ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED

AND

ZF LIFETEC RANE AUTOMOTIVE INDIA PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS, IF

ANY, OF THE

COMPANIES ACT, 2013



SCHEME OF ARRANGEMENT

BETWEEN

ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED

AND

ZF LIFETEC RANE AUTOMOTIVE INDIA PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS, IF ANY, OF THE
COMPANIES ACT, 2013

(A) DESCRIPTION OF COMPANIES

1. **ZF Rane Automotive India Private Limited ("Demerged Company")**, a company incorporated under the provisions of the Companies Act, 1956, under the name and style Rane Power Steering Limited as a public limited company on July 03, 1987. The name of the Demerged Company was changed to Rane TRW Steering Systems Limited on March 13, 1997. Subsequently, the Demerged Company became a private limited company on March 12, 2015 and the name was changed to Rane TRW Steering Systems Private Limited. The name of the Demerged Company was further changed to its present name "ZF Rane Automotive India Private Limited" on March 04, 2022. The registered office is situated at "Maithri", 132, Cathedral Road, Chennai 600 086. The Corporate Identity Number of the Demerged Company is: U35999TN1987PTC014600. The Demerged Company is engaged in the business of *inter alia* manufacturing of hydraulic power steering gears, hydraulic pumps, power-rack and pinion steering gears, airbags and safety seat belt systems catering to the automotive industry at large.
2. **ZF Lifetec Rane Automotive India Private Limited ("Resulting Company")**, a company incorporated under the provisions of the Act (*as defined hereinafter*), having its registered office at "Maithri", 132, Cathedral Road, Chennai 600 086. The Corporate Identity Number of the Resulting Company is U29302TN2024PTC171639. The Resulting Company is incorporated to carry on the business of *inter alia* manufacturing, selling and otherwise dealing in occupant safety systems and equipments, and other high precision components, for the automotive industry. The Resulting Company is a wholly owned subsidiary of the Demerged Company.

(B) OVERVIEW OF THE SCHEME

1. This Scheme (*as defined hereinafter*) is presented under Sections 230 to 232 and other applicable provisions of the Act and provides for the demerger, transfer and vesting of the Demerged Undertaking (*as defined hereinafter*) from the Demerged Company into the Resulting Company on a *going concern* basis and issue of equity shares by the Resulting Company to the shareholders of the Demerged Company, in consideration thereof, in accordance with the provisions of Section 2(19AA) of the Income Tax Act (*as defined hereinafter*), and consequent cancellation of the entire pre-scheme paid-up share capital of the Resulting Company held by the Demerged Company, as on the effective date of the Scheme.
2. This Scheme also provides for various other matters consequent and incidental thereto.

(C) RATIONALE OF THE SCHEME

1. The Demerged Company operates in components for transportation industry under two divisions, viz.: Steering Gear Division (SGD), which manufactures fully integrated hydraulic steering gears, hydraulic pumps, power-rack and pinion, power steering fluid and plastic reservoirs for transportation industry and Occupant Safety Division (OSD), which manufactures and supplies safety seat belts and airbags to major OEMs in India and in the overseas market and exports cushions to various ZF locations.



2. As part of an overall strategy for the optimum running, growth and development of the said businesses it is considered desirable and expedient to reorganise and reconstruct by demerging its Occupant Safety Division (OSD) into the Resulting Company in the manner as provided for in this Scheme. This will result in the creation of two separate robust entities viz., the Demerged Company and the Resulting Company focussing exclusively on Steering Gear Division (SGD) and Occupant Safety Division (OSD) businesses respectively.
3. The proposed Scheme is expected, *inter alia*, to result in following benefits:
 - (i) offer opportunities to the management of the Demerged Company and Resulting Company to vigorously pursue growth and expansion opportunities for each business separately;
 - (ii) value unlocking of respective businesses with ability to achieve valuation based on respective-risk return profile and cash flows;
 - (iii) attracting specific investors and strategic partners and providing better flexibility in accessing capital, focused strategy and specialisation for sustained growth and thereby enable de-leveraging of the respective divisions in the longer-term;
 - (iv) focused management approach for pursuing the growth in the respective business' verticals and de-risk the businesses from each other.

For the reasons stated above, the Scheme will have beneficial results for both the Demerged Company and the Resulting Company and their respective stakeholders.

(D) PARTS OF THE SCHEME

The Scheme is divided into the following parts:

1. **PART - I** deals with the definitions, share capital of the Parties (*as defined hereinafter*), date of taking effect and implementation of this Scheme.
2. **PART - II** deals with: (i) demerger, transfer and vesting of the Demerged Undertaking from the Demerged Company into the Resulting Company on a *going concern* basis and issue of equity shares by the Resulting Company to the shareholders of the Demerged Company, in consideration thereof; and (ii) cancellation of the entire pre-scheme share capital of the Resulting Company.
3. **PART - III** deals with the general terms and conditions applicable to this Scheme.

PART - I

DEFINITIONS, SHARE CAPITAL OF THE PARTIES AND DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

1. DEFINITIONS

- 1.1 In this Scheme: (a) capitalised terms defined by inclusion in quotations and/ or parenthesis shall have the meanings so ascribed; and (b) the following expressions shall have the meanings ascribed hereunder:

"Act" means the Companies Act, 2013 wherever applicable and rules and regulations made thereunder and shall include any statutory modification(s), re-enactment(s) or amendment(s) thereof;

"Applicable Law(s)" or "Law(s)" means any applicable national, foreign, provincial, local or other law including applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), and including any statutory modification or re-enactment thereof for the time being in force, codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal; (b) Permits (*as defined hereinafter*); and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority (*as defined hereinafter*) having jurisdiction over the Parties as may be in force from time to time;



"Appointed Date" means the Effective Date or such other date (if any) as may be decided by the Boards of the Parties;

"Appropriate Authority" means:

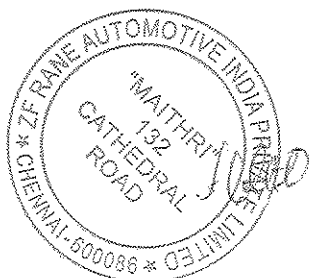
- (a) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, tribunals, central bank, commission or other authority thereof including, but not limited to Regional Director, RoC, National Company Law Tribunal and Reserve Bank of India; and
- (b) any governmental, quasi-governmental or private body, self-regulatory organisation, or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, Tax, importing, exporting or other governmental or quasi-governmental authority including without limitation, the Tribunal.

"Board" of "Board of directors" in relation to the Party, means the Board of directors of such Party, and shall include a committee of directors or any person authorized by such Board of directors or such committee of directors duly constituted and authorized for the matters pertaining to this Scheme or any other matter relating hereto;

"Demerged Company" means ZF Rane Automotive India Private Limited, a company incorporated under Companies Act, 1956, having its Corporate Identity Number U35999TN1987PTC014600 and registered office at "Maithri", 132, Cathedral Road, Chennai – 600 086, Tamil Nadu, India;

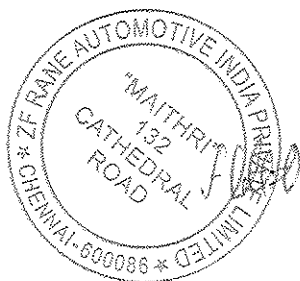
"Demerged Undertaking" means the entire activities, business, operations and undertakings of the Demerged Company pertaining to the Occupant Safety Division (OSD) as of the Appointed Date, on a going concern basis and shall include (without limitation):

- (a) all assets and properties, whether movable or immovable, including immoveable property mentioned in **Schedule 1**, tangible or intangible, including all rights, title and interest in any buildings whether leasehold or otherwise, plant and machinery, fixed or movable, and whether leased or otherwise, capital work in progress, computers and accessories, software and related data, other fixed assets, trademarks, brands, logos, labels, loans and advances, inventory and work in progress, all agreements, rights, contracts entitlements including those for provision or receipt of any services related to the Occupant Safety Division (OSD) and rights relating thereto, facilities, inventories, stores and stocks, accessories, utilities, services, implements, apparatus, instruments, vehicles, spares, tools vessels, stabilizers, loans and advances, deposits, sundry debtors, cash and bank balances and other investments specifically relating to the Occupant Safety Division (OSD), and investments in all other assets whether real or personal, present, future or contingent relating to the Occupant Safety Division (OSD);
- (b) all rights and licenses, all assignments and grants thereof, all Permits, clearances and registrations whether under central, state or other laws, rights (including rights/ obligations under agreement(s) entered into with various persons including independent consultants, subsidiaries/ associate companies and other shareholders of such subsidiary/ associate/ joint venture companies, contracts, applications, letters of intent, memorandum of understandings or any other contracts), certifications and approvals, regulatory approvals, entitlements, other licenses, consents, tenancies, investments (including investments in Subsidiaries and the investments set out in **Schedule 2** hereto), and/ or interest (whether vested, contingent or otherwise), taxes (including but not limited to credits in respect of sales tax, value added tax, service tax, goods and services tax, and other indirect taxes), deferred tax benefits and other benefits, including but not limited to any refund, benefit, incentive, grant or subsidy granted or to be granted by any Appropriate Authority, in each case, in respect of Occupant Safety Division (OSD), tax losses, if any, cash balances, bank accounts and bank balances, deposits, advances, recoverables, receivables, easements, advantages, financial assets, treasury investments, hire purchase and lease arrangement, funds belonging to or proposed to be utilised for Occupant Safety Division (OSD),



privileges, all other claims, rights and benefits, powers and facilities of every kind, nature and description whatsoever, utilities, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests relating to Occupant Safety Division (OSD);

- (c) All intellectual property and industrial property rights and assets, and all rights, interests and protections associated with, similar to or required for any of the foregoing, whether registered or unregistered trade and services names and marks, brand names, logos, design rights, patents, copyrights, trade secrets, business and technical information and know-how, databases, data collections and other confidential and proprietary information and all rights therein, works of authorship, expressions, designs and design registrations, whether or not copyrightable, including copyrights, author performer and neighbouring rights, and all registrations applications for registration and renewals of such copyrights, designs and other intellectual property rights of any nature whatsoever, books, records, files, papers, software and firmware including data files, source code, object code, application programming interfaces, architecture, files, records, schematics, computerized databases and other related specifications and documentation, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programmes, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information, and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Occupant Safety Division (OSD);
- (d) all books, records, files, papers, governance templates and process information, records of standard operating procedures, computer programmes along with their licenses, manuals and backup copies, advertising materials, and other data and records whether in physical or electronic form, directly or indirectly in connection with or relating to Occupant Safety Division (OSD);
- (e) all contracts, deeds, bonds, agreements, schemes, arrangements, distributor agreements, sub advisory arrangements and other instruments, permits, rights, entitlements, leases/ licenses, operation and maintenance contracts, memorandum of understanding, memorandum of agreements, memorandum of agreed points, letters of intent, hire and purchase agreements, tenancy rights, equipment purchase agreement, client registration forms / KYC (know your customer) details/ POA (power of attorney) and other agreement and/or arrangement, as amended and restated from time to time, whether executed with customers, suppliers, contractors, lessors, licensors, consultants, advisors or otherwise, which pertains to Occupant Safety Division (OSD);
- (f) any and all earnest monies and/ or security deposits, or other entitlements in connection with or relating to Occupant Safety Division (OSD);
- (g) all statutory licenses, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, tenancies, offices, depots, quotas, rights, entitlements, privileges, benefits of all contracts / agreements (including, but not limited to, contracts / agreements with vendors, customers, government etc.), all other rights (including, but not limited to, right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), relating to the Occupant Safety Division (OSD);
- (h) all employees (including but not limited to workmen, contract staff, labourers, trainees, interns, apprentices etc.) ("Employees") of the Demerged Company that are determined by the Board of the Demerged Company to be substantially engaged in, or in relation to, the Occupant Safety Division (OSD), on the date immediately preceding the Effective Date;



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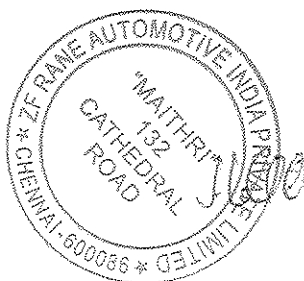
- (i) all liabilities present and future, corporate guarantees issued and the contingent liabilities pertaining or relatable to Occupant Safety Division (OSD) as on the Appointed Date, namely:
 - (i) the debts of the Demerged Company which arises out of the activities or operations of the Occupant Safety Division (OSD);
 - (ii) specific loans and borrowings raised, incurred and utilised by the Demerged Company for the activities or operations of or pertaining to the Occupant Safety Division (OSD); and
 - (iii) general or multipurpose borrowings, if any, of the Demerged Company will be apportioned basis the proportion of the value of the assets transferred as part of Occupant Safety Division (OSD) to the total value of the assets of Demerged Company immediately prior to the Appointed Date.
- (j) any and all memberships and registrations of the Demerged Company in relation to and pertaining to the Occupant Safety Division (OSD);
- (k) all rights to use and avail telephones, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Demerged Company and exclusively and solely pertaining to or in connection with the Occupant Safety Division (OSD) and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Demerged Company and exclusively and solely pertaining to the Occupant Safety Division (OSD);
- (l) entire experience, credentials, past record and market share of the Demerged Company pertaining to the Occupant Safety Division (OSD); and
- (m) all legal or other proceedings of whatsoever nature, by or against the Demerged Company pending as on the Effective Date and exclusively relating to the Occupant Safety Division (OSD).

Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking of the Demerged Company shall be decided by mutual agreement between the Board of Directors of the Parties. Upon the Scheme becoming effective, the Scheme shall be binding on the Demerged Company, Resulting Company, Governmental Authority / Appropriate Authority and all concerned parties without any further act, deed, matter or thing.

"Effective Date" means last of the date on which the certified copies of the order sanctioning this Scheme, is filed by the respective Parties with the jurisdictional Registrar of Companies.

Reference in this Scheme to the date of **"coming into effect of this Scheme"** or **"effectiveness of this Scheme"** or **"effect of this Scheme"** or **"upon the Scheme becoming effective"** shall mean the Effective Date;

"Encumbrance" means (a) any charge, lien (statutory or other), or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any Person; (b) pre-emption right, option, right to acquire, right to set off or other third party right or claim of any kind, including any restriction on use, voting, transfer, receipt of income or exercise; or (c) any hypothecation, title retention, restriction, power of sale or other preferential arrangement; or (d) any agreement to create any of the above; and the term **"Encumber"** shall be construed accordingly;



"Income-tax Act" means the Income-tax Act, 1961 and the rules made thereunder and shall include any statutory modifications, amendment or re-enactment thereof for the time being in force;

"INR" or "Rupee(s)" means Indian Rupee, the lawful currency of the Republic of India;

"Occupant Safety Division (OSD)" means the business division of the Demerged Company engaged in the business of manufacturing, selling and otherwise dealing in occupant safety systems and equipment, including cushion, seat belts, seat webbings, airbags, airbag modules, inflators, crash sensors safety electronic systems, assemblies, steering wheels, door trims, related parts, applications components and any other high-precision components for the automotive industry, in India and overseas markets;

"Parties" means collectively the Demerged Company and the Resulting Company and **"Party"** shall mean each of them, individually;

"Permits" means all consents, licences, permits, certificates, permissions, authorisations, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no objections, whether governmental, statutory, regulatory or otherwise as required under Applicable Law;

"Person" means an individual, a partnership, a corporation, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;

"Remaining Business of the Demerged Company" means all other businesses, units, divisions, undertakings, and assets and liabilities of the Demerged Company other than the Demerged Undertaking;

"Resulting Company" means ZF Lifetec Rane Automotive India Private Limited, a company incorporated on July 04, 2024 under the provisions of the Companies Act, 2013, having Corporate Identity Number U29302TN2024PTC171639 and having its registered office at "Maithri", 132, Cathedral Road, Chennai - 600 086, Tamil Nadu, India;

"Resulting Company New Equity Shares" means fully paid-up equity share(s) having face value of INR 10/- (Rupees Ten) each issued by the Resulting Company as consideration in terms of Clause 8.1 of this Scheme;

"RoC" means the relevant jurisdictional Registrar of Companies having jurisdiction over the Parties;

"Scheme" means this scheme of arrangement, as may be modified;

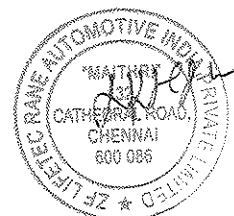
"Subsidiary/ies" means ZF Lifetec Rane Automotive India Private Limited, TRW Sun Steering Wheels Private Limited and ZF Rane Occupant Safety Systems Private Limited, and such other subsidiaries of the Demerged Company as may be in existence as of the Appointed Date.

"Tax Laws" means all Applicable Laws dealing with Taxes including but not limited to income-tax, wealth tax, sales tax/ value added tax, service tax, goods and service tax, excise duty, customs duty or any other levy of similar nature;

"Taxation" or "Tax" or "Taxes" means all forms of direct and indirect taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and services or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, collection at source, advance tax, minimum alternate tax, goods and services tax or otherwise or attributable directly or primarily to any of the Parties or any other Person and all penalties, charges, costs and interest relating thereto; and

"Tribunal" means the Chennai bench of the National Company Law Tribunal having jurisdiction over the Parties.

1.2 In this Scheme, unless the context otherwise requires:



- 1.2.1 The expressions, which are used in this Scheme and not defined therein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Income Tax Act, the Depositories Act, 1996 and other Applicable Laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.
- 1.2.2 References to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation.
- 1.2.3 The terms 'taxes', 'duty', 'cess' in the Scheme may be used interchangeably and reference to any one of them shall be deemed to include reference to the other.
- 1.2.4 words denoting the singular shall include the plural and *vice versa*.
- 1.2.5 any Person includes that Person's legal heirs, administrators, executors, liquidators, successors, successors-in-interest and permitted assigns, as the case may be.
- 1.2.6 References to a document includes an amendment or supplement to, or replacement or novation of, that document. Further, in the event the parties enter into any definitive agreement in relation to this Scheme or any subject matter hereof, the provisions of such definitive agreement shall prevail and be binding on the parties.
- 1.2.7 headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are for information and convenience only and shall be ignored in construing the same; and
- 1.2.8 the words "include" and "including" are to be construed without limitation.

2. SHARE CAPITAL

- 2.1 The share capital structure of the Demerged Company as on the date of Board approving the Scheme is as under:

Particulars	Amount (in INR)
Authorized Capital	
90,00,000 equity shares of INR 10/- each face value	9,00,00,000
TOTAL	9,00,00,000
Issued Capital	
88,04,000 equity shares of INR 10/- each face value	8,80,40,000
TOTAL	8,80,40,000
Subscribed and paid-up capital	
87,38,246 equity shares of INR 10/- each face value, fully paid up	8,73,82,460
TOTAL	8,73,82,460

- 2.2 The share capital structure of the Resulting Company as on the date of Board approving the Scheme is as under:

Particulars	Amount (in INR)
Authorized Capital	



1,00,000 equity shares of INR 10/- each face value	10,00,000
TOTAL	10,00,000
Issued, subscribed and paid-Up capital	
10,000 equity shares of INR 10/- each face value, fully paid up	1,00,000
TOTAL	1,00,000

As on date, the Demerged Company and its nominee hold the entire issued, subscribed and paid-up equity capital of the Resulting Company.

3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

This Scheme in its present form or with any modification(s) made pursuant to the provisions of this Scheme, shall become operative from the Effective Date and effective from the Appointed Date.

PART II DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING

4. DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING

- 4.1 With effect from the Appointed Date and in accordance with the provisions of this Scheme and upon the Scheme becoming effective, and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(19AA) of the Income-tax Act, the Demerged Undertaking along with all its assets, Permits, contracts, liabilities, loan, duties and obligations of the Demerged Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company on a *going concern* basis, so as to become as and from the Appointed Date, the undertaking of the Resulting Company by virtue of operation of law, and in the manner provided in this Scheme.

This Scheme complies with the definition of "demerger" as per Section 2(19AA) of the Income-tax Act. If any terms of this Scheme are found to be or interpreted to be inconsistent with provisions of the Income-tax Act, then this Scheme shall stand modified to be in accordance with aforesaid provisions of the Income-tax Act.

