

## SCHEME OF ARRANGEMENT

## BETWEEN

GE POWER INDIA LIMITED

as the Demerged Company

AND

JSW ENERGY LIMITED

as the Resulting Company

AND

## THEIR RESPECTIVE SHAREHOLDERS

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

## A. DESCRIPTION OF PARTIES

1. GE Power India Limited is a public limited company incorporated under the Companies Act, 1956 under corporate identification number L74140MH1992PLC068379 and having its registered office at Regus Magnum Business Centers, 11th floor, Platina, Block G, Plot C-59 BKC, Bandra (East) Mumbai, Maharashtra 400051, India ("Demerged Company"). The shares of the Demerged Company are listed on the National Stock Exchange of India Limited and BSE Limited. The Demerged Company is engaged in the business of design, development, engineering, project management, manufacturing, supply, construction, commissioning, repairs and modernization (R&M), services, retrofit and upgrades of boiler, coal mills, pressure vessels, critical piping for steam turbine applications, steam turbine and generator spares and components, air quality control systems, automation systems, and power electronics for thermal power plants and industrial application.
2. JSW Energy Limited is a public limited company incorporated under the Companies Act, 1956 under corporate identification number L74999MH1994PLC077041 and having its registered office at JSW Centre, Bandra Kurla Complex Bandra (East), Mumbai, Maharashtra, 400051, India (hereinafter referred to as the "Resulting Company"). The shares of the Resulting Company are listed on the National Stock Exchange of India Limited and BSE Limited. Additionally, the Resulting Company has also issued certain NCDs, which are listed on BSE Limited. The Resulting Company is engaged in the business of generation of power, and other allied activities, through itself and its subsidiaries.

## B. DESCRIPTION OF THE SCHEME

1. This scheme of arrangement is presented under Sections 230 to 232 and other applicable provisions of the Act (*as defined hereinafter*) read with Section 2(19AA), Section 47 and other applicable provisions of the IT Act (*as defined hereinafter*) amongst the Demerged Company and the Resulting Company, and their respective shareholders, and has been approved by the respective Boards of the Demerged Company and the Resulting Company. Upon the Scheme becoming effective, the Demerger of the Demerged Undertaking (*as defined hereinafter*) from the Demerged Company into the Resulting Company pursuant to this Scheme shall, take place with effect from the Appointed Date (*defined below*).



2. The Scheme (*as defined hereinafter*) provides, *inter alia*, for:

- (i) demerger, by way of transfer as a going concern, on an as is where is basis, and vesting of the Demerged Undertaking from the Demerged Company to the Resulting Company in accordance with Section 2(19AA), Section 47 and other relevant provisions of the IT Act, Sections 230 to 232 and other relevant provisions of the Act and rules made thereunder, and the relevant provisions of the Master Circular (*as defined hereinafter*) and the LODR Regulations (*as defined hereinafter*), and the consequent issuance of Resulting Company New Shares (*as defined hereinafter*) by the Resulting Company to Eligible Shareholders (*as defined hereinafter*) of the Demerged Company in accordance with the Share Entitlement Ratio (*as defined hereinafter*) in the manner set forth in this Scheme ("Demerger"); and
- (ii) various other matters consequential or otherwise integrally connected therewith, each in the manner as more particularly described in the Scheme.

**C. RATIONALE AND OBJECTIVES OF THE SCHEME**

1. The transfer and vesting of the Demerged Undertaking from the Demerged Company to the Resulting Company pursuant to this Scheme will, *inter alia*, result in the following benefits for the Demerged Company and the Resulting Company and their respective shareholders, employees and other stakeholders:

- (i) Demerged Company:
  - (a) the Demerger allows the Demerged Company to focus on the strategic growth areas and services growth strategy;
  - (b) the Demerger will enable the Demerged Company to focus on and enhance its Retained Business by streamlining its operations and cutting costs;
  - (c) the Demerger will facilitate smoother transfer of the Demerged Business in terms of obtaining local approvals; and
  - (d) the Demerger is the most optimum manner in which the Demerged Business could be transferred to the Resulting Company as it aids in unlocking and creation of value of the Demerged Business for the shareholders of the Demerged Company and giving them the flexibility to stay invested in the growth journey of the Demerged Undertaking.
- (ii) Resulting Company:
  - (a) the Demerger provides an opportunity for the Resulting Company to enter into boiler pressure parts manufacturing business in alignment with the long-term vision of expanding into energy portfolio and extending footprint in a highly competitive and fast growing business;
  - (b) the Demerger will create value for shareholders by acquiring ready to use assets which shall create operational efficiencies;
  - (c) the Demerger will also result in vertical integration by securing a dedicated manufacturing facility for boiler pressure parts and reducing dependency on third-party suppliers;



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- (d) Demerger will create significant operational synergies within existing business verticals and across ongoing and upcoming thermal power projects, leading to economies of scale, enhancing cost efficiencies, and improving control over critical component requirements of thermal power assets; and
- (e) the Demerger will enable increased production capacity to support future thermal projects.

**D. PARTS OF THE SCHEME**

**1. The Scheme is divided into the following parts:**

- (i) PART I deals with definitions, interpretation, share capital structure of the Demerged Company and Resulting Company, and date of taking effect of the Demerger;
- (ii) PART II deals with transfer and vesting of the Demerged Undertaking from the Demerged Company, as a going concern, on an as is where is basis, into the Resulting Company, and in consideration thereof, issuance of the Resulting Company New Shares by the Resulting Company to the Eligible Shareholders of the Demerged Company as per the Share Entitlement Ratio, in accordance with Sections 230 to 232 of the Act and other applicable provisions of the Act, Section 2(19AA), Section 47 and other applicable provisions of the IT Act and other matters consequential or otherwise integrally connected therewith; and
- (iii) PART III deals with general terms and conditions applicable to the Scheme.



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## PART I

### DEFINITIONS, INTERPRETATION, SHARE CAPITAL STRUCTURE AND COMING INTO EFFECT OF THE SCHEME

#### 1. DEFINITIONS

In this Scheme, unless repugnant to the subject or context or meaning thereof, the following expressions shall have the meanings as set out herein below:

- 1.1. "Act" means the Companies Act, 2013;
- 1.2. "ADDA" means Asansol Durgapur Development Authority;
- 1.3. "Appointed Date" means the opening business hours of July 1, 2025 or such other date as may be mutually agreed by the Boards of the Demerged Company and the Resulting Company or such other date as the NCLT may direct or allow;
- 1.4. "Applicable Law" means all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and Orders of any Government Authority and treaties having the force of law, whether in effect as of the date of this Scheme or thereafter and having jurisdiction over the matter in question at the relevant time;
- 1.5. "Benefit Plans" means any plan, fund, program, or arrangement established, maintained, or contributed to by the Demerged Company to provide benefits to Business Employees or their dependents or beneficiaries;
- 1.6. "Board" means the board of directors of the Demerged Company or the Resulting Company, as the case may be, as constituted from time to time in accordance with the provisions of their respective Charter Documents;
- 1.7. "Books and Records" means (i) all statement of accounts, invoices of Demerged Assets, Business Contracts