- 4.2 Without prejudice to the generality of the provisions of Clause 4.1 above, the manner of transfer and vesting of assets and liabilities forming part of the Demerged Undertaking under this Scheme, is as follows:

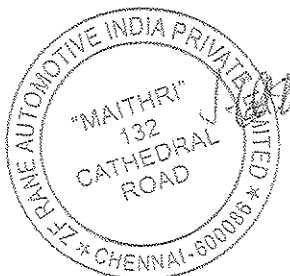
- 4.2.1 In respect of such of the assets and properties forming part of the Demerged Undertaking which are movable in nature (including but not limited to all intangible assets, brands, trademarks of the Demerged Undertaking, whether registered or unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights trademarks and all such other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, shall stand transferred upon the Scheme coming into effect and shall, *ipso facto* and without any other order to this effect, become the assets and properties of the Resulting Company without requiring any deed or instrument of conveyance for transfer of the same. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly;

- 4.2.2 Subject to Clause 4.2.3 below, with respect to the assets forming part of the Demerged Undertaking other than those referred to in Clause 4.2.1 above, including all rights including lease rental rights, title and interests in the agreements (including agreements for lease or license or leave and license of the properties), investments in shares (including investments in its Subsidiaries and



the investments set out in **Schedule 2** hereto), mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, 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 any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Demerged Company, the same shall, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Resulting Company, with effect from the Appointed Date by operation of law as transmission in favour of Resulting Company. With regard to the licenses of the properties, the Resulting Company will enter into novation agreements, if it is so required;

- 4.2.3 In respect of such of the assets and properties forming part of the Demerged Undertaking which are immoveable in nature, whether or not included in the books of the Demerged Company, including land, buildings, offices, sites, tenancy rights related thereto, rights, and all accretions, appurtenances, interests and easements in relation thereto; the same shall stand transferred to the Resulting Company with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Demerged Company and/or the Resulting Company; and only for the purposes of the payment of stamp duty, registration fees or other similar taxes or fees (if required under applicable law), shall be deemed to be conveyed at the applicable circle rates/guideline values applicable to the respective immovable properties as determined by the relevant authorities at the time.
- 4.2.4 Upon effectiveness of Part II of the Scheme, all debts, liabilities, loans, obligations and duties (including but not limited to any obligations and benefits under the Export Promotion Capital Goods Scheme) of the Demerged Company as on the Appointed Date and relating to the Demerged Undertaking shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Resulting Company, in compliance with the requirements of Section 2(19AA) of the Income-tax Act, to the extent that they are outstanding as on the Appointed Date and the Resulting Company shall meet, discharge and satisfy the same. In so far as various incentives, subsidies, exemptions, remissions, reductions, export benefits, GST benefits, service tax benefits, all indirect tax related assets / credits, including but not limited to GST input credits, service tax input credits, value added/ sales tax/ entry tax credits or set-off, income tax holiday/ benefit/ losses / minimum alternative tax, unabsorbed depreciation and other benefits or exemptions or privileges enjoyed, granted by any Governmental Authority or by any other person, or availed of by the Demerged Company and any interest thereon, with regard to any law, act or rule or scheme made by, the Governmental Authority, shall, without any further act, instrument or deed, in each case, in so far as they relate to the Demerged Undertaking, vest with and be available to the Resulting Company on the same terms and conditions as if the same had been allotted and/ or granted and/ or sanctioned and/ or allowed to the Resulting Company to the end and intent that the right of the Demerged Company to recover or realize the same, stands transferred to the Resulting Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- 4.2.5 The Demerged Company may, at its sole discretion but without being obliged to, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, debenture or deposit, contracts or policies relating to the Demerged Undertaking stands transferred to and vested in the Resulting Company and that appropriate modification should be made in their respective books/ records to reflect the aforesaid changes.
- 4.2.6 With effect from the Appointed Date, and upon the Scheme becoming effective, investments of the Demerged Company relating to the Occupant Safety Division (OSD), including investments in its relevant Subsidiaries (other than the Resulting Company) and the investments set out in **Schedule 2** hereto, shall be recorded in the name of the Resulting Company by operation of law as transmission in favour



of the Resulting Company as a successor in interest and any documents of title in the name of the Demerged Companies shall also be deemed to have been mutated and recorded in the name of the Resulting Company to the same extent and manner as originally held by the Demerged Company and enabling the ownership, right, title and interest therein as if the Resulting Company was originally the Demerged Company. The Resulting Company shall, subsequent to this Scheme becoming effective be entitled to the delivery and possession of all documents of title with respect to such investments.

- 4.2.7 Unless otherwise agreed between the Demerged Company and the Resulting Company, the vesting of all the assets of the Demerged Company forming part of the Demerged Undertaking, as aforesaid, shall be subject to the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets forming part of the Demerged Undertaking of the Demerged Company or part thereof on or over which they are subsisting or and vesting of such assets in the Resulting Company and no such Encumbrances shall extend over or apply to any other asset(s) of Resulting Company. Any reference in any security documents or arrangements (to which Demerged Company is a party) related to any assets of Demerged Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of Resulting Company. Similarly, Resulting Company shall not be required to create any additional security over assets vested under this Scheme for any loans, debentures, deposits or other financial assistance already availed of/ to be availed of by it, and the Encumbrances in respect of such indebtedness of the Demerged Company shall not extend or be deemed to extend or apply to the assets so vested.
- 4.2.8 In so far as any Encumbrance in respect of liabilities of the Demerged Undertaking is concerned, such Encumbrance shall without any further act, instrument or deed being required to be modified and, if so agreed, shall be extended to and shall operate over the assets of the Resulting Company. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Business of the Demerged Company are concerned, the Encumbrance, if any, over such assets relating to the liabilities of the Demerged Undertaking, without any further act, instrument or deed being required, be released and discharged from the obligations and Encumbrances relating to the same. Further, in so far as the assets comprised in the Demerged Undertaking are concerned, the Encumbrance over such assets relating to any loans, borrowings or other debts which are not transferred to the Resulting Company pursuant to this Scheme and which shall continue with the Demerged Company, shall without any further act or deed be released from such Encumbrance and shall no longer be available as security in relation to such liabilities.
- 4.2.9 Taxes, if any, paid or payable by the Demerged Company after the Appointed Date and specifically pertaining to Demerged Undertaking shall be treated as paid or payable by the Resulting Company and the Resulting Company shall be entitled to claim the credit, refund or adjustment for the same as may be applicable.
- 4.2.10 If the Demerged Company is entitled to any unutilized credits (including unutilised credits and unabsorbed depreciation, minimum alternate tax credit), balances or advances, benefits under the incentive schemes and policies including tax holiday or concessions relating to the Demerged Undertaking under any Tax Laws or Applicable Laws, the Resulting Company shall be entitled as an integral part of the Scheme to claim such benefit or incentives or unutilised credits, as the case may be, without any specific approval or permission.
- 4.2.11 Subject to the provisions of the Scheme, in respect of any refund, benefit, incentive, grant or subsidy, in relation to or in connection with the Demerged Undertaking, the Demerged Company shall, if so required by the Resulting Company, issue notices in such form as the Resulting Company may deem fit and proper, stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or



held on account of the Resulting Company, as the Person entitled thereto, and that the right of the Demerged Company to recover or realise the same stands transferred to the Resulting Company, if any, and that appropriate entries should be passed in their respective books to record the aforesaid changes;

- 4.2.12 On and from the Effective Date and till such time that the name of the bank accounts of the Demerged Company, in relation to or in connection with the Demerged Undertaking, have been replaced with that of the Resulting Company, the Resulting Company shall be entitled to maintain and operate such bank accounts of the Demerged Company, in the name of the Demerged Company for such time as may be determined to be necessary by the Resulting Company. On and from the Effective Date, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of the Demerged Company and are in relation to or in connection with the Demerged Undertaking, shall be accepted by the bankers of the Resulting Company and credited to the account of Resulting Company, if presented by Resulting Company;
- 4.2.13 All outstanding and receivables of the Demerged Company pertaining to the Demerged Undertaking shall on and from the Appointed Date stand transferred to and vested in the Resulting Company without any approval, notice or other intimation to the debtors (although the Demerged Company and / or the Resulting Company may, if it so deems appropriate, give notice to the debtors that the debts do stand transferred to and vested in the Resulting Company), and the debtors shall be obliged to make payments to the Resulting Company. If the Demerged Company realizes any amounts after the Effective Date that form part of the Demerged Undertaking, it shall immediately make payment of such amounts to the Resulting Company. It is clarified that all receivables relating to the Demerged Undertaking, relating to the period prior to the Effective Date, but received after the Effective Date, shall be paid to the Resulting Company for no additional consideration. If the Resulting Company realizes any amounts after the Effective Date that pertains to the Remaining Business, the Resulting Company shall immediately pay such amounts to the Demerged Company;
- 4.2.14 Permits, including the benefits attached thereto of the Demerged Company, in relation to the Demerged Undertaking, shall be transferred to the Resulting Company from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of Resulting Company as if the same were originally given by, issued to or executed in favour of Resulting Company and the Resulting Company shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Demerged Company to carry on the operations of the Demerged Undertaking without any hindrance, whatsoever;
- 4.2.15 Contracts in relation to the Demerged Undertaking, where the Demerged Company is a party, shall stand transferred to and vested in the Resulting Company pursuant to the Scheme becoming effective. The absence of any formal amendment / consent which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence. The Parties shall, wherever necessary, enter into and/ or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause; and
- 4.2.16 Notwithstanding the generality of the foregoing provisions, all electricity (including but not limited to the connections as a captive user under the group captive scheme), gas, water and any other utility connections and tariff rates in respect thereof sanctioned by various public sector and private companies, boards, agencies and authorities in different states pertaining to the Demerged Undertaking, together with security deposits and all other advances paid, shall stand transferred in favour of the Resulting Company on the same terms and conditions by operation of law and without any further act, instrument, deed, matter or thing being made, done or executed. The relevant electricity, gas, water

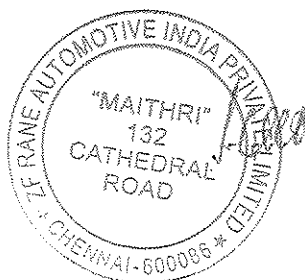


and any other utility companies, boards, agencies and authorities shall issue invoices in the name of the Resulting Company with effect from the billing cycle commencing from the month immediately succeeding the month in which the Effective Date occurs. The Resulting Company shall comply with the terms, conditions and covenants associated with the grant of such connection and shall also be entitled to refund of security deposits placed with such companies, boards, agencies and authorities in respect of the Demerged Undertaking.

- 4.3 Without prejudice to the provisions of the foregoing sub-clauses of this Clause 4, the Demerged Company and the Resulting Company may execute any and all instruments or documents and do all the acts, deeds and things as may be required, including executing necessary confirmatory deeds for filing with the trademark registry and Appropriate Authorities, filing of necessary particulars and/ or modification(s) of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme. Any procedural requirements required to be fulfilled solely by the Demerged Company or upon the Scheme becoming effective, shall be fulfilled by the Resulting Company as if it were the duly constituted attorney of the Demerged Company. The Resulting Company shall take such actions as may be necessary and permissible to get the assets, Permits and contracts forming part of the Demerged Undertaking transferred and/ or registered in its name. It is clarified that if any part of the Demerged Undertaking is not transferred to the Resulting Company on the Effective Date pursuant to the Demerger, the Demerged Company, shall take such actions as may be reasonably required to ensure that such part of the Demerged Undertaking is transferred to the Resulting Company promptly and for no further consideration. The Resulting Company shall bear all costs and expenses as may be incurred by the Demerged Company, subject to the prior written consent of the Resulting Company, for giving effect to this Clause.

5. EMPLOYEES

- 5.1 With effect from the Effective Date, the Resulting Company undertakes to engage, without any interruption in service, all employees of the Demerged Company, engaged in or in relation to the Demerged Undertaking, on the terms and conditions not less favourable than those on which they are engaged by the Demerged Company. The Resulting Company undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Demerged Company with any of the aforesaid employees or union representing them. The Resulting Company agrees that the services of all such employees with the Demerged Company prior to the demerger shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral / terminal benefits. The decision on whether or not an employee is part of the Demerged Undertaking, shall be decided by the Demerged Company, and shall be final and binding on all concerned Parties.
- 5.2 Upon the Scheme coming into effect, employment information, including personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or on-going leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files relating to the employees of the Demerged Undertaking and all forms, notifications, orders and contribution / identity cards issued by the concerned authorities relating to benefits shall be deemed to have been transferred to the Resulting Company.
- 5.3 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, as the case may be, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by the Resulting Company and/ or such new provident fund, gratuity fund and superannuation fund to be established in accordance with the Applicable Laws and caused to be recognized by the Appropriate Authorities, by the Resulting Company. Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the said employees would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Demerged Company.



6. LEGAL PROCEEDINGS

- 6.1 With effect from the Effective Date, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands and legal proceedings of whatsoever nature (except proceedings under the Income-tax Act) by or against the Demerged Company pending and/or arising on or before the Appointed Date or which may be instituted any time thereafter and in each case relating to the Demerged Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme but shall be continued and be enforced by or against the Resulting Company with effect from the Appointed Date in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. Except as otherwise provided herein, the Demerged Company shall in no event be responsible or liable in relation to any such legal or other proceedings that stand transferred to the Resulting Company. The Resulting Company shall be substituted in place of the Demerged Company or added as party to such proceedings and shall prosecute or defend such proceedings at its own cost, in cooperation with the Demerged Company and the liability of the Demerged Company shall consequently stand nullified. The Demerged Company shall in no event be responsible or liable in relation to any such legal or other proceedings in relation to the Demerged Undertaking.
- 6.2 The Resulting Company undertakes to have all legal and other proceedings (except proceedings with respect to Income-tax Act) initiated by or against the Demerged Company referred to in Clause 6.1 above transferred to its name as soon as is reasonably practicable after the Effective Date and have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company on priority. The concerned Parties shall make relevant applications and take all steps as may be required in this regard.
- 6.3 Notwithstanding anything contained hereinabove, if at any time after the Effective Date, the Demerged Company is in receipt of any demand, claim, notice and/or is impleaded as a party in any proceedings before any Appropriate Authority (except proceedings under the Income-tax Act), in each case in relation to the Demerged Undertaking, the Demerged Company shall, in view of the transfer and vesting of the Demerged Undertaking pursuant to this Scheme, take all such steps in the proceedings before the Appropriate Authority to replace the Demerged Company with the Resulting Company. However, if the Demerged Company is unable to get the Resulting Company replaced in such proceedings, the Demerged Company shall defend the same or deal with such demand in accordance with the advice of the Resulting Company and at the cost of the Resulting Company and the latter shall reimburse to the Demerged Company all liabilities and obligations incurred by the Demerged Company in respect thereof.

7. CONSEQUENTIAL MATTERS RELATING TO TAX

- 7.1 The Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income Tax Act. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(19AA) of the Income Tax Act. Such modification will however not affect other parts of the Scheme.
- 7.2 With effect from the Appointed Date, the unabsorbed tax losses and unabsorbed tax depreciation of the Demerged Undertaking, if any, which accrue prior to the Appointed Date, and which shall be adjusted in accordance with any assessments / reassessments / rectifications by the tax authorities subsequent to the date hereof, would be transferred in accordance with the provisions of Income Tax Act.
- 7.3 Upon the Scheme coming into effect, all Goods and Service Tax ("GST") and other indirect taxes of a similar nature, paid by the Demerged Company pertaining to the Demerged Undertaking from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Resulting Company and the Resulting Company shall be entitled to take credit for such taxes



notwithstanding that certificates/ challans for the said taxes are in the name of the Demerged Company and not in the name of the Resulting Company.

- 7.4 Likewise all taxes (including income tax, Tax Deduction at Source ("TDS"), advance tax, GST, etc.) payable by the Demerged Company in respect of the operations and/ or the profits of the Demerged Undertaking on and from the Appointed Date, shall be on account of the Resulting Company and, in so far as it relates to the tax payment (including without limitation income tax, GST, etcetera), whether by way of TDS, advance tax or otherwise howsoever, the same shall be deemed to be the corresponding item paid by the Resulting Company, and, shall, in all proceedings, be dealt with accordingly. Upon the Scheme becoming effective, any TDS deposited, TDS certificates issued or TDS returns filed by the Demerged Company, if any, relating to the Demerged Undertaking shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued and TDS returns were filed by the Resulting Company.
- 7.5 Upon the Scheme becoming effective, the Resulting Company shall expressly be permitted to claim refunds/credits on account of GST in accordance with the rules made thereunder, pertaining to the Demerged Undertaking.
- 7.6 In accordance with the rules framed under the Cenvat Credit Rules, 2004 or GST laws or any statutory modification or re-enactment thereof, as are prevalent on the Effective Date, the unutilized excise duty / service tax credits / GST input tax credits, if any, relating to the excise duty / service tax / GST paid on input goods / services pertaining to the Demerged Undertaking shall be transferred to the credit of the Resulting Company, as if all such unutilized credits were lying to the account of the Resulting Company. The Resulting Company shall accordingly be entitled to set off all such unutilized credits against the service tax / GST payable by it, without limitation.
- 7.7 Without prejudice to generality of the aforesaid, any concession or statutory forms under the tax laws or local levies issued or received by the Demerged Company pertaining to the Demerged Undertaking, in respect of period commencing from the Appointed Date, shall be deemed to be issued or received in the name of the Resulting Company and the benefit of such forms shall be allowable to the Resulting Company in the same manner and to the same extent as would have been available to the Demerged Company.
- 7.8 Upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall have the right to revise their respective financial statements and tax returns along with prescribed forms, filings and annexures under the tax laws and to claim refunds and/or credit for taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme. It is further clarified that the Resulting Company shall be entitled to claim deductions under Income Tax Act in respect of unpaid liabilities transferred to it as part of the Demerged Undertaking to the extent not claimed by the Demerged Company, as and when the same are paid subsequent to Appointed Date.
- 7.9 Upon the scheme becoming effective, the Resulting Company shall be entitled to (a) claim deduction with respect to items such as provisions, expenses, etc. in respect of the Demerged Undertaking, disallowed in earlier years in the hands of the Demerged Company, which may be allowable in accordance with the provisions of the Income Tax Act, 1961 on or after Appointed Date and (b) exclude items such as provisions, reversals, etc. in respect of the Demerged Undertaking, for which no deduction or tax benefit has been claimed by the Demerged Company prior to the Appointed Date.
- 7.10 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., the Demerged Company, shall, if so required by the Resulting Company, issue notices in such form as the Resulting Company may deem fit and proper stating that pursuant to the Appropriate Authority having sanctioned this Scheme, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Resulting Company, as the Person entitled thereto, to the end and intent that the right of the Demerged Company, to recover or realise the same, stands transferred to the Resulting Company.
- 7.11 All the tax proceedings in relation to the Demerged Undertaking for a period prior to the Appointed Date shall be enforced against the Demerged Company and pertaining to the period after the Appointed Date shall be enforced against the Resulting Company.



- 7.12 All benefits, incentives, losses (including but not limited to book losses, tax losses), book unabsorbed depreciation, tax unabsorbed depreciation), accumulated losses, credits (including, without limitation income tax, minimum alternate tax, tax deducted at source, tax collected at source, wealth tax, goods and services tax, service tax, excise duty, central sales tax, applicable state value added tax, customs duty drawback, etc.) to which the Demerged Company (in relation to the Demerged Undertaking) is entitled to, in accordance with the provisions of section 72A(4) of the Income tax Act, shall be available to and vest in the Resulting Company, upon this Scheme coming into effect.
- 7.13 All the expenses incurred by the Demerged Company and the Resulting Company in relation to the Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Demerged Company and the Resulting Company in accordance with the Section 35DD of the IT Act over a period of 5 (five) years beginning with the previous year in which the Scheme becomes effective.

8. CONSIDERATION AND ISSUE OF SHARES AND RELATED MATTERS

- 8.1 Upon effectiveness of this Scheme and in consideration of and subject to the provisions of this Scheme, the Resulting Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Demerged Company whose name is recorded in the register of members as on the Effective Date, as under:

"1 (one) equity share of INR 10 (Indian Rupees Ten) each of the Resulting Company, credited as fully paid up, for every 1 (one) equity share fully paid up of INR 10 (Indian Rupees Ten) each of the Demerged Company held by such shareholder."

The equity shares of the Resulting Company to be issued pursuant to this Clause 8.1 shall be referred to as **"Resulting Company New Equity Shares"**.

- 8.2 The Resulting Company New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of Resulting Company, including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the Resulting Company New Equity Shares.
- 8.3 The issue and allotment of Resulting Company New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders of the Appropriate Authority without requiring any further act on the part of the Resulting Company or the Demerged Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Laws as may be applicable were duly complied with. It is clarified that the approval of the shareholders of the Resulting Company to this Scheme, shall be deemed to be their consent/ approval for the issue and allotment of Resulting Company New Equity Shares.
- 8.4 Subject to Applicable Laws, the Resulting Company New Equity Shares that are to be issued in terms of this Scheme shall be issued in dematerialised form. The register of members maintained by the Resulting Company and/ or, other relevant records, whether in physical or electronic form, maintained by the Resulting Company, the relevant depository and registrar and transfer agent in terms of Applicable Laws shall (as deemed by the Board of the Resulting Company) be updated to reflect the issue of Resulting Company New Equity Shares in terms of this Scheme.
- 8.5 In the event, the Demerged Company and/or the Resulting Company restructure their equity share capital by way of share split/ consolidation/ issue of bonus shares during the pendency of the Scheme, the share entitlement ratio, per Clause 8.1 above shall be adjusted accordingly, to consider the effect of any such corporate actions.
- 8.6 The Resulting Company shall, to the extent required, increase its authorized share capital in order to issue Resulting Company New Equity Shares, as per with the applicable provisions of the Act, prior to allotment of Resulting Company New Equity Shares.



9. CANCELLATION OF EQUITY SHARES OF THE RESULTING COMPANY HELD BY DEMERGED COMPANY

- 9.1 With effect from this Scheme becoming effective and simultaneous to allotment of Resulting Company New Equity Shares by the Resulting Company, the entire paid-up equity share capital, as on Effective Date, of the Resulting Company held by the Demerged Company and its nominee ("**Resulting Company's Cancelled Shares**") shall stand cancelled, extinguished and annulled and the issued, subscribed and paid up equity capital of the Resulting Company to that effect shall stand cancelled and reduced, without any further act or deed as an integral part of this Scheme.
- 9.2 The consent of the shareholders of the Resulting Company to this Scheme shall be deemed to be sufficient for the purposes of effecting such changes to its equity share capital and no further resolution or action under the provisions of the Companies Act would be required to be separately passed or taken.
- 9.3 On effecting the reduction of the share capital as stated in Clause 9.1 above, the share certificates, if any, or shares lying to the credit of the demat account of the respective holders in respect of the Resulting Company Cancelled Shares shall also be deemed to have been cancelled.
- 9.4 On the Effective Date, the Resulting Company shall debit its share capital account in its books of account with the aggregate face value of the Resulting Company's Cancelled Shares.
- 9.5 Notwithstanding the reduction in the equity share capital of the Resulting Company as a result of such cancellation, the Resulting Company shall not be required to add 'And Reduced' as suffix to its name.
- 9.6 The cancellation of the Resulting Company Cancelled Shares does not involve any diminution of liability of in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form.

10. ACCOUNTING TREATMENT

- 10.1 The Demerged Company and the Resulting Company shall account for the demerger of the Demerged Undertaking in accordance with applicable Indian Accounting Standards ("**Ind AS**") prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

10.2 Accounting Treatment in the books of the Demerged Company:

With effect from the Appointed Date, the Demerged Company shall account for the demerger of the Demerged Undertaking in its books of accounts as under –

- 10.2.1 The book value of assets, liabilities and reserves of the Demerged Company relating to the Demerged Undertaking at their carrying values as appearing in the books of the Demerged Company shall be reduced from the respective balances appearing for such assets, liabilities and reserves in the books of the Demerged Company;
- 10.2.2 The difference, if any, between the net assets and reserves transferred pursuant to clause 10.2.1 above pertaining to the Demerged Undertaking shall be adjusted against the capital reserve account and in case of deficit in the capital reserve account for whatever reason, then it shall be disclosed separately as Restructuring Adjustment Deficit Account under the head Reserves and Surplus;
- 10.2.3 Any matter not dealt with in clause hereinabove shall be dealt with in accordance with the Indian accounting standards and generally accepted accounting principles applicable to the Demerged Company.
- 10.2.4 For accounting purpose, the Scheme will be given effect from the date when all substantial conditions for the transfer of business are completed.



10.3 **Accounting Treatment in the books of the Resulting Company:**

Notwithstanding anything else contained in the Scheme, the Resulting Company shall account for the transfer and vesting of the Demerged Undertaking, vested in it pursuant to part II of this Scheme document, in its books of accounts, as per the 'Pooling of interest method' as prescribed under Appendix C 'Business combinations of entities under common control' of the Ind AS 103 'Business Combinations' prescribed under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time and any other applicable provisions and laws for the time being in force:

- 10.3.1 Resulting company shall record all the assets and the liabilities acquired, related to the Demerged Undertaking, at their respective carrying values as appearing in the books of accounts of the Demerged Company;
- 10.3.2 To the extent that there are inter-company loans, advances, deposits, balances or other obligations between Demerged Undertaking and Resulting Company, the obligation in respect thereof will come to an end and corresponding effect shall be given in the books of accounts and records of Resulting Company for the reduction of any assets or liabilities, as the case may be;
- 10.3.3 The identity of reserves specifically pertaining to the Demerged Undertaking, if any, shall be preserved and they shall appear in the financial statements of the Resulting Company in the same form and manner in which they appeared in the financial statements of the Demerged Company;
- 10.3.4 The Resulting company shall credit its share capital account, the aggregate face value of equity shares of Resulting company, issued to the shareholders of Demerged Company;
- 10.3.5 The surplus, if any, arising after taking the effect of sub-clause 1, sub-clause 2, sub-clause 3 and after adjusting sub-clause 4, shall be transferred to Capital Reserve in the financial statements of the Resulting Company. The deficit, if any arising after taking the effect of sub-clause 1, sub-clause 2, sub-clause 3 and after adjusting sub-clause 4, if any, shall be debited to Retained Earnings in the financial statements of the Resulting Company;
- 10.3.6 Comparative financial information in the financial statements of the Resulting Company shall be restated for the accounting impact of Demerger, as stated above, as if the Demerger had occurred from the beginning of the comparative period. However, if the company came into existence after that date, the prior period information shall be restated only from the date of the incorporation;
- 10.3.7 The Resulting Company's share capital reduction, pursuant to clause 9 of this Scheme will be transferred to capital reserve;
- 10.3.8 For accounting purpose, the Scheme will be given effect from the date when all substantial conditions for the transfer of business are completed;
- 10.3.9 Any matter not dealt with in Clause hereinabove shall be dealt with in accordance with the Indian accounting standards and generally accepted accounting principles applicable to the Resulting Company.

11. **ALTERATION OF THE MEMORANDUM OF ASSOCIATION OF THE DEMERGED COMPANY**

- 11.1 With effect from the Effective Date, the existing main object Clause III(A) of the memorandum of association of the Demerged Company shall be deemed to be altered, amended and replaced, without any further act or deed, with the following new Clause III(A) as under:

A. **Main object:**

- 1. *To carry on the business of manufacturers, exporters, and dealers primarily in all types of Power Steering Gear systems for commercial vehicles, hydraulic*



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power steering systems for passenger cars, Farm Tractors and Passenger Car Rack Drive Electric Power Steering (Dual Pinion, Single Pinion and Belt Drive).

2. *To carry on the business of manufacturers, exporters and dealers in all types of Components including Steering Gears, Universal Joints and Bevel Gears, Drop Arms, Pumps, Reservoirs, Hoses and fittings and such other components or assemblies required for the above and other Engineering applications.*
 3. *To manufacture, sell or otherwise deal in all such materials or components as are allied and akin to the above-mentioned products.*
 4. *To carry on the business of manufacture of components/raw materials that are required for the above- mentioned products.*
- 11.2 Filing of the certified copy of this Scheme as sanctioned by the Tribunal, in terms of Sections 230 to 232 of the Act and any other applicable provisions of the Act, together with the order of the Tribunal and a printed copy of the amended memorandum of association shall be sufficient for the purposes of the applicable provisions of the Act and the RoC shall register the same and make the necessary alterations in the memorandum of association of the Demerged Company accordingly and shall certify the registration thereof in accordance with the applicable provisions of the Act.
- 11.3 It is clarified that the approval of the members of the Demerged Company to this Scheme shall be deemed to be their consent / approval also to the consequential alteration of the memorandum of association of the Demerged Company and the Demerged Company in terms of Clause 11.2 of Part II above shall not be required to seek separate consent / approval of its shareholders for such alteration of the memorandum of association as required under Sections 13, 14, 61, 62 and 64 of the Act and other applicable provisions of the Act.

12. INCREASE IN AUTHORISED SHARE CAPITAL OF THE RESULTING COMPANY

- 12.1 Upon effectiveness of the Scheme, for issuance of the Resulting Company New Equity Shares as per Clause 8 above, the authorised share capital of the Resulting Company as on the Effective Date shall stand altered and increased to INR 9,00,00,000 (Indian Rupees Nine Crores only), without any further act, instrument or deed on the part of the Resulting Company and the memorandum of association and articles of association of the Resulting Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of the Resulting Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be.
- 12.2 Consequently, Clause V of the memorandum of association of the Resulting Company shall without any act, instrument or deed be and stand altered, modified and amended to reflect the increased authorised share capital as per Clause 12.1 above, pursuant to Sections 13, 14, 61, 64, and other applicable provisions of the Act.
- 12.3 It is clarified that the approval of the shareholders of the Resulting Company to this Scheme, shall be deemed to be their consent / approval for the alteration of the memorandum of association under Sections 13, 61, 64 and other applicable provisions of the Act. The Resulting Company shall pay the requisite stamp duty and RoC fees and shall file the required returns / information / amended copy of the memorandum of association with the RoC to give effect to the alteration in the authorised share capital.

13. CONDUCT OF THE BUSINESS OF THE DEMERGED UNDERTAKING OF DEMERGED COMPANY TILL THE EFFECTIVE DATE

- 13.1 With effect from the date of approval of the Scheme by the respective Board of the Parties and up to and including the Effective Date, the Demerged Company with respect to Demerged Undertaking shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall



hold and stand possessed of the assets for and on account of, and in trust for the Resulting Company.

- 13.2 For the purpose of giving effect to the order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Tribunal, the Resulting Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon demerger of the Demerged Undertaking in accordance with the provisions of Sections 230 to 232 of the Act. The Resulting Company shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc., as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme. For the purpose of giving effect to the vesting order passed in respect of this Scheme, the Resulting Company shall be entitled to exercise all rights and privileges, and be liable to pay all taxes and charges and fulfil all its obligations, in relation to or applicable to all immovable properties, including mutation and/ or substitution of the ownership or the title to, or interest in the immovable properties which shall be made and duly recorded by the Appropriate Authority(ies) in favour of the Resulting Company pursuant to the sanction of the Scheme by the Tribunal and upon the effectiveness of this Scheme in accordance with the terms hereof, without any further act or deed to be done or executed by the Resulting Company. It is clarified that the Resulting Company shall be entitled to engage in such correspondence and make such representations, as may be necessary, for the purposes of the aforesaid mutation and/ or substitution.

14. SAVING OF CONCLUDED TRANSACTIONS

Nothing in this Scheme shall affect any transaction or proceedings already concluded or liabilities incurred by the Demerged Company in relation to the Demerged Undertaking until the Effective Date, to the end and intent that the Resulting Company shall accept and adopt all acts, deeds and things done and executed by the Demerged Company in respect thereto as done and executed on behalf of the Resulting Company.

PART III

GENERAL TERMS & CONDITIONS

15. REMAINING BUSINESSES OF THE DEMERGED COMPANY

- 15.1 The Remaining Business of the Demerged Company and all the assets, investments, liabilities and obligations of the Demerged Company, shall continue to belong to and be owned and managed by the Demerged Company. The Demerged Company shall continue to be liable to perform and discharge all its liabilities and obligations in relation to the Remaining Business of the Demerged Company and the Resulting Company shall not have any liability or obligation in relation to the Remaining Business of the Demerged Company.
- 15.2 All legal, Tax and/ or other proceedings by or against the Demerged Company under any statute, whether pending on the Effective Date or which may be instituted at any time thereafter, and relating to the Remaining Business of the Demerged Company (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Business of the Demerged Company) shall be continued and enforced against the Demerged Company. The Resulting Company shall in no event be responsible or liable in relation to any such legal, Tax or other proceedings in relation to the Remaining Business of the Demerged Company.
- 15.3 If the Resulting Company is in receipt of any demand, claim, notice and/ or is impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Remaining Business of the Demerged Company, the Resulting Company shall take all such steps in the proceedings before the Appropriate Authority to substitute the Resulting Company with the Demerged Company. However, if the Resulting Company is unable to get the Demerged Company so substituted in such proceedings, it shall defend the same or deal with such demand in accordance with the advice of the Demerged Company and at the cost of the Demerged Company and the latter shall reimburse the Resulting Company, against all liabilities and obligations incurred by or against Resulting Company, in respect thereof.



15.4 The Demerged Company shall carry on all business and activities pertaining or relating to the Remaining Business in their own name and on their own account.

15.5 No part of the Remaining Business shall be transferred to the Resulting Company pursuant to the Demerger. If any part of the Remaining Business is inadvertently held by the Resulting Company after the Effective Date, the Resulting Company shall take such actions as may be reasonably required to ensure that such part of the Remaining Business is transferred back to the Demerged Company, promptly and for no consideration. The Resulting Company shall bear all costs and expenses as may be required to be incurred for giving effect to this Clause.

16. APPLICATION / PETITION TO THE TRIBUNAL

16.1 The Parties shall make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the Tribunal, for sanction of this Scheme under the provisions of the Act.

16.2 The Parties shall be entitled, pending the sanction of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law for such consents and approvals which the Resulting Company may require to own the assets and/ or liabilities of the Demerged Undertaking, as the case may be, and to carry on the business of the Demerged Undertaking, as the case may be.

17. MODIFICATION OR AMENDMENTS TO THE SCHEME

17.1 The Board of the Parties may make any modifications or amendments to this Scheme at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or appropriate. The Board of the Parties may consent to any conditions or limitations that the Tribunal or any other Appropriate Authority may impose.

17.2 For the purposes of giving effect to this Scheme, the Board of the Parties may give such directions including directions for settling any doubts, question or difficulty that may arise and to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect or agree to any terms and / or conditions or limitations that Tribunal or any other authorities under law may deem fit to approve of, to direct and / or impose. The aforesaid powers of the Parties to give effect to the modification/ amendments to the Scheme may be exercised by their respective Board of Directors/ its committee or any person authorised in that behalf by the concerned Board of Directors subject to approval of Tribunal or any other authorities under the Applicable Laws and such directions shall be binding on all Parties as if the same were specifically incorporated in this Scheme.

18. CONDITIONS PRECEDENT

18.1 Unless otherwise decided (or waived) by Parties, the Scheme is conditional upon and subject to the following conditions precedent:

18.1.1 approval of the Scheme by the requisite majority of each class of shareholders and such other classes of Persons of the Parties, if any, as applicable or as may be required under the Act and as may be directed by the Tribunal;

18.1.2 the sanctions and orders of the Tribunal, under Sections 230 to 232 of the Act being obtained by the Parties;

18.1.3 certified/ authenticated copies of the orders of the Tribunal, sanctioning the Scheme, being filed with the RoC having jurisdiction over the Parties; and

18.1.4 the requisite consent, approval or permission of Appropriate Authority or any other Person which by Applicable Law may be necessary for the implementation of this Scheme.

18.2 It is hereby clarified that submission of this Scheme to the Tribunal and to the Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, title, or defences that Parties may have under or pursuant to all Applicable Laws.



18.3 On the approval of this Scheme by the shareholders and such other classes of Persons of the Parties, if any, the shareholders and classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the Scheme.

19. WITHDRAWAL OF THIS SCHEME, NON-RECEIPT OF APPROVALS AND SEVERABILITY

19.1 Parties, acting jointly, shall be at liberty to withdraw the Scheme, any time before the Scheme is effective.

19.2 In the event of withdrawal of the Scheme under Clause 19.1 above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Parties or their respective shareholders or creditors or employees or any other Person.

19.3 In the event of any of the requisite sanctions and approvals not being obtained on or before such date as may be agreed to by the Parties, this Scheme or relevant part(s) of this Scheme shall become null and void and each Party shall bear and pay its respective costs, charges and expenses for and/ or in connection with this Scheme.

19.4 In the event of revocation / withdrawal of the Scheme under Clause 19.1 above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Parties or their respective shareholders or creditors or employees or any other Person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with Applicable Law and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.

19.5 Further, it is the intention of the Parties that each part shall be severable from the remainder of this Scheme and the Scheme shall not be affected if any part of this Scheme is found to be unworkable for any reason whatsoever 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 or cause such part to be null and void, including but not limited to such part.

20. COSTS, CHARGES AND EXPENSES

20.1 All costs, charges, levies, fees, duties and expenses of the Demerged Company and the Resulting Company respectively in relation to or in connection with this Scheme shall be borne and paid by the respective Parties.

20.2 Subject to Clause 20.1 above, the Resulting Company shall bear the stamp duty cost in pursuance to or as a consequence of this Scheme.

21. FACILITATION PROVISIONS

21.1 Immediately upon the Scheme being effective, the Demerged Company and the Resulting Company shall enter into agreements as may be necessary, *inter alia* in relation to use of office space, land, building, manufacturing facilities, infrastructure facilities, information technology services, security personnel, trademarks and other intellectual property rights, legal, administrative and other services, etc. on such terms and conditions that may be mutually agreed between them.

21.2 Without prejudice to the generality of the foregoing Clause 21.1 above, immediately upon the Scheme being effective, the Demerged Company and the Resulting Company shall enter into necessary agreements whereby, the Demerged Company shall provide shared services viz. accounting, tax, human resources, legal, secretarial, research and development etc. to the Resulting Company on such terms and conditions that may be mutually agreed between them.

21.3 It is clarified that approval of the Scheme by the shareholders of the Parties under Sections 230 to 232 of the Act shall be deemed to have their approval under Section 188 and other applicable provisions of the Act and that no separate approval of the Board or shareholders shall be required to be sought by the Parties.



- 21.4 It is clarified that all guarantees provided by the Demerged Company in respect of the Demerged Undertaking shall be valid and subsisting till adequate arrangements / guarantees have been provided in respect of the same by the Resulting Company.

22. PROPERTY IN TRUST

Notwithstanding anything contained in this Scheme, on or after Effective Date, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom and relating to the Demerged Undertaking are transferred, vested, recorded, effected and/or perfected, in the records of the governmental authority (ies), regulatory bodies or otherwise, in favour of the Resulting Company, the Resulting Company is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the governmental authority (ies) and till such time as may be mutually agreed between the Parties, the Demerged Company will continue to hold the property and/or the asset, license, permission, approval as the case may be, in each case, relating to the Demerged Undertaking, in trust on behalf of the Resulting Company.



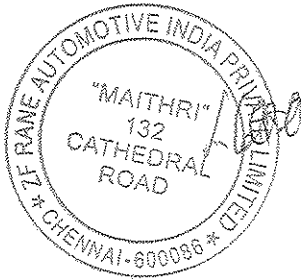
SCHEDULE 1 | LIST OF IMMOVABLE PROPERTIES

Sl. No	Location and Address of the Immovable Properties	Purpose
1.	<p>5.78 acres land located at 48 KM Stone, G.S.T. ROAD, Singaperumalkoil - 603 204</p> <p>Land Located under the Survey. Nos. 1) 4/2B - 0.001 acre; 2) 5/2 - 0.0084 acre; 3) 41/1 - 0.80 acre; 4) 41/2 - 0.40 acre; 5) 42/1 - 0.604 acre; 6) 42/2 - 0.058 acre, 7) 42/3 - 0.08 acre; 8) 42/4 - 0.42 acre; 9) 45/1 - 0.0873 acre; 10) 46/1B - 0.079 acre; 11) 46/2B - 0.0463 acre; 12) 46/3B - 0.038 acre; 13) 46/4A - 0.15 acre; 14) 46/4B - 0.04 acre; 15) 46/5B - 0.001 acre; 16) 46/6B - 0.008 acre; 17) 46/7B1 - 0.0203 acre; 18) 46/8B1 - 0.0349 acre; 19) 46/9A - 0.167 acre; 20) 46/9B - 0.087 acre; 21) 47/1 - 0.41 acre; 22) 47/2 - 0.38 acre; 23) 48/1 - 0.31 acre; 24) 48/2 - 0.45 acre; 25) 49/2 - 0.21 acre; 26) 50/1 - 0.89 acre.</p>	Factory for Manufacturing
2.	<p>31.53 acres land located at N45 Chennai National highway, Siruganur, Tiruchirappalli - 621 105.</p> <p>Land Located under the Survey. Nos. 1) 83/1 - 9.27 acre; 2) 86/1A - 2.64 acre; 3) 86/1B - 0.88 acre; 4) 86/2A - 1.26 acre; 5) 86/2B - 1.19 acre; 6) 86/2C - 1.32 acre; 7) 86/2D - 1.26 acre; 8) 90/2 - 2.37 acre; 9) 91/2A - 0.40 acre; 10) 91/2B - 0.69 acre; 11) 91/2C - 0.73 acre; 12) 91/3 - 1.40 acre; 13) 92/1A1 - 1.73 acre; 14) 92/1A2 - 0.84 acre; 15) 92/1B2 - 1.65 acre; 16) 92/4 - 1.33 acre; 17) 91/1 - 2.57 acres</p>	Factory for Manufacturing



SCHEDULE 2 | LIST OF INVESTMENTS

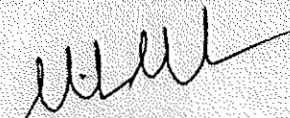
Particulars	No. of Equity Shares
Investment in Power Projects	
Atria Wind (Kadambur) Private Limited	30,000
TOTAL	30,000
Investments in Equity Instruments	
TRW Sun Steering Wheels Private Limited 29,04,039 shares with face value of Rs. 10/- each	29,04,039
ZF Rane Occupant Safety Systems Private Limited 3,40,00,000 shares with face value of Rs. 10/- each	3,40,00,000
TOTAL	3,69,04,039
GRAND TOTAL	3,69,34,039



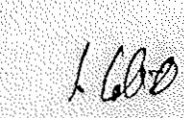
ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED
STANDALONE BALANCE SHEET AS AT DECEMBER 31, 2024
 (All amounts are in crores in INR unless otherwise stated)

S.No	Particulars	Note No.	As at 31st Dec 2024 (Unaudited)	As at 31st March 2024 (Audited)
	A. ASSETS			
i	Non-Current Assets			
	(a) Property, plant and equipment	2	382.45	351.97
	(b) Capital Work in Progress		27.51	14.05
	(c) Investment Property	2A	17.78	18.20
	(d) Right to Use Assets	3	24.73	19.82
	(e) Other Intangible Assets	4	0.93	0.98
	(f) Financial Assets			
	(i) Investments	5	176.13	176.12
	(ii) Loans	6	0.56	0.40
	(iii) Other financial assets	7	4.17	3.89
	(g) Advance Tax (net)	8	17.50	14.06
	(h) Deferred Tax Assets (net)		2.52	0.91
	(i) Other Non Current Assets	9	14.14	23.09
	Total non-current assets		668.42	623.49
ii	Current Assets			
	(a) Inventories	10	250.45	246.31
	(b) Financial Assets			
	(i) Trade Receivables	11	407.33	382.13
	(ii) Cash and Cash Equivalents	12	14.43	23.77
	(iii) Bank balances other than (ii) above	13	2.72	3.14
	(iv) Loans	14	87.69	33.60
	(v) Other Financial assets	15	9.35	13.14
	(c) Other Current Assets	16	43.26	31.36
	Total current assets		815.13	733.46
	TOTAL ASSETS		1,483.55	1,356.94
	B. EQUITY AND LIABILITIES			
i	Equity			
	(a) Equity Share Capital	17	8.74	8.74
	(b) Other Equity	18	581.66	540.67
	Total equity		590.40	549.41
	Liabilities			
ii	Non-Current Liabilities			
	(a) Financial Liabilities			
	i. Lease Liability	19	18.42	13.51
	ii. Borrowings	20	89.53	93.74
	(b) Provisions	21	12.62	9.62
	(c) Other Non-Current Liabilities	22	0.21	0.21
	Total non-current liabilities		120.78	117.08
iii	Current Liabilities			
	(a) Financial Liabilities			
	i. Lease Liability	23	0.63	0.57
	ii. Borrowings	24	379.39	345.83
	iii. Trade Payables	25	324.49	296.52
	iv. Other financial Liabilities	26	25.35	19.27
	(b) Provisions	27	12.53	12.64
	(c) Other Current Liabilities	28	29.95	15.62
	Total current liabilities		772.37	690.45
	Total Liabilities		893.15	807.53
	TOTAL EQUITY AND LIABILITIES		1,483.55	1,356.94
	See accompanying notes forming part of the standalone financial statements			

For ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED


HARISH LAKSHMAN
 Chairman & Managing Director
 DIN: 00012602


L. GANESH
 Nominee Director
 DIN: 00012583


S. SENTHILNATHAN
 Chief Financial Officer
 & Company Secretary

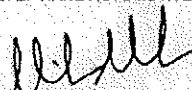


Place: Chennai
 Date : 29 Jan 2025


ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS FOR NINE MONTHS ENDED DECEMBER 31, 2024
(All amounts are in crores in INR unless otherwise stated)

S.No.	Particulars	Note No.	Nine Months Ended Dec 2024 (Unaudited)	FY 23-24 (Audited)
I	Revenues from Operations (Gross)	29	1,509.19	2,079.91
II	Other Income	30	61.28	22.40
III	Total Income (I+II)		1,570.47	2,102.31
IV	Expenses:			
	Cost of materials consumed	31	1,032.02	1,436.38
	Employee benefits expense	32	151.33	200.04
	Finance costs	33	26.75	19.00
	Depreciation and amortisation expense	34	45.43	55.94
	Other expenses	35	178.35	232.02
	Total Expenses (IV)		1,433.87	1,943.38
V	Profit before tax (III- IV)		136.60	158.93
VI	Tax Expense:			
	(1) Current Tax		23.22	39.16
	(2) Deferred Tax		(1.60)	(1.78)
			21.62	37.38
VII	Profit for the year (V-VI)		114.98	121.55
VIII	Other Comprehensive Income			
	a) Remeasurements of the defined benefit plans		(1.10)	(2.14)
	b) Tax on Remeasurements of the defined benefit plans		0.29	0.53
	Total other comprehensive income (VIII)		(0.81)	(1.61)
IX	Total Comprehensive Income for the period (VII+VIII)		114.17	119.94
X	Earnings Per Equity Share (Face value of Rs 10 each)*			
	Basic (In Rs.)		131.58	139.10
	Diluted (In Rs.)		131.58	139.10
See accompanying notes forming part of the standalone financial statements				
# EPS for Nine months ended 31 Dec 2024 is not annualised				

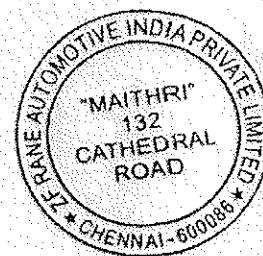
For ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED


HARISH LAKSHMAN
Chairman & Managing Director
DIN: 00012602


L. GANESH
Nominee Director
DIN: 00012583


S. SENTHILNATHAN
Chief Financial Officer
& Company Secretary

Date : 29 Jan 2025
Place: Chennai



ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED
STANDALONE CASH FLOW STATEMENT FOR THE NINE MONTHS ENDED DECEMBER 31, 2024
(All amounts are in crores in INR unless otherwise stated)

Particulars	For the Nine months ended Dec 31, 2024		For the Year ended March 31, 2024	
A. Cash flow from operating activities				
Profit Before Tax		136.60		158.93
Adjustments for:				
Finance costs recognised in profit or loss	26.75		19.00	
Interest income from investment recognised in profit or loss	(3.48)		(1.75)	
Profit on sale of mutual fund units	-		-	
Interest income from fixed deposit	(0.06)		(0.06)	
Gain on disposal of property, plant and equipment	(0.25)		(12.98)	
Dividend Income from equity investment in subsidiary company	(52.27)			
(Write back) / Provision for doubtful receivables / advances	(0.43)		(0.04)	
Depreciation and Amortisation	45.43		55.94	
Unrealised Net foreign exchange(gain) or loss	1.09		0.40	
		16.75		60.51
Movements in working capital:				
(Increase) / decrease in trade receivables	(24.76)		(9.87)	
(Increase) / decrease in inventories	(4.14)		(2.50)	
(Increase) / decrease in other assets	(8.74)		(1.49)	
Increase / (decrease) in trade payables	25.43		(28.04)	
Increase / (decrease) in provisions	2.89		6.29	
Increase / (decrease) in other liabilities	22.45	13.13	(10.01)	(45.62)
Cash generated from operations		166.48		173.82
Income Tax paid		(26.39)		(42.41)
Net cash generated from operating activities		140.09		131.41
B. Cash flow from investing activities				
Interest received	3.56		1.81	
Proceeds from repayment of loan given	-		3.00	
Loan to related party	(53.80)		(29.50)	
Investment in Equity shares of wholly owned subsidiary	(0.01)		(139.20)	
Other long term investments made	-		(0.66)	
Dividend income from equity investment in subsidiary company	52.27			
Payments for acquisition of property, plant and equipment	(62.74)		(58.59)	
Redemption made in Fixed Deposits	0.42		(2.13)	
Net cash (used in) Investing activities		(80.30)		(225.27)
C. Cash flow from financing activities				
Proceeds from current borrowings	33.56		132.31	
Proceeds from Non current borrowings			68.83	
Repayment of non-current borrowings	(4.21)		(21.75)	
Dividends paid to the company shareholders	(73.18)		(67.28)	
Interest paid	(26.75)		(18.49)	
Net cash generated from / (used in) financing activities		(70.58)		93.62
Net increase / (decrease) in cash and cash equivalents		(10.78)		(0.24)
Cash and cash equivalents at the beginning of the year		23.77		21.81
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies		1.44		2.20
Cash and Cash equivalents at the end of the year (Refer Note 12)		14.43		23.77



ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR NINE MONTHS ENDED DECEMBER 31, 2024

(All amounts are in crores in INR unless otherwise stated)

(a) Equity Share Capital

Particulars	Amount
Balance as at April 1, 2023	8.74
Changes in equity share capital during the year	-
Balance as at March 31, 2024	8.74
Changes in equity share capital during the Nine months period	-
Balance as at December 31, 2024	8.74

(b)

Particulars	Reserves & Surplus			Total
	Capital Reserve	General reserve	Retained earnings	
Balance as at April 1, 2023	1.98	295.47	190.56	488.01
2023-24				
Profit for the year	-	-	121.55	121.55
Other comprehensive (loss)/ income for the year			(2.14)	(2.14)
Income Tax on OCI			0.53	0.53
Amount transferred within Reserves	-	51.34	(51.34)	-
Payment of dividends	-	-	(67.28)	(67.28)
Balance as at March 31, 2024	1.98	346.81	191.88	540.67
Period ending December 2024				
Profit for the year			114.99	114.99
Other comprehensive (loss)/ income for the year			(1.10)	(1.10)
Income Tax on OCI			0.29	0.29
Amount transferred within Reserves			-	-
Payment of dividends			(73.18)	(73.18)
Balance as at December 31, 2024	1.98	346.81	232.87	581.66



ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Note 1

Corporate information

ZF Rane Automotive India Private Limited (The Company) is a Private Limited company incorporated on July, 3, 1987 located in having registered office in Chennai, Tamilnadu.

ZF Rane Automotive India Private Limited is a Joint venture with Rane Holding Limited and ZF Automotive JV US LLC. The Company is into manufacturing of hydraulic power steering gears, hydraulic pumps, power-rack and pinion steering gears, airbags and safety seat belt systems catering to the automotive industry at large. The manufacturing locations are in Tamilnadu and Uttarakhand.

Material accounting policies

1.1 Statement of compliances

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the 2013 Act read with the Companies (Indian Accounting Standards) Rules 2015 and other relevant provisions of the 2013 Act as amended from time to time.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2 Basis of preparation and presentation

The standalone financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability take place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

As fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the assets in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level inputs that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

1.3 Property, plant and equipment

Assets held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Cost includes direct costs, transportation cost, professional fees and taxes for which input credit is not available.

Depreciable amount for assets is the cost of an asset less its estimated residual value. Depreciation is provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Office Equipment	3 years
Capital tooling	3 years
Vehicles	5 years
Furniture & fixtures	5 years
Solar plant	25 years

Company provides shift factor of 1.5 and 2 if assets were put to use for two and three shift respectively.

Property, Plant and Equipment individually costing Rs. 10000 or less are fully depreciated in the year of capitalization.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and carrying amount of the asset and is recognized in profit or loss.



1.4 Investment Property

Investment property is property (land or a building—or part of a building—or both) held by the Company to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business.

Investment property shall be recognized as an asset when, and only when it is probable that the future economic benefits that are associated with the investment property will flow to the entity, and the cost of the investment property can be measured reliably. An investment property shall be measured at its cost less depreciation. Transaction costs shall be included in the initial measurement. An investment property shall be derecognized (eliminated from the balance sheet) on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

1.5 Inventories

Inventories are valued at the lower of cost on moving weighted average basis and estimated net realisable value (net of allowances) after providing for obsolescence and other losses, where considered necessary. The cost comprises of cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work-in-progress, incurred in bringing such inventories to their present location and condition. Trade discounts or rebates are deducted in determining the costs of purchase. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sales.

1.6 Cash & Cash equivalent

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1.7 Foreign currency transactions and translations

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

In preparing the financial statement, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings,
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

1.8 Revenue recognition

The Company derives revenues primarily from sale of steering gears, pumps and occupant safety products. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

The Company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discounts/ incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. Also, when the level of discount/pricing incentives varies with increases in levels of revenue transactions, the company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount/pricing incentives is not recognized until the payment is probable and the amount can be estimated reliably. The company recognizes changes in the estimated amount of obligations for discounts/pricing incentives in the period in which the change occurs.

Revenue from services has been recognised as and when the service has been performed.

1.9 Other Income

Interest income from a financial asset is recognized when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the asset's net carrying amount on initial recognition.

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).



1.10 Provisions and contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liability is disclosed for (i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or (ii) Present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provision for warranty

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically upto three years.

As per the terms of the contracts, the Company provides post-contract services / warranty support to some of its customers. The Company accounts for the post-contract support / provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimates.

1.11 Taxes on income

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

1.12 Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the statement of profit and loss.

Subsequent Measurement:-

Financial assets:-

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets, except for investments forming part of interest in subsidiaries, which are measured at cost.

Classification of financial assets:-

The Company classifies its financial assets in the following measurement categories:

a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

b) those measured at amortized cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

(a.) Amortized Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on these assets that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.



(b.) Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other income/ (expense).

(c.) Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on these assets that is subsequently measured at fair value through profit or loss is recognized in the statement of profit and loss.

"Investment in Subsidiaries are accounted at Cost in separate financial statements".

Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, trade receivable, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at Fair value through profit or loss.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayments, extension, call and similar options) through the expected life of that financial instruments.

The Company measures the loss allowance for the financial instruments at an amount equal to the lifetime expected credit losses if the credit risk on those financial instruments has increased significantly since initial recognition.

If the credit risk on financial instruments has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instruments at an amount equal to 12 months expected credit losses. The twelve months expected credit losses are portion of the lifetime expected credit losses and represents lifetime cash shortfalls that will result if default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the 12 months.

If the Company measured loss allowance for the financial instruments at life time expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12 month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instruments instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognitions and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual rights to receive cash or other financial assets that results from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to life time expected credit losses.

Further, for the purposes of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward – looking information.

Derecognition of financial assets

A financial asset is derecognized only when the Company has transferred the rights to receive cash flows from the financial asset. Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

Financial liabilities and equity instruments:-

Classification as equity or financial liability

Equity and Debt instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Financial liabilities at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

Financial liabilities at FVTPL

Liabilities that do not meet the criteria for amortized cost are measured at fair value through profit or loss. A gain or loss on these assets that is subsequently measured at fair value through profit or loss is recognized in the statement of profit and loss.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.



1.13 Earnings Per Share

Basic earnings per share is computed by dividing the net profit/(loss) after tax (including the post tax effect of exceptional items, if any) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of exceptional items, if any) for the period attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share.

1.14 Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

1.15 Segment reporting

Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources. Operating segments are defined as segments of the Company about which separate financial information is available that is evaluated regularly by the chief operating decision-maker, or decision-making group, in deciding how to allocate resources and in assessing performance.

The Company operates in the automotive segment. The automotive segment includes all activities relating to development, design, manufacture, assembly and sale of auto component parts from which the Company derives its revenues. Based on the management analysis, the Company has only one operating segment. The principal geographical area in which the Company operates is India.

1.16 Use of estimates and judgements

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. This note provides an overview of the areas that involve a higher degree of judgements or complexities and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these judgements, estimates and assumptions is mentioned below.

Judgements, estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

The areas involving significant estimates or judgments are :

a Impairment of Financial assets

The impairment provisions for financial assets disclosed are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Contingent liabilities

Management regularly analyzes current information about litigative matters and makes provisions for probable losses including the estimate of legal expense to resolve the matters. In their assessments management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiently reliable estimate of the amount of loss.

Useful life of assets- Refer note 1.3

e. Measurement of defined benefit obligation: key actuarial assumptions

1.17 Financial and Corporate guarantee contracts

A financial and corporate guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial and corporate guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of: - the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and - the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

1.18 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
(All amounts are in crores in INR unless otherwise stated)

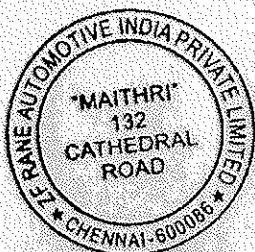
Note 2: Property, Plant and Equipment		
Particulars	As at 31st Dec 2024	As at 31st Mar 2024
Carrying amounts of:		
Freehold land	16.09	16.09
Buildings	91.34	85.12
Plant and equipment	270.34	246.6
Office Equipments	3.60	2.97
Furniture and Fixtures	0.41	0.32
Vehicles	0.67	0.87
Total	382.45	351.97

Note 2A : Investment Property		
Particulars	As at 31st Dec 2024	As at March 31, 2024
Carrying amounts of Investment property:		
Land	2.06	2.06
Building	15.72	15.14
Total	17.78	18.20

Note 3: Right to use Assets		
Particulars	As at 31st Dec 2024	As at 31st Mar 2024
Carrying amounts of:		
Leasehold land	6.20	6.41
Other Assets	18.53	13.41
Total	24.73	19.82

Note 4: Other Intangible Assets		
Particulars	As at 31st Dec 2024	As at 31st Mar 2024
Carrying amounts of:		
Software and Licenses	0.93	0.98
	0.93	0.98

Note 5 Investments				
Particulars	As at December 31, 2024		As at March 31, 2024	
	No of shares	Rs. in crores	No of shares	Rs. in crores
Un-Quoted Investments in equity instruments (fully paid-up) - Fair Value through Other Comprehensive Income (FVTOCI)				
CIVRE Wind Power Pvt Ltd 948 shares (Previous Year : 948 shares) with face value of Rs 10 each	948	0.00	948	0.00
Capsol Energy Pvt Ltd 10,50,000 shares (Previous Year : 10,50,000 shares) with face value of Rs 10 each	10,50,000	1.05	10,50,000	1.05
Atrai Wind (Kadambur) Private Limited 30000 shares with face value of Rs 10 each	30,000	0.66	30,000	0.66
ShreeMTX Textiles Private Limited 3780 shares (Previous Year : 3780 shares) with face value of Rs 100 each	3,780	1.21	3,780	1.21
Investments in Equity Instruments TRW Sun Steering Wheels Pvt Limited 29,04,039 shares with face value of Rs 10 each	29,04,039	139.20	29,04,039	139.20
Investment in Equity Instruments at Cost:- ZF Rane Occupant Safety Systems Pvt Ltd 3,40,00,000 shares with face value of Rs 10 each	3,40,00,000	34.00	3,40,00,000	34.00
Investment in Equity Instruments at Cost:- ZF Lifetec Rane Automotive India Pvt Ltd 10,000 shares with face value of Rs 10 each	10,000	0.01	-	-
Total Investments	3,79,98,767	175.13	3,79,88,767	175.12
Aggregate value of unquoted investments		175.13		175.12
Aggregate amount of impairment in the value of Investment		-		-



ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
(All amounts are in crores in INR unless otherwise stated)

NOTE 6 Loans

Particulars	As at 31st Dec 2024	As at 31st Mar 2024
Loan to Employees	0.56	0.40
Total	0.56	0.40

Note 7 Other Financial Assets

Particulars	As at 31st Dec 2024	As at 31st Mar 2024
Security Deposits	4.17	3.89
Total	4.17	3.89

Note 8 Advance Tax (net)

Particulars	As at 31st Dec 2024	As at 31st Mar 2024
Advance Tax (Net of Tax Provision)	17.50	14.06
	17.50	14.06

Note 9 Other Non-Current Assets

Particulars	As at 31st Dec 2024	As at 31st Mar 2024
Capital Advances	14.14	23.09
	14.14	23.09

Note 10 Inventories

Particulars	As at 31st Dec 2024	As at 31st Mar 2024
a.) Raw Materials and Components	110.51	116.34
Raw Material in Transit	64.60	66.9
Sub Total	175.11	183.24
b.) Work-in-progress	22.21	22.55
c.) Stores & Spares	5.77	8.45
d.) Finished Goods	11.26	10.57
Add: Finished Goods-in-transit	36.08	21.5
Sub Total	47.34	32.07
Total	250.45	246.31



ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
(All amounts are in crores in INR unless otherwise stated)

Note 11. Trade Receivables

Particulars	As at 31st Dec 2024	As at 31st Mar 2024
Trade Receivables		
Secured, considered good		
Unsecured, considered good	407.33	382.13
Doubtful	0.38	0.81
Allowance for doubtful debts (expected credit loss allowance)	(0.38)	(0.81)
Total	407.33	382.13

Note 12 Cash and cash equivalents

Particulars	As at 31st Dec 2024	As at 31st Mar 2024
(a) Balances with banks (including deposits with original maturity upto 3 months)		
(i) In Current account	11.03	21.36
(ii) In EEFC account	3.39	2.38
(b) Cash on hand	0.01	0.03
Cash and Cash Equivalents as per balance sheet	14.43	23.77

Note 13 Other Bank Balances

Particulars	As at 31st Dec 2024	As at 31st Mar 2024
In other deposit accounts-original maturity more than 3 months	2.72	3.14

NOTE 14. Loans

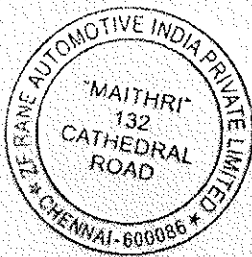
Particulars	As at 31st Dec 2024	As at 31st Mar 2024
Unsecured, considered good, at amortized cost		
a. Loans to related parties	86.80	33.00
b. Loans to Employees	0.79	0.60
	87.59	33.60



ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
(All amounts are in crores in INR unless otherwise stated)

Note 15 Other Financial Assets		
Particulars	As at 31st Dec 2024	As at 31st Mar 2024
a.) Claims Receivable	1.70	7.99
b.) Rental Advance	0.26	0.78
c.) Tool Development Cost	0.88	2.83
d.) Mark to market Gain	-	-
e.) Duty Drawback receivable	5.83	-
f.) Rodtep receivable	0.69	-
g.) Other receivable	-	1.54
	9.35	13.14

Note 16 Other Current Assets		
Particulars	As at 31st Dec 2024	As at 31st Mar 2024
a.) Balances with Statutory Authorities	25.28	13.47
b.) Advance to Suppliers	12.43	12.81
c.) Travel Advance	(0.00)	0.06
d.) Prepaid Expenses	5.55	5.02
	43.26	31.36



ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
 (All amounts are in crores in INR unless otherwise stated)

Note 17 Equity Share Capital

Particulars	As at Dec 31, 2024	As at March 31, 2024
AUTHORISED :		
Equity Shares:		
9,000,000 Equity Shares of Rs.10 each	9.00	9.00
ISSUED :		
8,804,000 Equity Shares of Rs.10 each	8.80	8.80
SUBSCRIBED AND FULLY PAID UP :		
8,738,246 Equity Shares of Rs.10 each fully paid-up	8.74	8.74

17.1 Reconciliation of number of shares

Particulars	Period Ended 31 Dec 2024		2023-24	
	No of Shares	Amount (Rs. in crores)	No of Shares	Amount (Rs. in crores)
Equity Shares of Re.10 each fully paid up				
At the beginning of the period	87,38,246	8.74	87,38,246	8.74
Issued during the period	-	-	-	-
At the end of the period	87,38,246	8.74	87,38,246	8.74

17.2 Terms / Rights attached to Equity Shares

The Company has only one class of Equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. Repayment of capital on liquidation will be in proportion to the number of equity shares held.

17.3 Details of shares held by each shareholder holding more than 5 percent of equity shares (Promoters) in the company:

Name of the Shareholder	No of shares held as at					
	Dec 31, 2024			March 31, 2024		
	Nos.	%	% Change in shareholding	Nos.	%	% Change in shareholding
Rane Holdings Limited	42,81,740	49%	-	42,81,740	49%	-
ZF Automotive JV US LLC	44,56,506	51%	-	44,56,506	51%	-

Note 18 Other equity

Particulars	As at 31st Dec 2024	As at 31st March 2024
Capital Reserve	1.98	1.98
General Reserve	346.81	346.81
Retained Earnings	232.87	191.88
	581.66	540.67



ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
(All amounts are in crores in INR unless otherwise stated)

Note 19 Lease Liabilities

Particulars	As at 31st Dec 2024	As at 31st Mar 2024
Lease Obligation	18.42	13.51
Total	18.42	13.51

Note 20 Long Term Borrowings

Particulars	As at 31st Dec 2024	As at 31st Mar 2024
Secured - at amortized cost		
Long Term Loan - Citi Bank	40.33	28.91
Long Term Loan - HDFC Bank	49.20	64.83
Total	89.53	93.74

Note 21 Provisions

Particulars	As at 31st Dec 2024	As at 31st Mar 2024
Provision for Leave salary	12.62	9.62
Total	12.62	9.62

Note 22 Other Non-Current Liabilities

Particulars	As at 31st Dec 2024	As at 31st Mar 2024
Deferred Income	0.21	0.21
Total	0.21	0.21



ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
(All amounts are in crores in INR unless otherwise stated)

Note 23 Lease Liability

Particulars	As at 31st Dec 2024	As at 31st March 2024
a.) Lease Obligation Current	0.63	0.57
Total	0.63	0.57

Note 24 Current Borrowings

Particulars	As at 31st Dec 2024	As at 31st March 2024
Secured - at amortised cost from Bank		
a.) Demand Loan	48.32	5.00
b.) Packing Credit	188.97	185.62
c.) Current maturities of Long term Borrowings	31.63	32.15
Unsecured - at amortised cost from Bank		
a.) Factoring	109.27	116.92
b.) Bills Discounting- Local	1.21	6.14
Total	379.39	345.83

Note 25 Trade Payables

Particulars	As at 31st Dec 2024	As at 31st March 2024
Trade payables	324.49	296.52
Total	324.49	296.52

Note 26 Other financial liabilities

Particulars	As at 31st Dec 2024	As at 31st March 2024
a.) Salaries Payable	1.29	0.79
b.) Contribution to Provident & Other funds	-	0.9
c.) Superannuation Payables	0.03	-
d.) Payable on Purchase of Fixed Assets	15.41	13.55
e.) MTM on Forward Contract	1.22	0.26
f.) Other Payables	2.17	2.09
g.) Retention Money	4.63	-
h.) Provision for Bonus & Others	0.60	-
i.) Bonus Payables	-	1.68
Total	25.35	19.27

Note 27 - Provisions

Particulars	As at 31st Dec 2024	As at 31st March 2024
Provision for employee benefit expenses	1.32	1.12
Provision for Warranty	11.21	11.52
Total	12.53	12.64

Note 28 Other Current liabilities

Particulars	As at 31st Dec 2024	As at 31st March 2024
a.) Tooling Advance Received from Customer	4.86	7.47
b.) Statutory Remittances	21.97	7.38
c.) Deferred Income	0.01	0.03
d.) Gratuity Payable	4.54	0.74
e.) Other Payables	(1.72)	-
f.) Contribution to Provident & Other funds	0.32	-
Total	29.98	15.62



ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
(All amounts are in crores in INR unless otherwise stated)

NOTE 29 Revenue from operations	9 months ended Dec 31, 2024	Year ended March 31, 2024
(a) Sales of Products	1,465.55	2,015.95
(c) Other operating revenues	-	-
- Export Incentives	30.35	43.63
- Scrap sales	13.01	18.09
- Service charges collected from the customers	0.28	2.24
	1,509.19	2,079.91

Note 30 Other Income	9 months ended Dec 31, 2024	Year ended March 31, 2024
(a) Interest income earned on financial assets that are not designated as at fair value through profit or loss		
-- On bank deposits (at amortised cost)	0.08	0.06
-- On Other Deposits	3.48	1.75
(b) Dividend Income	52.27	
(c) Gain / (loss) on disposal of property, plant and equipment	0.25	12.98
(d.) Capital Subsidy	-	
(e.) Miscellaneous Income	5.23	5.98
(f.) Provision no longer required written back	(0.03)	0.04
(g.) Profit on sale of mutual fund units	-	1.59
	61.28	22.40

Note 31 Cost of Materials Consumed	9 months ended Dec 31, 2024	Year ended March 31, 2024
Consumption of Raw Materials	1,032.02	1,436.38

Note 32 Employee Benefit expense	9 months ended Dec 31, 2024	Year ended March 31, 2024
(a) Salaries, Wages and Bonus	135.01	176.37
(b) Contribution to Provident and Other Funds	8.46	13.05
(c) Staff Welfare Expenses	7.85	10.62
	151.33	200.04

Note 33 Finance Cost	9 months ended Dec 31, 2024	Year ended March 31, 2024
a) Interest on CC & Buyers Credit	26.75	19.00
Total	26.75	19.00

Note 34 Depreciation and amortisation expense	9 months ended Dec 31, 2024	Year ended March 31, 2024
Depreciation on Property, plant and equipment	44.30	55.61
Amortisation of Intangible assets	1.13	0.33
Total depreciation and amortisation expense	45.43	55.94



ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
(All amounts are in crores in INR unless otherwise stated)

Note 35 Other Expenses	9 months ended Dec 31, 2024	Year ended March 31, 2024
(a) Power and Fuel	18.97	27.77
(b) Rent expense	2.00	1.32
(c) Travelling and Conveyance	3.87	6.38
(d) Repairs and Maintenance		
- Buildings	3.03	4.52
- Plant and Machinery	6.70	9.24
- Others	2.92	2.64
(e) Insurance	5.16	6.10
(f) Rates and Taxes, excluding taxes on income	1.21	1.89
(g) Packing, Despatching and Freight	40.54	57.93
(h) Administration Expenses	13.50	-
(i) Warranty	5.35	5.13
(j) CSR expenditure and Donations	1.92	1.56
(k) Audit Fees	0.34	0.24
(l) Royalty & Technical Know-how	7.71	16.78
(m) Trade Mark Fees	17.30	25.37
(n) Job Work & Sub contracting Charges	9.37	-
(o) Provision for Doubtful Debts and Advances	(0.45)	-
(p) Marketing & Selling Expenses	3.47	1.77
(q) Information system	2.30	5.38
(r) Printing & Stationary	0.34	0.79
(s) Professional charges	4.85	17.56
(t) Postage & Telegram	0.52	0.88
(u) Miscellaneous	(1.78)	6.08
(v) Exchange Fluctuation loss (net)	2.49	0.91
(w) Consumption of stores and spares	20.71	30.88
(x) Bank Charges	0.56	0.9
(y) Variable ED&T	5.43	-
	178.35	232.02



ZF LIFETEC RANE AUTOMOTIVE INDIA PVT LTD

CIN : U29302TN2024PTC171639


Registered Office Address : Maithri - 132 Cathedral Road Chennai - 600028

UNAUDITED BALANCE SHEET AS AT 31st DECEMBER 2024

(All amounts are in INR unless otherwise stated)

S. No	Particulars	Note No	As at December 31, 2024
A.	ASSETS		
I	Non-Current Assets		-
II	Current Assets		
	(a) Financial Assets		
	(i) Cash and Cash Equivalents	2	63,819
	Total current assets		63,819
	TOTAL ASSETS		63,819
B.	EQUITY AND LIABILITIES		
I	Equity		
	(a) Equity Share Capital	3	1,00,000
	(b) Other Equity	4	(36,181)
	Total equity		63,819
	Liabilities		
II	Non-Current Liabilities		-
III	Current Liabilities		-
	Total Liabilities		-
	TOTAL EQUITY AND LIABILITIES		63,819
	See accompanying notes forming part of the Financial Statements	1 to 6	

For ZF LIFETEC RANE AUTOMOTIVE INDIA PVT LTD


Balakrishnan Ayyappan
Chairman and Nominee Director
DIN: 10566149


S Senthilnathan
Nominee Director
DIN: 09642457

Place: Chennai
Date: January 20, 2025



ZF LIFETEC RANE AUTOMOTIVE INDIA PVT LTD


CIN : U29302TN2024PTC171639

Registered Office Address : Maithri - 132 Cathedral Road Chennai - 600028

UNAUDITED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD FROM JULY 04, 2024 TO DECEMBER 31, 2024
(All amounts are in INR unless otherwise stated)

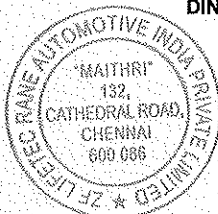
S.No	Particulars	Note No.	Period ended December 31, 2024
I (a)	Revenues from Operations		-
I (b)	Other Income		-
	Total Income (I)		-
II	Expenses:		
	Other expenses	5	36,181
	Total Expenses (II)		36,181
III	Profit before tax (I-II)		(36,181)
IV	Tax Expense:		-
V	Loss for the year (III-IV)		(36,181)
VI	Other Comprehensive Income/(Loss)		-
VII	Total Comprehensive Income for the period (V+ VI)		(36,181)
VIII	Loss Per Equity Share (Face value of Rs 10 each)	6	
	Basic (In Rs.)		(5.43)
	Diluted (In Rs.)		(5.43)
	See accompanying notes forming part of the Financial Statements	1 to 6	

For ZF LIFETEC RANE AUTOMOTIVE INDIA PVT LTD


Balakrishnan Ayyappan
Chairman and Nominee Director
DIN: 10566149


S Senthilnathan
Nominee Director
DIN: 09642457


Place: Chennai
Date: January 20, 2025




ZF LIFETEC RANE AUTOMOTIVE INDIA PVT LTD
UNAUDITED CASH FLOW STATEMENT FOR THE PERIOD FROM JULY 04, 2024 TO DEC 31, 2024
(All amounts are in INR unless otherwise stated)

Particulars	For the period ended Dec 31, 2024
A. Cash flow from operating activities	
Loss Before Tax	(36,181)
	-
Cash (used in) Operations	(36,181)
Income Tax paid	-
Net cash (used in) operating activities	(36,181)
B. Cash flow from investing activities	-
C. Cash flow from financing activities	
Proceeds from Issue of equity shares of Rs 10 each fully paid up	1,00,000
Net cash generated / (used in) from financing activities	1,00,000
Net increase / (decrease) in cash and cash equivalents	63,819
Cash and cash equivalents at the beginning of the period	-
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	-
Cash and Cash equivalents at the end of the period (Refer Note 2)	63,819
See accompanying notes forming part of the Financial Statements	

For ZF LIFETEC RANE AUTOMOTIVE INDIA PVT LTD


Balakrishnan Ayyappan
Chairman and Nominee Director
DIN: 10566149


S Senthilnathan
Nominee Director
DIN: 09642457

Place: Chennai
Date: January 20, 2025



ZF LIFETEC RANE AUTOMOTIVE INDIA PVT LTD
UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED DEC 31, 2024
(All amounts are in INR unless otherwise stated)

(a) Equity Share Capital

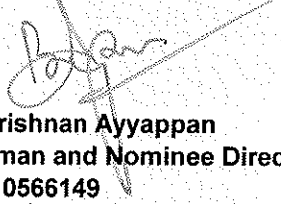
Particulars	Total
Issued during the period	1,00,000
Balance as at Dec 31, 2024	1,00,000


(b) Other Equity

Particulars	Reserves & Surplus	Total
	Retained earnings	
Loss for the period	(36,181)	(36,181)
Balance as at Dec 31, 2024	(36,181)	(36,181)

See accompanying notes forming part of the Financial Statements

For ZF LIFETEC RANE AUTOMOTIVE INDIA PVT LTD


Balakrishnan Ayyappan
Chairman and Nominee Director
DIN: 10566149


S Senthilnathan
Nominee Director
DIN: 09642457

Place: Chennai
Date: January 20, 2025



ZF LIFETEC RANE AUTOMOTIVE INDIA PVT LTD
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 1

Corporate information

ZF Lifetec Rane Automotive India Private Limited ("Company") registered under Companies Act 2013, incorporated on 4th July 2024, having registered office in Chennai, Tamilnadu, is the 100% subsidiary of the ZF Rane Automotive India Private Limited.

The main objects of the company is to manufacture, sell or otherwise deal primarily in occupant safety systems and equipment including but not to the exclusion of seat belts, seat webbings, airbags, airbag modules, inflators, crash sensors safety electronic systems, assemblies, steering wheels, door trims, related parts, applications components and any other high-precision components for automotive industry

Significant accounting policies

1.1 Statement of compliances

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the 2013 Act read with the Companies (Indian Accounting Standards) Rules 2015 and other relevant provisions of the 2013 Act as amended from time to time

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below:

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability take place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

As fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the assets in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level inputs that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

1.3 Cash & Cash equivalent

For the purpose of presentation in the statement of cash Flows, cash and cash equivalents include cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value

1.4 Earnings Per Share

Basic earnings per share is computed by dividing the net profit/(loss) after tax (including the post tax effect of exceptional items, if any) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of exceptional items, if any) for the period attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share.



ZF LIFETEC RANE AUTOMOTIVE INDIA PVT LTD
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
(All amounts are in INR unless otherwise stated)

Note 2: Cash & cash equivalents

Particulars	As at 31 Dec 2024
(a) Balances with banks	
(i) In Current account - HDFC	63,819

Note 3 Equity Share Capital

Particulars	As at 31 Dec 2024
AUTHORISED :	
Equity Shares:	
1,00,000 Equity Shares of Rs.10 each	10,00,000
ISSUED :	
10,000 Equity Shares of Rs.10 each	1,00,000
SUBSCRIBED AND FULLY PAID UP :	
10,000 Equity Shares of Rs.10 each	1,00,000

3.1 Reconciliation of number of shares	As at 31 Dec 2024	
Equity Shares of Re.10 each fully paid up	No of Shares	Amount
At the beginning of the year	-	-
Issued during the year	10,000	1,00,000
At the end of the year	10,000	1,00,000

3.2 Terms / Rights attached to Equity Shares

The Company has only one class of Equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. Repayment of capital on liquidation will be in proportion to the number of equity shares held.

3.3 Details of shares held by each shareholder holding more than 5 percent of equity shares (Promoters) in the company:

Name of the Share holder	As at 31 Dec 2024	
	No of Shares held	%
ZF Rane Automotive India Private Limited	10,000	100%

Note 4 Other equity

Particulars	As at 31 Dec 2024
(a) Retained Earnings	(36,181)
Total Other Equity	(36,181)

Particulars	As at 31 Dec 2024
(a) Retained Earnings	
Balance at the beginning of the period	-
Loss attributable to the owners of the company	(36,181)
Balance at the end of the period	(36,181)

Note 5 Other Expenses

Particulars	As at 31 Dec 2024
NSDL Charges	36,058
Bank Charges	123
Total Other Expense	36,181



ZF LIFETEC RANE AUTOMOTIVE INDIA PVT LTD
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
(All amounts are in INR unless otherwise stated)

6 Earnings per Share:

Particulars	Period ended Dec 31, 2024
Basic Loss per share	(5.43)
Diluted Loss per share	(5.43)

Basic Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.

Particulars	Period ended Dec 31, 2024
Loss for the year attributable to owners of the Company	(36,181)
Loss used in the calculation of basic earnings per share	(36,181)

Particulars	Period ended Dec 31, 2024
(a) Number of equity Shares of Rs.10 each outstanding at the end of the period	10,000
(b) Weighted Average number of Equity Shares for the purpose of basic earnings per share	6,667

Diluted Earnings per share

The earnings used in the calculation of diluted earnings per share as follows.

Particulars	Period ended Dec 31, 2024
Loss for the year attributable to owners of the Company	(36,181)
Loss used in the calculation of diluted earnings per share	(36,181)

The weighted average number of equity shares for the purposes of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	Period ended Dec 31, 2024
Weighted average number of equity shares used in the calculation of basic earnings per share	6,667
Weighted average number of equity shares used in the calculation of diluted earnings per share	6,667



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ZF Rane Automotive India Private Limited

(Formerly known as Rane TRW Steering Systems Pvt. Ltd)



Regd. Office:

'Maithri', 132, Cathedral Road,
Chennai - 600 086, India.

CIN: U35999TN1987PTCO14600

Tel : +94-44-2811 2472

URL : www.ranegroup.com

REPORT ADOPTED BY THE BOARD OF DIRECTORS ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED AT ITS MEETING HELD ON THURSDAY, DECEMBER 19, 2024 THROUGH ELECTRONIC MODE EXPLAINING THE EFFECT OF THE DRAFT SCHEME OF ARRANGEMENT BETWEEN ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED AND ZF LIFETEC RANE AUTOMOTIVE INDIA PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS ON ITS EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

Present:

S. No.	Name of Directors	Designation
1.	Harish Lakshman	Chairman & Managing Director
2.	L Ganesh	Nominee Director
3.	P Kaniappan	Nominee Director
4.	Ulf Loleit	Nominee Director
5.	Michael Ebenhoch	Nominee Director
6.	Theodor Bernhard Kaster	Nominee Director

1. Background

- 1.1. The Board of Directors of ZF Rane Automotive India Private Limited ("Board") at its meeting held on Thursday, December 19, 2024, have approved the Scheme of Arrangement between ZF Rane Automotive India Private Limited ("Demerged Company" or "Company") and ZF Lifetec Rane Automotive India Private Limited ("Resulting Company") and their respective shareholders ("Scheme") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act").
- 1.2. Pursuant to Section 232(2)(c) of the Act, the Board of the Company is required to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel ("KMPs"), promoters and non-promoter shareholders of the Company laying out in particular the share entitlement ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.
- 1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.
- 1.4. The Scheme is presented under Sections 230 to 232 and other applicable provisions of the Act and provides for the following:
 - (i) demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Demerged Company into the Resulting Company on a going concern basis and issue of equity shares by the Resulting Company to the shareholders of the Demerged Company, in consideration thereof, in accordance with the provisions of Section 2(19AA) of the Income-tax Act (as defined in the Scheme); and
 - (ii) reduction and cancellation of the entire pre-scheme share capital of the Resulting Company held by the Demerged Company.

Page 1 of 4

1.5. The following documents were, *inter alia*, placed before the Board, duly initialled by the Director of the Company for the purpose of identification:

- (a) Draft Scheme;
- (b) Share Entitlement Ratio Report dated December 19, 2024 issued by M/s. PwC Business Consulting Services LLP, Registered Valuer (Registration No. IBBI/RV-E/02/2022/158) ("**Share Entitlement Ratio Report**"), describing the methodology adopted by them in arriving at the share entitlement ratio; and
- (c) Certificate dated December 19, 2024, issued by M/s. MSKA & Associates, Chartered Accountants (ICAI Firm Registration No. 105047W), the Statutory Auditors of the Company, confirming the accounting treatment in the prescribed manner in the Scheme is in compliance with the accounting standards prescribed under Section 133 of the Act and other generally accepted accounting principles.

2. Need for the Scheme

- a) The Management(s) of the Participating Companies are of the view that the demerger would enhance the overall strategy for the optimum running, growth and development.
- b) This demerger would result in creation of two separate robust entities viz., the Demerged Company and the Resulting Company focussing exclusively on Steering Gear Division (SGD) and Occupant Safety Division (OSD) businesses respectively.

3. Rationale for the Scheme

3.3.1. Part II of the Scheme which deals with the Arrangement of the Demerged Company and the Resulting Company. The proposed scheme would be in best interest of the Companies and their respective Shareholders and Creditors as the proposed reorganization pursuant to this Scheme is expected, *inter alia*, to yield advantages as set out below:

- 3.3.1.1. The Demerged Company is engaged in the business of inter-alia manufacturing of hydraulic power steering gears, hydraulic pumps, power-rack and pinion steering gears, airbags and safety seat belt systems catering to the automotive industry and the Resulting Company is dealing in occupant safety systems and equipments, and other high precision components, for the automotive industry in at large.
- 3.3.1.2. Demerger would offer opportunities to the management of the Demerged Company and Resulting Company to vigorously pursue growth and expansion opportunities for each business separately.
- 3.3.1.3. It would provide better flexibility in accessing capital, focused strategy and specialisation for sustained growth and thereby enable de-leveraging of the respective divisions in the longer-term.

3.3.1.4. focused management approach for pursuing the growth in the respective business' verticals and de-risk the businesses from each other.

3.3.2. The Management of the respective Participating Companies are of the view that this Scheme is in the best interest of the shareholders, creditors and other stakeholders of the respective Participating Companies.

4. Share Entitlement Ratio Report | Share Entitlement Ratio

4.1. The share entitlement ratio for issue of consideration pursuant to Part II of the Scheme is as follows:

"1(One) equity share of INR 10 (Indian Rupees Ten) each of the Resulting Company, credited as fully paid up, for every 1 (One) equity share fully paid up of INR 10 (Indian Rupees Ten) each of the Demerged Company held by such shareholder."

The Share Entitlement Ratio Report has been duly considered by the Board, and the Board has come to the conclusion that the share entitlement ratio specified in the Scheme is fair and reasonable.

4.2. The Resulting Company New Equity Shares (as defined in the Scheme) shall be subject to the provisions of the memorandum of association and articles of association of Resulting Company, as the case may be, and shall rank pari passu in all respects with any existing equity shares of Resulting Company, as the case may be, after the Effective Date (as defined in the Scheme) including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of the Resulting Company.

4.3. Upon allotment of the Resulting Company New Equity Shares, the entire pre-scheme paid up share capital of the Resulting Company shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Resulting Company, pursuant to Sections 230 to 232 of the Act as an integral part of the Scheme itself.

4.4. No special valuation difficulties were reported.

5. Effect of the Scheme on the equity shareholders (promoter and non-promoter) of the Company

5.1. The existing paid-up equity share capital of the Company shall not change, pursuant to the Scheme;

5.2. In consideration for the transfer and vesting of the Demerged Undertaking of the Company to the Resulting Company, all the equity shareholders (promoter and non-promoter) of the Company, as on the Effective Date (as defined in the Scheme) shall receive equity shares of the Resulting Company in the same proportion as their holding in the Company; and

5.3. As on the date of this Report, the Company has no other class of shareholders.

6. Effect of the Scheme on the Directors / KMPs of the Company

None of the Directors / KMPs of the Company have any interest in the Scheme except to the extent of the equity shares held by them, if any, in the Company. There is no impact of the Scheme on the Directors / KMPs of the Company.

7. Effect of the Scheme on the Creditors of the Company

There is no impact of the Draft Scheme on creditors of the Company as the Scheme does not envisage any arrangement with creditors.

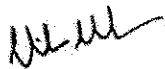
8. Adoption of the Report by the Board

Board of Directors of the Company have adopted this Report after noting and considering the information set forth in this Report and documents placed before the Board.

In the opinion of the Board, Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders.

By Order of the Board of Directors

For and on Behalf of ZF Rane Automotive India Private Limited



Name: Harish Lakshman
Designation: Chairman & Managing Director
DIN: 00012602

Place: Chennai
Date: December 19, 2024

REPORT ADOPTED BY THE BOARD OF DIRECTORS ZF LIFETEC RANE AUTOMOTIVE INDIA PRIVATE LIMITED AT ITS MEETING HELD ON THURSDAY, DECEMBER 19, 2024 THROUGH ELECTRONIC MODE EXPLAINING THE EFFECT OF THE DRAFT SCHEME OF ARRANGEMENT BETWEEN ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED AND ZF LIFETEC RANE AUTOMOTIVE INDIA PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS ON ITS EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON - PROMOTER SHAREHOLDERS

Present:

S. No.	Name of Directors	Designation
1.	Balakrishnan Ayyappan	Chairman
2.	Senthilnathan	Nominee Director

1. Background

- 1.1. The Board of Directors of ZF Lifetec Rane Automotive India Private Limited ("**Board**") at its meeting held on Thursday, December 19, 2024, have approved the Scheme of Arrangement between ZF Rane Automotive India Private Limited ("**Demerged Company**") and ZF Lifetec Rane Automotive India Private Limited ("**Resulting Company**" or "**Company**") and their respective shareholders ("**Scheme**") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**").
- 1.2. Pursuant to Section 232(2)(c) of the Act, the Board of the Company is required to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel ("**KMPs**"), promoters and non-promoter shareholders of the Company laying out in particular the share entitlement ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.
- 1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.
- 1.4. The Scheme is presented under Sections 230 to 232 and other applicable provisions of the Act and provides for the following:
 - (i) demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Demerged Company into the Resulting Company on a *going concern* basis and issue of equity shares by the Resulting Company to the shareholders of the Demerged Company, in consideration thereof, in accordance with the provisions of Section 2(19AA) of the Income-tax Act (as defined in the Scheme); and
 - (ii) reduction and cancellation of the entire pre-scheme share capital of the Resulting Company held by the Demerged Company.
- 1.5. The following documents were, *inter alia*, placed before the Board, duly initialed by the Director of the Company for the purpose of identification:
 - (a) Draft Scheme;

- (b) Share Entitlement Ratio Report dated December 19, 2024 issued by M/s. PwC Business Consulting Services LLP, Registered Valuer (Registration No. IBBI/RV-E/02/2022/158), ("**Share Entitlement Ratio Report**"), describing the methodology adopted by them in arriving at the share entitlement ratio; and
- (c) Certificate dated December 19, 2024, issued by M/s. S.R. Batliboi & Associates LLP, Chartered Accountants (ICAI Firm Registration No. 101049W/E300004), the Statutory Auditors of the Company, confirming the accounting treatment in the prescribed manner in the Scheme is in compliance with the accounting standards prescribed under Section 133 of the Act and other generally accepted accounting principles.

2. Need for the Scheme

- a) The Management(s) of the Participating Companies are of the view that the demerger would enhance the overall strategy for the optimum running, growth and development.
- b) This demerger would result in creation of two separate robust entities viz., the Demerged Company and the Resulting Company focussing exclusively on Steering Gear Division (SGD) and Occupant Safety Division (OSD) businesses respectively.

3. Rationale for the Scheme

3.3.1. Part II of the Scheme which deals with the Arrangement of the Demerged Company and the Resulting Company. The proposed scheme would be in best interest of the Companies and their respective Shareholders and Creditors as the proposed reorganization pursuant to this Scheme is expected, inter alia, to yield advantages as set out below:

3.3.1.1. The Demerged Company is engaged in the business of inter-alia manufacturing of hydraulic power steering gears, hydraulic pumps, power-rack and pinion steering gears, airbags and safety seat belt systems catering to the automotive industry and the Resulting Company is dealing in occupant safety systems and equipments', and other high precision components, for the automotive industry in at large.

3.3.1.2. Demerger would offer opportunities to the management of the Demerged Company and Resulting Company to vigorously pursue growth and expansion opportunities for each business separately.

3.3.1.3. It would provide better flexibility in accessing capital, focused strategy and specialisation for sustained growth and thereby enable de-leveraging of the respective divisions in the longer-term.

3.3.1.4. focused management approach for pursuing the growth in the respective business' verticals and de-risk the businesses from each other.

3.3.2. The Management of the respective Participating Companies are of the view that this Scheme is in the best interest of the shareholders, creditors and other stakeholders of the respective Participating Companies.

4. Share Entitlement Ratio Report | Share Entitlement Ratio

- 4.1. The share entitlement ratio for issue of consideration pursuant to Part II of the Scheme is as follows:

"1 (One) equity share of INR 10 (Indian Rupees Ten) each of the Resulting Company, credited as fully paid up, for every 1 (One) equity share fully paid up of INR 10 (Indian Rupees Ten) each of the Demerged Company held by such shareholder."

The Share Entitlement Ratio Report has been duly considered by the Board, and the Board has come to the conclusion that the share entitlement ratio specified in the Scheme is fair and reasonable.

- 4.2. The Resulting Company New Equity Shares (*as defined in the Scheme*) shall be subject to the provisions of the memorandum of association and articles of association of Company, as the case may be, and shall rank *pari passu* in all respects with any existing equity shares of Company, as the case may be, after the Effective Date (*as defined in the Scheme*) including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of the Company.
- 4.3. Upon allotment of the Resulting Company New Equity Shares, the entire pre-scheme paid up share capital of the Resulting Company shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Resulting Company, pursuant to Sections 230 to 232 of the Act as an integral part of the Scheme itself.
- 4.4. No special valuation difficulties were reported.

5. Effect of the Scheme on the equity shareholders (promoter and non-promoter) of the Company

- 5.1. The existing paid-up equity share capital of the Company shall stand cancelled and reduced on new shares being issued to the shareholders of the Demerged Company; and
- 5.2. Pursuant to the Scheme, all the equity shareholders (promoter and non-promoter) of the Demerged Company, as on the Effective Date (*as defined in the Scheme*) shall receive equity shares of the Company in the same proportion as their holding in the Demerged Company;
- 5.3. As on the date of this Report, the Company has no other class of shareholders.

6. Effect of the Scheme on the Directors / KMPs of the Company

There are no KMPs of the Company as on the date of this Report. There shall be no effect of the Scheme on Directors / KMPs of the Company, if any, as on the Effective Date of the Scheme, pursuant to the Scheme.

7. Effect of the Scheme on the Creditors of the Company

There is no impact of the Draft Scheme on creditors of the Company as the Scheme does not envisage any arrangement with creditors.

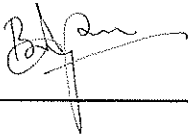
8. Adoption of the Report by the Board

Board of Directors of the Company have adopted this Report after noting and considering the information set forth in this Report and documents placed before the Board.

In the opinion of the Board, Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders.

By Order of the Board of Directors

For and on Behalf of **ZF Lifetec Rane Automotive India Private Limited**



Name: Balakrishnan Ayyappan
Chairman
DIN: 10566149

Place: Chennai
Date: December 19, 2024



Private and Confidential

19 December 2024

Board of Directors
ZF Rane Automotive India Private Limited
Maithri, 132, Cathedral Road,
Gopalapuram,
Chennai – 600 086

Board of Directors
ZF Lifetec Rane Automotive India Private Limited
Maithri, 132, Cathedral Road,
Gopalapuram,
Chennai – 600 086

Dear Sir/Madam,

Opinion on share entitlement ratio for the proposed demerger of Occupant Safety Division (“OSD”) business segment of ZF Rane Automotive India Private Limited

1 CONTEXT AND PURPOSE

- 1.1 We refer to the engagement letter dated 16 December 2024 (along with attached Terms of Business), wherein you have appointed PwC Business Consulting Services LLP (“PwC BCS LLP”/ “us”) to opine on the reasonableness of the share entitlement ratio proposed by the management (“Management”) of ZF Rane Automotive India Private Limited (“ZRAI” or “Company”), in connection with the proposed demerger of OSD business segment (also referred to as “Specified Segment”) of ZRAI into ZF Lifetec Rane Automotive India Private Limited (“Resulting Company” or “ZLRAI”) (ZRAI and ZLRAI are hereinafter individually referred to as ‘Client’ and collectively referred to as “Clients”) (“Proposed Transaction” or “Proposed Demerger”), with the Appointed Date to be determined on a future date for the purposes of the Companies Act, 2013.
- 1.2 Share entitlement ratio is defined as the number of equity shares of Resulting Company to which a shareholder of ZRAI would be entitled to, in proportion to its existing shareholding in ZRAI.
- 1.3 This report is our deliverable for the above engagement. This report is subject to the caveats detailed hereinafter. As such, the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

2 BACKGROUND

- 2.1 ZF Rane Automotive India Private Limited incorporated in 1987 and based in Chennai, Tamil Nadu, India, is engaged in the manufacture of hydraulic power steering gears, hydraulic pumps, power-rack and pinion steering gears, airbags and safety seat belt systems for the automotive industry. The business operations of ZRAI comprises two divisions – a) Steering Gear Division (“SGD”) and b) Occupant Safety Division (“OSD”).

*PwC Business Consulting Services LLP, 5th Floor, Tower ‘D’, The Millenia, 1 & 2 Murphy Road, Ulsoor,
Bangalore – 560 008
T: +91 (80) 40796000, F: +91 (80) 40796222, www.pwc.in*

LLPIN : AAO-9288 Registered with limited liability.
Registered Office : 11-A, Sucheta Bhawan, 1st Floor, Vishnu Digambar Marg, New Delhi, 110 002.

As discussed above, OSD business segment manufactures and supplies safety seat belts and airbags to original equipment manufacturers in India and overseas markets. In addition to operations carried out through ZRAI, the OSD business segment is also carried out through wholly owned subsidiaries namely, TRW Sun Steering Wheels Private Limited ("TRWSS") and ZF Rane Occupant Safety Systems Private Limited ("ZROS"). Specified Segment comprises both the OSD business segment's operations in ZRAI as well as the operations carried out through TRWSS and ZROS. Balance sheet of Specified Segment as on 30 November 2024 is presented in Annexure 1.

- 2.2 We understand that the total number of equity shares in ZRAI, as at 30 November 2024, is ~8.74 million¹. The shareholding of ZRAI, as at 30 November 2024¹, is summarised below:

Shareholder	No. of Shares	% Holding
ZF Automotive JV US LLC	4,456,506	~51%
Rane Holding Limited	4,281,740	~49%

- 2.3 As per the draft scheme of arrangement provided to us ("Scheme")², Resulting Company was incorporated on 04 July 2024 in Chennai, Tamil Nadu, India, as a wholly owned subsidiary of ZRAI. We have been informed by Management that Resulting Company does not have any operations as on date. The shareholding of ZLRAI, as at 30 November 2024, is summarised below:

Shareholder	No. of Shares	% Holding
ZF Rane Automotive India Private Limited	9,999	~99.99%
Subha Shree Sridharan	1	~0.01%

- 2.4 As per the Scheme, the OSD business segment of ZRAI is proposed to be demerged into Resulting Company, as at the Appointed Date.

- 2.5 As per Management and the Scheme, the primary objectives for the Proposed Demerger include:
- Increased focus by ZRAI and Resulting Company on their respective business segments; and
 - Unlocking of value for shareholders with respect to both the business segments.

- 2.6 As per the Scheme provided to us and based on discussions with Management, we understand that upon the Proposed Demerger, and the associated transfer and vesting of the Specified Segment into the Resulting Company, shares in the Resulting Company will be issued to shareholders of ZRAI, and the existing shareholding of ZRAI in the Resulting Company shall stand cancelled, such that Resulting Company and ZRAI will have mirror shareholding upon such issue of new shares and cancellation of the existing shareholding.

3 SOURCES OF INFORMATION AND PROCEDURES

The procedures used in our analysis included such substantive steps as we considered necessary under the circumstances, including, but not necessarily limited to the following:

- Perusal of the statement of assets and liabilities of ZRAI as at 30 November 2024, based on the unaudited financial statements for the period ended 30 November 2024;
- Consideration of the shareholding pattern of ZRAI as at 30 November 2024;
- Management inputs with respect to the share capital and shareholding pattern of ZLRAI as at 30 November 2024;

¹ Source: ZF Rane Automotive India Private Limited unaudited financial statements as at 30 November 2024

² Provided to us via email dated 11 December 2024



- Consideration of Management's inputs and representations relating to the share entitlement ratio;
- Discussions with Management; and
- Such other analysis, reviews and inquiries, as we considered necessary.

The Client has been provided with the opportunity to review the draft report as part of our standard practice to make sure that factual accuracies / omissions are avoided in our final report.

4 CAVEATS

- 4.1 Provision of opinions on valuations/ share entitlement ratio and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting/ tax due diligence, consulting or tax related services that may otherwise be provided by us or PwC network firms.
- 4.2 This report, its contents and the results herein are specific to (i) the purpose agreed as per the terms of our engagement; (ii) the date of this report and (iii) are based on the balance sheet of ZRAI as at 30 November 2024 and other information provided by Management.
- 4.3 An analysis of this nature is necessarily based on the prevailing, financial, economic, industry and other conditions in general and the information made available to us as till the date of this report. Events (including, but not limited to, any change in shareholding) occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.
- 4.4 The recommendation rendered in this report, shall be considered to be in the nature of non-binding advice (our opinion will not be used for advising anybody to take a buy or sell decision, for which specific opinion needs to be taken from expert advisors). Further, the determination of a share entitlement ratio is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. This concept is also recognized in judicial decisions. There is, therefore, no indisputable single share entitlement ratio. The final responsibility for the determination of the share entitlement ratio at which the Transaction shall take place will be with the Board of Directors who should take into account other factors such as their own assessment of the Proposed Transaction and input of other advisors.
- 4.5 During the course of our engagement, we were provided with both written and verbal information, including financial and operating data. In terms of our engagement, we have assumed and relied upon, without independent verification, the accuracy and completeness of information available to us by Management. We have not carried out any independent technical valuation or appraisal or due diligence of the assets or liabilities of ZRAI and Resulting Company. We are not advisors with respect to legal, tax and regulatory matters for the Proposed Transaction. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the historical financial statements. We assume no responsibility for such information.
- 4.6 Our conclusions are based on the assumptions and information given by/ on behalf of the Clients. The management(s) of the Clients have indicated to us that they have understood that any material omissions, inaccuracies, or misstatements may materially affect our analysis/ results. Accordingly, we assume no responsibility for any errors in the information furnished by/ on behalf of the Clients (or their representatives) and their impact on the report. Also, we assume no responsibility for technical information (if any) furnished by/ on behalf of the Clients (or their representatives). However, nothing has come to our attention to indicate that the information provided was materially mis-stated/ incorrect or would not afford reasonable grounds upon which to base the report. We do not imply and it should not be construed that



we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose.

- 4.7 In no event shall we be liable for any loss, damages, cost, or expenses arising in any way from fraudulent acts, misrepresentations, or wilful default on part of the Clients, their directors, employees, or agents. In no circumstances shall the liability of PwC BCS LLP, its partners, its directors, or employees, relating to the services provided in connection with the engagement set out in this report, exceed the amount paid to PwC BCS LLP in respect of the fees charged by it for these services.
- 4.8 The report assumes that ZRAI and Resulting Company comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that these companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited/ unaudited balance sheet of ZRAI and Resulting Company. Our conclusion of value assumes that the assets and liabilities of ZRAI and Resulting Company, reflected in their respective latest balance sheets are not materially different as of the report date.
- 4.9 The report does not address the relative merits of the Proposed Transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.
- 4.10 We have carried out valuation in accordance with the principles laid in International Valuation Standards.
- 4.11 The fee for the engagement is not contingent upon the results reported.
- 4.12 We owe responsibility to only the Board of Directors of the Clients that have appointed us under the terms of our engagement letter and nobody else. We will not be liable for any losses, claims, damages, or liabilities arising out of the actions taken, omissions of or advice given by any other party to the Client. It is understood that this analysis does not represent a fairness opinion. The report is not a substitute for the third party's own due diligence / appraisal / enquiries / independent advice that the third party should undertake for his purpose.
- 4.13 This report is subject to the laws of India.
- 4.14 Neither the report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, without our prior written consent other than in connection with the Proposed Transaction. In addition, we express no opinion or recommendation as to how the shareholders/ creditors of either ZRAI or Resulting Company should vote at any shareholders'/ creditors' meeting(s) to be held in connection with the Proposed Transaction.
- 4.15 Any discrepancies in any table/ annexure between the total and the sums of the amounts listed are due to rounding-off.
- 4.16 We have relied upon the information, data and explanations detailed in paragraphs 2 and 3 above, for the purpose of opining on the share entitlement ratio of the equity shares of Resulting Company to be issued to the shareholders of ZRAI in connection with the Proposed Demerger.
- 4.17 For the purpose of opining on the share entitlement ratio, we have made no investigation of, and assume no responsibility for the title to, or liabilities against, the equity of ZRAI and Resulting Company. Our conclusion assumes that the assets and liabilities of ZRAI and the



Specified Segment reflected in their respective latest balance sheets, as provided to us, remain intact as of the report date.

- 4.18 Since the share entitlement ratio is essentially based on the information provided, for which ZRAI accepts full and sole responsibility, and our review and analysis have been limited to the above-mentioned procedures, our analysis is subject to this limitation. Our reliance and use of this information should not be considered as an expression of our opinion on it, and we do not and will not accept any responsibility or liability for the impact of any inaccuracies in it.
- 4.19 Our scope of work involves opining on the reasonableness of the share entitlement ratio; however the decision to proceed with the Proposed Demerger as well as the acceptance of the final share entitlement ratio depends on the Board of Directors, which will be responsible for the decisions associated with the determination of the share entitlement ratio and factors other than PwC BCS LLP's work will need to be taken into account in determining the same; these will include your own assessment and may include the input of other professional advisors.

5 BASIS OF SHARE ENTITLEMENT RATIO

- 5.1 We understand that in consideration for the Proposed Demerger of Specified Segment of ZRAI into ZLRAI, the share entitlement ratio proposed in the Scheme is 1 equity share in ZLRAI (of INR 10/- each fully paid up) for every 1 equity share held in ZRAI (of INR 10/- each fully paid up).
- 5.2 Since the shares are being issued to both the shareholders of ZRAI in the above ratio and the existing shareholding in ZLRAI by ZRAI would get cancelled as per the Scheme, both shareholders of ZRAI would, upon Proposed Demerger, be the ultimate beneficial owners of the Resulting Company and in the same ratio (inter se) as they hold shares in ZRAI, as on the Appointed Date to be decided by Management. Accordingly, upon allotment of shares by the Resulting Company as above in the proposed ratio, the beneficial / economic interest of the shareholders of ZRAI in the Resulting Company will be in the same ratio inter se as it is in the equity of ZRAI. Therefore, the determination of share entitlement ratio would not have any impact on the value, to the shareholders of ZRAI and ZLRAI. Hence, any share entitlement ratio would be fair for the Proposed Demerger, including the share entitlement ratio proposed in the Scheme.

6 CONCLUSION

Based on the aforementioned, in particular read with paragraphs 2 - 5 above and the information, explanations and representations provided to us, in our opinion, the share entitlement ratio of 1 (One) equity share of INR 10 each of Resulting Company for every 1 (One) equity share of INR 10 each in ZRAI, proposed by Board of Directors and mentioned in para 5 above, is fair.

7 LIMITATION OF LIABILITY

- 7.1 In no event shall we be liable for any loss, damage, cost or expense arising in any way from fraudulent acts, misrepresentations or willful default on the part of ZRAI/ Resulting Company, their Directors, employees or agents.
- 7.2 In no circumstances shall the liability of PwC BCS LLP, its partners or employees, relating to services provided in connection with the engagement set out in this report exceed the amount paid to us in respect of the fees, if any, charged for these services.



8 DISTRIBUTION OF OUR REPORT

This letter report is prepared for the Board of Directors of ZRAI and Resulting Company, and may be produced before the shareholders, Registrar of Companies, National Company Law Tribunal, Reserve Bank of India/ its Authorized Dealer and any other judicial, regulatory or government authorities in connection with the purpose outlined above. It is not to be used, referred to or distributed for any other purpose or to any other person (except, on a strictly need to know basis, to its senior employees and professional advisors in connection with the proposed transaction) without our written permission.

We would like to record our appreciation for the courtesy and co-operation received by us during the course of our work and look forward to continuing our professional association.

Yours faithfully

PwC Business Consulting Services LLP
IBBI Registered Valuer No.: IBBI/RV-E/02/2022/158



Vishnu Giri
Partner
IBBI Registration No.: IBBI/RV/02/2021/14260

Date: 19 December 2024
Place: Bangalore

RVN – IOVRVF/PWC/2024-2025/4456



Annexure I

Balance Sheet of Specified Segment, as at 30 November 2024

Particulars	INR million
Fixed assets	5,567
Trade receivables	2,576
Inventories	2,277
Other operating assets	997
Working Capital Assets	5,851
Trade payables	2,722
Other operating liabilities	357
Working Capital Liabilities	3,079
Net Working Capital	2,772
Cash & cash equivalents	423
Investments	27
Net Assets	8,788
Sources of Funds	
Debt and debt like items	
Borrowings	6,229
Deferred Tax Liabilities	31
Capital Creditor	168
Lease liability	217
Total Liabilities	6,646
Shareholder's Fund	
Equity Share Capital	-
Other Equity	2,143
Total Equity and Liabilities	8,788

Source: Management Information

Independent Auditor's Certificate on the proposed accounting treatment contained in the Scheme of Arrangement of ZF Rane Automotive India Private Limited ("Demerged Company"), ZF LIFTEC Rane Automotive India Private Limited ("Resulting Company") and their respective shareholders under sections 230 to 232 read with other applicable provisions of the Companies Act, 2013 and rules framed thereunder

The Board of Directors,
ZF Rane Automotive India Private Limited
"Maithri", 132, Cathedral Road, Chennai 600 086.

1. We M S K A & Associates, Chartered Accountants, the Statutory Auditors of ZF Rane Automotive India Private Limited ("Demerged Company") having its registered office at the above mentioned address vide mandate letter dated December 16, 2024, have been requested to certify the proposed accounting treatment specified in Clause 10.2 of the Scheme of Arrangement approved in the meeting of board of directors held on December 19, 2024 (herein referred as 'The Scheme') with regard to demerger of the Occupant Safety Division (OSD) from ZF Rane Automotive India Private Limited ("Demerged Company") to ZF LIFTEC Rane Automotive India Private Limited ("Resulting Company") as specified in the proposed Scheme of Arrangement between Demerged Company, Resulting Company and their respective shareholders under sections 230 to 232 read with other applicable provisions of the Companies Act, 2013 ("Act") and rules framed thereunder, with reference to its compliance with the applicable Accounting Standards notified under Section 133 of the Act, read with the rules made thereunder and Other Generally Accepted Accounting Principles for the purpose of onward submission to National Company Law Tribunal, Chennai ("the Tribunal").

Management's Responsibility

2. The responsibility for the preparation of the Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 ("the applicable Accounting Standards") and Other Generally Accepted Accounting Principles as aforesaid, is that of the Board of Directors of the Demerged Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Scheme and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.
3. The Management is also responsible for providing all relevant information to the Tribunal in connection with the Scheme.

Auditor's Responsibility

4. Pursuant to the requirements of sections 230 to Section 232 of the Act, read with the Rules made thereunder, our responsibility is to provide a reasonable assurance whether the proposed accounting treatment referred to in Clause 10.2 of the Scheme of Arrangement, is in compliance with the accounting standards prescribed under section 133 of the Act, read with Companies (Accounts) Rules, 2014 as amended.
5. The following documents have been furnished by the Transferee Company:
 - a) Copy of the Scheme of Arrangement entered between Demerged Company, Resulting Company and their respective shareholders;
 - b) Certified true copy of the Board resolution for approving the Scheme of Arrangement.
 - c) Performed necessary enquiries and obtained written representations from the Management in this regard.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by ICAI.



MSKA & Associates

Chartered Accountants

Opinion

8. Based on our examination and according to the information and explanation given to us, read with paragraph 4 and 5 above, we are of the opinion that the proposed accounting treatment in books of Demerged Company contained in Clause 10.2 of The Scheme as mentioned in attached "Annexure 1" is in compliance with applicable Indian Accounting Standards notified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 as amended and other generally accepted principles in India.
9. An extract of accounting treatment in Clause 10.2 of the Scheme is reproduced in Annexure 1 attached to this certificate duly authenticated on behalf of the Demerged Company, and is initialled by us for identification purpose only.

Restriction on use

10. The certificate is addressed to the Board of Directors of the Demerged Company solely for the purpose of enabling it to comply with the provisions Section 230 to 232 of the Act read with the rules made thereunder and for onward submission to the Tribunal in accordance with the Act.

This certificate should not be used by any other person or for any other purpose. M S K A & Associates shall not be liable to the Demerged Company, Tribunal or to any other concerned for any claims, liabilities or expenses relating to this assignment.

Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W



Geetha Jeyakumar

Partner

Membership No. 029409

UDIN: 24029409BKDETJ1081



Place: Chennai

Date: December 19, 2024

Encl: Annexure 1

ZF Rane Automotive India Private Limited

(Formerly known as Rane TRW Steering Systems Pvt. Ltd)



Head Office

45, T.T.K. Road, Alwarpet
Chennai - 600 018, India.

Telephone: +91-44-4394 9200

CIN: U35999TN1987PTC014600

Relevant extract of The Scheme of arrangement between ZF Rane Automotive India Private Limited ("Demerged Company"), ZF LIFTEC Rane Automotive India Private Limited ("Resulting Company") and their respective shareholders under sections 230 to 232 read with other applicable provisions of the Companies Act, 2013

10. ACCOUNTING TREATMENT

10.1 The Demerged Company and the Resulting Company shall account for the demerger of the Demerged Undertaking in accordance with applicable Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

10.2 Accounting Treatment in the books of the Demerged Company:

With effect from the Appointed Date, the Demerged Company shall account for the demerger of the Demerged Undertaking in its books of accounts as under –

10.2.1 The book value of assets, liabilities and reserves of the Demerged Company relating to the Demerged Undertaking at their carrying values as appearing in the books of the Demerged Company shall be reduced from the respective balances appearing for such assets, liabilities and reserves in the books of the Demerged Company;

10.2.2 The difference, if any, between the net assets and reserves transferred pursuant to clause 10.2.1 above pertaining to the Demerged Undertaking shall be adjusted against the capital reserve account and in case of deficit in the capital reserve account for whatever reason, then it shall be disclosed separately as Restructuring Adjustment Deficit Account under the head Reserves and Surplus;

10.2.3 Any matter not dealt with in clause hereinabove shall be dealt with in accordance with the Indian accounting standards and generally accepted accounting principles applicable to the Demerged Company.

10.2.4 For accounting purpose, the Scheme will be given effect from the date when all substantial conditions for the transfer of business are completed.

For ZF Rane Automotive India Private Limited

Authorised Signatory

Name: L K Segar

Designation: General Manager - Finance

Place: Chennai

Date: December 19, 2024

Initialed For Identification Purposes Only



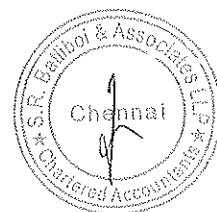
Independent Auditor's Report on compliance of the proposed accounting treatment under Section 232(6) of the Companies Act, 2013 with the accounting standards notified under Section 133 of the Companies Act, relevant rules thereunder and other generally accepted accounting principles in India

The Board of Directors
ZF Lifetec Rane Automotive India Private Limited
Maithri, 132, Cathedral Road
Gopalapuram, Chennai - 600086

1. This Report is issued in accordance with the terms of our service scope letter dated 19th December 2024 and master engagement agreement dated 19th December 2024 with ZF Lifetec Rane Automotive India Private Limited (hereinafter the "Company") for submission to National Company Law Tribunal (hereinafter the "NCLT") and any other regulatory authorities in connection with the scheme of arrangement as mentioned in paragraph 2 below.
2. We, S.R. Batliboi & Associates LLP, Chartered Accountants, are the Statutory Auditors of the Company and have been requested by the management of the Company, to examine the proposed scheme of accounting given in para 10.3 of the attached draft scheme of arrangement dated 19th December 2024 (the "Scheme" or "Scheme of Arrangement") between the Company and ZF Rane Automotive India Private Limited, in terms of the provisions of sections 230 to 232 and all other applicable provisions of the Companies Act, 2013 ("the Act"), for compliance with the applicable accounting standards prescribed under section 133 of the Companies Act, 2013, relevant rules thereunder and other generally accepted accounting principles in India (collectively referred to as 'applicable accounting standards'), read with General Circular No 09/2019 issued by the Ministry of Corporate Affairs dated August 21, 2019 (MCA Circular). The Scheme has been initiated by us for identification purposes only.

Management's Responsibility

3. The preparation of the Scheme is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The management of the Company is also responsible for ensuring that the Company complies with the requirements of the Act, and for providing all relevant information to the NCLT and any other regulatory authority in connection with the Scheme.



Auditors Responsibility

5. Pursuant to the requirements of Section 230 of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, our responsibility is to provide reasonable assurance in the form of an opinion on whether the proposed accounting treatment specified in clause 10.3 of the Scheme is in compliance with the applicable accounting standards read with MCA circular.
6. We conducted our examination of the Statements in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
8. Our scope of work did not involve us performing any audit tests in the context of our examination. We have not performed an audit, the objective of which would be to express an opinion on the specified elements, accounts or items thereof for the purpose of this report. Accordingly, we do not express such opinion. Further, our examination did not extend to any aspects of legal or propriety nature of the Scheme and other compliances thereof. Nothing contained in this report, nor anything said or done in the course of, or in connection with the services that are subject to this report, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.
9. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the applicable criteria. Accordingly, we have performed the following procedures in relation to the Scheme:
 - a. Obtained and read the draft Scheme and the proposed accounting treatment specified therein.
 - b. Obtained copy of resolution passed by the Board of Directors of the Company dated 19th December 2024 approving the Scheme.
 - c. Examined whether the proposed accounting treatment as per clause 10.3 of the Scheme is in compliance with the Applicable Accounting Standards.
 - d. Performed necessary inquiries with the management and obtained necessary representations from the management.



Opinion

10. Based on our examination and according to the information and explanations given to us, read with paragraph 9 above, in our opinion, the proposed accounting as contained in the Annexure, is in compliance with Accounting Standards prescribed under section 133 of the Companies Act, 2013, relevant rules thereunder and other Generally Accepted Accounting Principles.

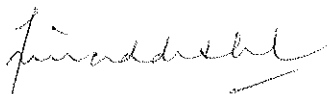
Restriction on Use

11. This report has been issued at the request of the Company and is addressed to and provided to the Board of Directors of the Company solely for the purpose mentioned in paragraph 2 above and to be submitted to the NCLT and any other regulatory authority in connection with the Scheme, and should not be used for any other person or purpose or distributed to anyone or referred to in any document without our prior written consent. Our examination relates to the matters specified in this report, and does not extend to the Company as a whole. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Aniruddh Sankaran

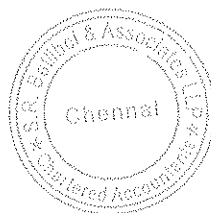
Partner

Membership Number: 211107

UDIN: 24211107BKGSSQ8868

Place of Signature: Chennai

Date: 19/12/2024





**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH (COURT- I) CHENNAI**

ATTENDANCE CUM ORDER SHEET OF THE HEARING
HELD ON **02.05.2025** THROUGH VIDEO CONFERENCING

PRESENT: HON'BLE SHRI. SANJIV JAIN, MEMBER (JUDICIAL)
HON'BLE SHRI. VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

APPLICATION NUMBER : CA(CAA)/23(CHE)/2025
PETITION NUMBER :
NAME OF THE PETITIONER(S) : ZF Rane Automotive India Pvt Ltd & Anr
NAME OF THE RESPONDENTS :
UNDER SECTION : Sec 230-232 of CA, 2013

ORDER

Present: None for the Applicant.

Vide separate order pronounced in the Open Court, the application is allowed. Meeting is ordered.

Sd/-

(VENKATARAMAN SUBRAMANIAM)
MEMBER (TECHNICAL)

MG

Date: 02.05.2025

Sd/-

(SANJIV JAIN)
MEMBER (JUDICIAL)



**IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH - I, CHENNAI**

CA(CAA)/23(CHE)/2025

(Under Sections 230 to 232 of the Companies Act, 2013)

In the matter of Scheme of Demerger between

ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED

CIN: U35999TN1987PTC014600

Registered Office: "Maithri", 132, Cathedral Road,
Chennai – 600 086.

Represented by its Authorised Signatory, Mr. Senthilnathan

...1st Applicant /Demerging/Transferor Company

ZF LIFETEC RANE AUTOMOTIVE INDIA PRIVATE LIMITED

CIN: U29302TN2024PTC171639

Registered Office: "Maithri", 132, Cathedral Road,
Chennai – 600 086.

Represented by its Authorised Signatory, Mr. L.K. Segar

... 2nd Applicant /Resulting/Transferee Company

and their respective Shareholders and Creditors.

Order Pronounced on 2nd May, 2025

CORAM:

SANJIV JAIN, MEMBER (JUDICIAL)

VENKATRAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

For Applicant: Thriyambak J Kannan, Advocate



ORDER

1. This is an Application filed by M/s. ZF Rane Automotive India Private Limited (hereinafter referred as the “1st Applicant/Demerging/Transferor Company”) and M/s ZF Lifetec Rane Automotive India Private Limited (hereinafter “2nd Applicant/Resulting/Transferee Company) and its Shareholders under section 230-232 of Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the Scheme of Demerger (hereinafter referred to as the “SCHEME”) proposed by the Applicant Companies herein with its Shareholders. The Scheme is placed in **Page no. 433-457** of the Application Typeset.

2. The Applicant Companies in this Company Application have sought for the following reliefs;

PARTICULARS	EQUITY SHAREHOLDERS	PREFERENCE SHAREHOLDERS	SECURED CREDITORS	UNSECURED CREDITORS
DEMERGED COMPANY/ APPLICANT COMPANY No.1	To Dispense with the meeting	Not Applicable	To Dispense with the meeting	Seeking direction from the Tribunal for convening meeting of Unsecured Creditors
RESULTING COMPANY APPLICANT COMPANY No.2	To Dispense with the meeting	Not Applicable	Not Applicable	Not Applicable



3. The **RATIONALE OF THE SCHEME** is as under:

“The Demerged Company operates in components for transportation industry under two divisions, viz.: Steering Gear Division (SGD), which manufactures fully integrated hydraulic steering gears, hydraulic pumps, power-rack and pinion, power steering fluid and plastic reservoirs for transportation industry and Occupant Safety Division (OSD), which manufactures and supplies safety seat belts and airbags to major OEMs in India and in the overseas market and exports cushions to various ZF locations.

As part of an overall strategy for the optimum running, growth and development of the said businesses it is considered desirable and expedient to reorganise and reconstruct by demerging its Occupant Safety Division (OSD) INTO THE Resulting Company in the manner as provided for in this Scheme. This will result in the creation of two separate robust entities viz., the Demerged Company and the Resulting Company focussing exclusively on Steering Gear Division (SGD) and Occupant Safety Division (OSD) businesses respectively.

The proposed Scheme is expected, inter alia, to result in following benefits:

- (i) Offer opportunities to the management of the Demerged Company and Resulting Company to vigorously pursue growth and expansion opportunities for each business separately:*
- (ii) Value unlocking of respective businesses with ability to achieve valuation based on respective-risk return profile and cash flows:*
- (iii) Attracting specific investors and strategic partners and providing better flexibility in accessing capital, focused strategy and specialisation for sustained growth and thereby enable deleveraging of the respective divisions in the longer-term;*
- (iv) Focussed management approach for pursuing the growth in the respective business’ verticals and de-risk the businesses from each other.*

It is stated that, the Scheme will have beneficial results for both the Demerged Company and the Resulting Company and their respective stakeholders.”



4. It is stated that the (i) Demerged/Transferor Company viz., M/s. ZF Rane Automotive India Private Limited Company was incorporated under the provisions of the Indian Companies Act, 1956 on 03.07.1987 with CIN: **U35999TN1987PTC014600**. The Authorized/Issued/Subscribed and paid up Share Capital of the Demerged Company as on 19.12.2024 as stated in the Application are as follows:-

Particulars	Amount in Rs.
Authorised Share Capital	
90,00,000 Equity Shares of Rs.10/- each	9,00,00,000
Total	9,00,00,000
Issued Share Capital	
88,04,000 Equity Shares of Rs.10/- each	8,80,40,000
Total	8,80,40,000
Subscribed and Paid up Share Capital	
87,38,246 Equity Shares of Rs.10/- each	8,73,82,460
Total	8,73,82,460

- (ii) The Resulting/Transferee Company viz., M/s ZF Lifetec Rane Automotive India Private Limited Company was incorporated under the provisions of Companies Act, 2013 on 04.07.2024 with CIN No. **U29302TN2024PTC171639**. The Authorized/Issued/Subscribed and Paid up Share Capital of the Resulting Company as on 19.12.2024 as stated in the Application are as follows:-



Particulars	Amount in Rs.
Authorised Share Capital	
1,00,000, Equity Shares of Rs.10/- each	10,00,000
Total	10,00,000
Issued, Subscribed and Paid up Share Capital	
10,000 Equity Shares of Rs.10/- each	1,00,000
Total	1,00,000

5. It is stated that this Application is being filed in relation to a Scheme of Arrangement between ZF Rane Automotive India Private Limited (Demerged Company) and ZF Lifetec Rane Automotive India Private Limited (Resulting Company) and their respective shareholders and creditors.

6. Ld. Counsel for the Applicants submits that, this Tribunal may dispense with the meetings of Equity Shareholders, Secured Creditors of the Demerged/Transferor Company and Resulting/Transferee Company. He has however sought for directions from the Tribunal for convening meeting of Unsecured Creditors of the Demerged /Transferor Company

7. Affidavits in support of the above application, on behalf of the Demerged Company have been sworn in by Mr. Senthilnathan in the capacity of Authorized Signatory and on behalf of the Resulting Company by Mr. L K Segar in the capacity of Authorised Signatory. It is also represented that the registered offices of both the Applicant



Companies are situated in the State of Tamil Nadu and therefore it is within the jurisdiction of this Tribunal.

8. We have perused the application and the connected documents/papers filed therewith including the Scheme contemplated by the Applicant companies.

9. The Applicant Companies have filed the Memorandum of Association (MOA) and Articles of Association (AOA) *inter alia* delineating their object clauses. The Demerged Company has submitted its last available Audited Financial Statements for the year ended 31.03.2024 and Provisional/ Unaudited Financial Statements as on 31.12.2024. The Resulting Company has submitted its Provisional/ Unaudited Financial Statements as on 31.12.2024.

10. The Board of Directors of the Applicant Companies vide meeting held on 19.12.2024 have unanimously approved the proposed Scheme of Arrangement as contemplated above. (Copies of the resolutions passed thereon have been placed on record by the Applicant Companies at **Page No.266-273.**)

11. As per the Scheme, the Appointed date is specified as,
“Appointed Date shall mean Effective Date or such other date as maybe decided by the boards of parties” and the “Effective Date means last of the date on which the certified copy of the order sanctioning this Scheme, is filed by the respective parties with the Jurisdictional Registrar of Companies”.

12. The Statutory Auditors of the Demerged Company and Resulting Company have examined the Scheme in terms of provisions



of Sec. 232 of Companies Act, 2013 and the Rules made thereunder and certified that the Accounting Standards are in compliance with Section 133 of the Companies Act, 2013. The Accounting Treatment Certificates for the Applicant Companies are placed at **Page No.274-279** of the Applicant Companies typesets.

13. Taking into consideration the application filed by the Applicant Companies and the documents filed therewith as well as the position of law, this Tribunal issues the following directions: -

**A. ZF RANE AUTOMOTIVE PRIVATE LIMITED
(DEMERGED COMPANY)**

I. EQUITY SHAREHOLDERS

(i) It is represented that there are **Two (2)** Equity Shareholders as on date of filing the Application whose consent affidavits amounting to 100% are placed at **Page No. 284-299**. The Certificate issued by the Authorised Signatory of Demerged Company certifying the list of Equity Shareholders is placed at **Page No.282** of the Application. They have sought for dispensation with holding of meeting.

(ii) Since it is represented by the Demerged Company that there are 2 (**Two**) Equity Shareholders in the Company whose consent by way of Affidavits have been obtained and are placed on record, the necessity of convening and holding the meeting is *dispensed with*.

II. SECURED CREDITORS



- (i) There are Three **(3)** Secured Creditors, whose consent affidavits amounting to 100% of the total value of credit are placed at **Page No.320-356**. The Certificate issued by the Chartered Accountant certifying the list of Secured Creditors of demerged company is placed at **Page No. 357-360**. They have sought for dispensation with holding, conducting and convening of meeting.
- (ii) Since it is represented by the Demerged Company that there are Three **(3)** Secured Creditors in the Company whose consent by way of Affidavits have been obtained and are placed on record, the necessity of convening and holding the meeting is *dispensed with*.

III. UNSECURED CREDITORS

- (i) There are **Thousand Two Hundred and Five (1205)** Unsecured Creditors. The Certificate by the Chartered Accountant certifying the list of Unsecured Creditors is placed at **Page no. 365-421** of the typed set filed with the Application. It has sought for directions from the Tribunal for convening the meeting.
- (ii) The meeting is directed to be held on **15.06.2025 at 10.00 AM** in the registered office of the Demerged Company or through video conferencing or if not convenient at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.



**B. ZF LIFETEC RANE AUTOMOTIVE INDIA PRIVATE LIMITED
(RESULTING COMPANY)**

I. EQUITY SHAREHOLDERS

(i) There are **Two (02)** Equity Shareholders, whose consent affidavits amounting to 100% are placed at **Page No. 300-311**. The Certificate issued by the Authorised Signatory of the Resulting Company certifying the list of Equity Shareholders is placed at **Page No.283**. They have sought for dispensation with holding of meeting.

(ii) Since it is represented by the Resulting Company that there are **Two (02)** Equity Shareholders in the Company whose consent by way of Affidavits have been obtained and are placed on record, the necessity of convening and holding the meeting is *dispensed with*.

II. SECURED CREDITORS & UNSECURED CREDITORS

(i) There is no Secured and Unsecured Creditors. A Certificate issued by the Chartered Accountant certifying that there are no Secured & Unsecured Secured Creditors at the Resulting Company as on 17.02.2025 is placed at **Page No. 361-364** and **Page No. 422-425** of the application.

(ii) Since it is represented that there are Nil Secured & Unsecured Creditors, the necessity for convening and holding the meeting *does not arise*.

14. The quorum for the meeting of the Demerged Company shall be as follows;



S.No	Class	Quorum
1	Unsecured Creditors	134

- i) The Chairperson appointed for the above said meetings shall be **Mrs. Sucharitha J (Mob: 9444028065)**. The Fee of the Chairperson for the aforesaid meeting shall be **Rs. 1,00,000/- (Rupees One Lakh Only)** in addition to meeting her incidental expenses. The Chairperson(s) will file the reports of the meeting within a week from the date of holding of the above said meetings
- ii) **Mr. Sriram Ananth V (Mob: 8056279887)** is appointed as a Scrutinizer and would be entitled to a fee of **Rs. 50,000/- (Rupees Thirty Thousand Only)** for services in addition to meeting incidental expenses.
- iii) In case the quorum as noted above, for the above meeting of the Applicant Companies is not present at the meeting, then the meeting shall be adjourned by half an hour, and thereafter the person(s) present and voting shall be deemed to constitute the quorum. For the purpose of computing the quorum the valid proxies shall also be considered, if the proxy in the prescribed form, duly signed by the person entitled to attend and vote at the meeting, is filed with the registered office of the applicant companies at least 48 hours before the meeting. The Chairperson appointed herein along with Scrutinizer shall



ensure that the proxy registers are properly maintained. However, every endeavour should be made by the applicant companies to attain at least the quorum fixed, if not more in relation to approval of the scheme.

- iv) The meeting shall be conducted as per applicable procedure prescribed under the MCA Circular MCA General Circular Nos. (i) 20/2020 dated 5th May, 2020 (AGM Circular), (ii) 14/2020, dated 08.04.2020 (EGM Circular-I) and (iii) 17/2020 dated 13.04.2020 (EGM Circular-II);
- v) That individual notices of the above said meeting shall be sent by the Applicant Company through registered post or speed post or through courier or e-mail, 30 days in advance before the scheduled date of the meeting, indicating the day, date, the place and the time as aforesaid, together with a copy of Scheme, copy of explanatory statement, required to be sent under the Companies Act, 2013 and the prescribed form of proxy shall also be sent along and in addition to the above any other documents as may be prescribed under the Act or rules may also be duly sent with the notice.
- vi) That the Applicant Company shall publish advertisement with a gap of atleast 30 clear days before the aforesaid meetings, indicating the day, date and the place and time



as aforesaid, to be published in the English Daily *“Business Standard” (All India Edition)*, and *“Dina Malar” Tamil (Tamil Nadu Edition)* in Vernacular stating the copies of Scheme, the Explanatory Statement required to be furnished pursuant to Section 230 of the Companies Act, 2013 and the form of proxy shall be provided free of charge at the registered office of the respective Applicant Companies.

- vii) The Chairperson shall as aforesaid be responsible to report the result of the meeting within a period of 3 days of the conclusion of the meeting with details of voting on the proposed scheme.
- viii) The companies shall individually send notice to concerned Regional Director, MCA, Registrar of Companies Coimbatore, Reserve Bank of India (RBI) and the Income Tax Authorities as well as other Sectoral regulators who may have significant bearing on the operation of the applicant companies or the Scheme *per se* along with copy of required documents and disclosures required under the provisions of Companies Act, 2013 read with Companies (Compromises, Arrangements, Amalgamations) Rules, 2016.
- ix) The applicant companies shall further furnish copy of the Scheme free of charge within 1 day of any requisition for



the Scheme made by every creditor or member of the applicant companies entitled to attend the meetings as aforesaid.

- x) The Authorized Representative of the Applicant Companies shall furnish an affidavit of service of notice of meetings and publication of advertisement and compliance of all directions contained herein at least a week before the proposed meetings.
- xi) All the aforesaid directions are to be complied with strictly in accordance with the applicable law including forms and formats contained in the Companies (Compromises, Arrangements, Amalgamations) Rules, 2016 as well as the provisions of the Companies Act, 2013 by the Applicants.

15. Accordingly, the Application stands **disposed of**.

-Sd-

VENKATARAMAN SUBRAMANIAM
Member (Technical)

-Sd-

SANJIV JAIN
Member (Judicial)

AU

MBP-4 REGISTER

ZF Rane Automotive India Private Limited
CIN: U35999TN1987PTC014600

Transactions relating to Section 189 of the Companies Act, 2013

Form MBP-4 Register of contracts with related party and contracts and Bodies etc. in which directors are interested

A. Contracts or agreements with any related party under section 188 or in which any director is concerned or interested under sub-section (2) of section 184

(1)	(2)	(3)	(4)	(5)	(6)	(7)	Details of voting on such resolution [®]				(12)	(13)	(14)	(15)	(16)	(17)
							No. of Directors present in the meeting	Directors voting in favour	Directors voting against	Directors remaining neutral						
April 01, 2024 to March 31, 2025	Rane (Madras) Limited	L. Ganesh & Harish Lakshman	Direct Interest / Director	Purchase of Components	Yes	January 29, 2024	-	-	-	-	May 08, 2024	-	32.00	-	Refer below	The transaction is routine in nature and is undertaken in the normal course of business and is comparable with other third party purchases.
				Sales	Yes	January 29, 2024	-	-	-	-	May 08, 2024	-	5.00	-	Refer below	The pricing is at arm's length basis. The transaction is routine in nature and is undertaken in the normal course of business and is comparable with other third party sales.
				Reimbursement of expenses (including vehicle lease)	Yes	January 29, 2024	-	-	-	-	May 08, 2024	-	0.06	-	Refer below	The pricing is at arm's length basis. The transaction is routine in nature and is undertaken in the normal course of business (at actuals)
				Aftermarket Business	Yes	January 29, 2024	-	-	-	-	May 08, 2024	-	0.60	-	Refer below	Transaction is in the ordinary course of business and at arm's length basis. Rane Aftermarket Business will incur cost at actuals and debit the Company.
April 01, 2024 to March 31, 2025	Rane Holdings Limited	L. Ganesh & Harish Lakshman	Direct Interest / Director	Trademark Fees	Yes	January 29, 2024	-	-	-	-	May 08, 2024	-	25.00	-	Refer below	The transaction is routine in nature and is undertaken in the normal course of business on an arm's length basis. The fee payable is based on % of Net Sales of the Company and as per the revised agreement entered with RHL.
				Services availed	Yes	January 29, 2024	-	-	-	-	May 08, 2024	-	19.00	-	Refer below	The transactions are routine in nature and is undertaken in the normal course of business on an arm's length basis. The fee charged is on the basis of applicable criteria viz. 1) Number of sales 2) Number of management staff 3) No. of SAP licenses / mail boxes The fee charged is at arm's length and is as per the service agreement entered with RHL.
				SAP License Fee	Yes	January 29, 2024	-	-	-	-	May 08, 2024	-	0.005	-	Refer below	The transaction is routine in nature and is undertaken in the ordinary course of business. The pricing charged is at arm's length basis.

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Placed at the meeting held on May 08, 2024

Placed at the Meeting No.	Bm/01/2024-25
Held on	MAY 08, 2024
Initials	JCGD
Chairman/Secretary	

ZF Rane Automotive India Private Limited
CIN: U35999TN1987PTC014600

Transactions relating to Section 189 of the Companies Act, 2013

Form MBP-4 Register of contracts with related party and contracts and Bodies etc. in which directors are interested

A. Contracts or agreements with any related party under section 188 or in which any director is concerned or interested under sub-section (2) of section 184

Date of contract / arrangement	Name of the party with which contract is entered into	Name of the interested director *	Relation with director/ company/ Nature of concern or interest	Principal terms and conditions	Whether the transaction is at arm's length basis #	Date of approval at the meeting of the Board / Audit Committee #	Details of voting on such resolution #				Date of the next meeting at which register was placed for signature	Reference of specific items - (a) to (g) under sub-section (1) of section 188 #	Amount of contract or arrangement (In Rs. crs) # (Estimate for the period)	Date of share holders approval if any *	Signature	Remarks, if any
							No. of Directors present in the meeting	Directors voting in favour	Directors voting against	Directors remaining neutral						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
April 01, 2024 to March 31, 2025	Rane Engine Valve Limited	L Ganesh & Harish Lakshman	Direct Interest / Director	Employee Services Agreement	Yes	January 29, 2024	-	-	-	-	May 08, 2024	-	0.30	-	Refer below	G Parthipan, CEO - SGD & OSD would render certain leadership services to REVL as per the employee services agreement. REVL shall pay a sum of Rs. 2,10,000/- per month to ZRAI towards the services rendered by G Parthipan to REVL. The terms of the transactions is in the normal course of business and at arm's length basis.
				Sale of Services (Metallurgical testing)	Yes	January 29, 2024	-	-	-	-	May 08, 2024	-	0.10	-	Refer below	The transaction is routine in nature and is undertaken in the normal course of business and is comparable with other third party sales. The pricing is at arm's length basis.

Interested Directors did not take part in the discussions relating to the respective transactions.

B. Name of the bodies corporate, firms or other association of individuals as mentioned under sub-section (1) of section 184, in which any director is having any concern or interest

Name of the Companies / Bodies Corporate / Firms / Association of Individuals	Name of the interested director	Nature of interest or concern / Change in interest or concern	Shareholding* (if any)	Date on which interest or concern arose / changed	Remarks
Rane Brake Lining Limited	L Ganesh	Retirement as Chairman of the Board of Directors w.e.f close of business hours on March 31, 2024 and continuation as member of the Board of Directors	100	March 31, 2024	As per addendum dated March 25, 2024
	Harish Lakshman	Re-designated as Chairman of the Board of Directors of the Company w.e.f. April 01, 2024	100	April 01, 2024	As per addendum dated March 25, 2024
Rane Engine Valve Limited	L Ganesh	Retirement as Chairman of the Board of Directors w.e.f close of business hours on March 31, 2024 and continuation as member of the Board of Directors	135	March 31, 2024	As per addendum dated March 25, 2024
	Harish Lakshman	Re-designated as Chairman of the Board of Directors of the Company w.e.f. April 01, 2024	100	April 01, 2024	As per addendum dated March 25, 2024
Rane (Madras) Limited	L Ganesh	Retirement as Chairman of the Board of Directors w.e.f close of business hours on March 31, 2024 and continuation as member of the Board of Directors	839	March 31, 2024	As per addendum dated March 25, 2024
	Harish Lakshman	Re-designated as Chairman of the Board of Directors of the Company w.e.f. April 01, 2024	750	April 01, 2024	As per addendum dated March 25, 2024
Annual Disclosures for FY 24-25	L Ganesh		-	April 02, 2024	As per Annual Disclosures for FY 24-25 furnished individually by the Directors in Form MBP-1
	Harish Lakshman		-	April 02, 2024	
	P Kaniappan		-	April 04, 2024	
	Michael Ebenhoch		-	April 04, 2024	
	Ulf Loleit		-	April 10, 2024	

* Includes joint shareholding & HUF, if any

Placed at the meeting held on May 08, 2024

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Placed at the Meeting No.: BM/01/2024-25.

Held on : MAY 08, 2024.

Initials : *S. G. D.*

Chairman/Secretary

ZF Rane Automotive India Private Limited
CIN: U35999TN1987PTC014600

Transactions relating to Section 189 of the Companies Act, 2013

Form MBP-4 Register of contracts with related party and contracts and Bodies etc. in which directors are interested

A. Contracts or agreements with any related party under section 188 or in which any director is concerned or interested under sub-section (2) of section 184

(1) Date of contract / arrangement	(2) Name of the party with which contract is entered into	(3) Name of the interested director	(4) Relation with director / company / Nature of concern or interest	(5) Principal terms and conditions	(6) Whether the transaction is at arm's length basis ^a	(7) Date of approval at the meeting of the Board / Audit Committee ^a	Details of voting on such resolution ^a				(12) Date of the next meeting at which register was placed for signature	(13) Reference of specific items – (a) to (g) under sub-section (1) of section 188 ^a	(14) Amount of contract or arrangement (In Rs. crs) ^a (Estimate for the period)	(15) Date of share holders approval if any ^a	(16) Signature	(17) Remarks, if any
							(8) No. of Directors present in the meeting	(9) Directors voting in favour	(10) Directors voting against	(11) Directors remaining neutral						
April 01, 2023 to March 31, 2024	Rane Holdings Limited	L Ganesh & Harish Lakshman	Direct Interest / Director	Trademark Fees	Yes	May 08, 2024	-	-	-	-	July 26, 2024	-	20.10	-	Refer below	The transaction is routine in nature and is undertaken in the normal course of business on an arm's length basis. The fee payable is based on % of Net Sales of the Company and as per the revised agreement entered with RHL.
				Purchase of Capital Assets	Yes	May 08, 2024	-	-	-	-	July 26, 2024	-	0.01	-	Refer below	The transaction is routine in nature and undertaken in normal course of business and on an arm's length basis.
April 01, 2023 to March 31, 2024	Worth Industries	Harish Lakshman	Direct Interest	Sub Contracting Charge	Yes	May 08, 2024	-	-	-	-	July 26, 2024	-	3.75	-	Refer below	The transaction is routine in nature and undertaken in normal course of business and is comparable with other third party service providers. The amount payable is based on the Purchase Order.

B. Name of the bodies corporate, firms or other association of individuals as mentioned under sub-section (1) of section 184, in which any director is having any concern or interest

Name of the Companies / Bodies Corporate / Firms / Association of Individuals	Name of the interested Director / KMP	Nature of interest or concern / Change in interest or concern	Shareholding ^a (if any)	Date on which interest or concern arose / changed	Remarks
Rane NSK Steering Systems Private Limited	L Ganesh	Retirement as Chairman of the Board of Directors with effect from the close of business hours on May 06, 2024 and continuation as Non-Executive and Nominee Director of the Company	-	May 06, 2024	As per addendum dated May 17, 2024
	Harish Lakshman	Re-designated as Chairman of the Board of Directors of the Company	-	May 07, 2024	As per addendum dated May 17, 2024
ACMA Mobility Foundation (Section 8 Company)	Harish Lakshman	Became a member and appointed as Director of the Company	-	June 20, 2024	As per addendum dated June 24, 2024
Sundaram Clayton Limited	P Kaniappan	Appointment as an Additional Director in the capacity of Non-Executive Independent Director w.e.f July 03, 2024	-	July 03, 2024	As per addendum dated July 04, 2024
ZF Lifetec Rane Automotive Private Limited	S Senthilnathan (KMP)	Appointment as First Director (Non-Executive, Nominee)	-	July 04, 2024	As per addendum dated July 16, 2024
TRW Sun Steering Wheels Private Limited	Michael Ebenhoch	Appointment as Nominee Director	-	April 30, 2024	As per addendum dated July 25, 2024

^a Includes joint shareholding & HUF, if any

Placed at the meeting held on July 26, 2024

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Placed at the Meeting No.:	Bm/02/2024-25
Held on	July 26, 2024
Initials	:
	Chairman/Secretary

ZF Rane Automotive India Private Limited
CIN: U35999TN1987PTC014600

Transactions relating to Section 188 of the Companies Act, 2013

Form MBP-4 Register of contracts with related party and contracts and Bodies etc. in which directors are interested

A. Contracts or agreements with any related party under section 188 or in which any director is concerned or interested under sub-section (2) of section 184

Date of contract / arrangement	Name of the party with which contract is entered into	Name of the interested director	Relation with director/ company/ Nature of concern or interest	Principal terms and conditions	Whether the transaction is at arm's length basis	Date of approval at the meeting of the Board / Audit Committee	Details of voting on such resolution*				Date of the next meeting at which register was placed for signature	Reference of specific items - (a) to (g) under sub-section (1) of section 188	Amount of contract or arrangement (In Rs. crs) (Estimate for the period)	Date of share holders approval if any	Signature	Remarks, if any
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)

NIL

B. Name of the bodies corporate, firms or other association of individuals as mentioned under sub-section (1) of section 184, in which any director is having any concern or interest

Name of the Companies / Bodies Corporate / Firms / Association of Individuals	Name of the Interested Director / KMP	Nature of interest or concern / Change in interest or concern	Shareholding* (if any)	Date on which interest or concern arose / changed	Remarks
Lumax Industries Limited	Harish Lakshman	Appointed as an Independent Director (Additional) for a period of 5 years	Nil	August 22, 2024	As per addendum dated August 29, 2024
		Change in designation from Independent Director (Additional) to Independent Director based on the approval of the shareholders of the Company at their Annual General Meeting held on September 27, 2024		August 22, 2024	As per addendum dated September 27, 2024
Rane Holdings Limited	Harish Lakshman	Re-appointed as Joint Managing Director w.e.f. August 01, 2024 based on the approval of the shareholders by way of Postal Ballot on September 06, 2024	1,43,432 Shares	August 01, 2024	As per addendum dated September 09, 2024
Sundaram Clayton Limited	P Kaniappan	Change in designation from Independent Director (Additional) to Independent Director based on the approval of the shareholders of the Company at their Annual General Meeting held on August 09, 2024	Nil	July 03, 2024	As per addendum dated October 14, 2024
-	Kaster Theodor	Appointed as a Nominee Director w.e.f. October 15, 2024	Nil	October 15, 2024	As per Joining Disclosures

* Includes joint shareholding & HUF, if any

Placed at the meeting held on October 22, 2024

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Placed at the Meeting No.	BM/03/2024-25
Held on	OCTOBER 22, 2024
Initials	
	Chairman/Secretary

ZF Rane Automotive India Private Limited
CIN: U35999TN1987PTC014600

Transactions relating to Section 189 of the Companies Act, 2013

Form MBP-4 Register of contracts with related party and contracts and Bodies etc. in which directors are interested

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Date of contract / arrangement	Name of the party with which contract is entered into	Name of the interested director	Relation with director / company / Nature of concern or interest	Principal terms and conditions	Whether the transaction is at arm's length basis ^a	Date of approval at the meeting of the Board / Audit Committee ^a	Details of voting on such resolution ^a				Date of the next meeting at which register was placed for signature	Reference of specific items - (a) to (g) under sub-section (1) of section 188 ^a	Amount of contract or arrangement (In Rs. crs) ^a (Estimate for the period)	Date of share holders approval if any ^a	Signature	Remarks, if any
							No. of Directors present in the meeting	Directors voting in favour	Directors voting against	Directors remaining neutral						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
April 01, 2024 to March 31, 2025	Rane Holdings Limited	L Ganesh and Harish Lakshman	Direct Interest / Director	Purchase of Capital Asset	Yes	October 22, 2024	-	-	-	-	December 19, 2024	-	0.01	-	Refer Below	The transaction is routine in nature and undertaken in normal course of business on an arm's length basis.
				SAP License Fee	Yes	October 22, 2024	-	-	-	-	December 19, 2024	-	0.05	-	Refer Below	Rane Holdings Limited (RHL) is issuing SAP licences (Functional user / Work user / Professional user). The AMC is between RHL and SAP negotiated for the entire group. The reimbursement of licence fee is at cost. The transactions are undertaken in the normal course of business and at arm's length basis.
April 01, 2024 to March 31, 2025	TRW Sun Steering Wheels Private Limited	Micheal Ebenhoch	Director	Domestic Sales	Yes	October 22, 2024	-	-	-	-	December 19, 2024	-	0.04	-	Refer Below	The transaction is routine in nature and undertaken in normal course of business and is comparable with other third party sales. The pricing is at arm's length basis.

^a Interested Directors did not take part in the discussions relating to the respective transactions.

^a The transaction/ contract/ arrangement are in accordance with the omnibus approvals accorded by the Audit Committee and do not attract Section 188 of the Act

B. Name of the bodies corporate, firms or other association of individuals as mentioned under sub-section (1) of section 184, in which any director is having any concern or interest

Name of the Companies / Bodies Corporate / Firms / Association of Individuals	Name of the interested Director / KMP	Nature of interest or concern / Change in interest or concern	Shareholding* (if any)	Date on which interest or concern arose / changed	Remarks
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NIL

* Includes joint shareholding & HUF, if any

Placed at the meeting held on December 19, 2024

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Placed at the Meeting No.	BM/04/2024-25
Held on	DECEMBER 19, 2024
Initials	:
	Chairman/Secretary

ZF Rane Automotive India Private Limited
CIN: U35999TN1987PTC014600

Transactions relating to Section 189 of the Companies Act, 2013

Form MBP-4 Register of contracts with related party and contracts and Bodies etc. in which directors are interested

A. Contracts or agreements with any related party under section 188 or in which any director is concerned or interested under sub-section (2) of section 184

Date of contract / arrangement	Name of the party with which contract is entered into	Name of the interested director	Relation with director/ company/ Nature of concern or interest	Principal terms and conditions	Whether the transaction is at arm's length basis ^e	Date of approval at the meeting of the Board / Audit Committee ^e	Details of voting on such resolution ^e				Date of the next meeting at which register was placed for signature	Reference of specific items – (a) to (g) under sub-section (1) of section 188 ^e	Amount of contract or arrangement (In Rs. crs) ^e (Estimate for the period)	Date of share holders approval if any ^e	Signature	Remarks, if any
							No. of Directors present in the meeting	Directors voting in favour	Directors voting against	Directors remaining neutral						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)

NIL

Interested Directors did not take part in the discussions relating to the respective transactions.

© The transaction/ contract/ arrangement are in accordance with the omnibus approvals accorded by the Audit Committee and do not attract Section 188 of the Act

B. Name of the bodies corporate, firms or other association of individuals as mentioned under sub-section (1) of section 184, in which any director is having any concern or interest

Name of the Companies / Bodies Corporate / Firms / Association of Individuals	Name of the interested Director / KMP	Nature of interest or concern / Change in interest or concern	Shareholding* (if any)	Date on which interest or concern arose / changed	Remarks
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NIL

* Includes joint shareholding & HUF, if any

Placed at the meeting held on January 29, 2025

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Placed at the Meeting No.: RM/05/2024-25

Held on : JANUARY 29, 2025

Initials :

Chairman/Secretary

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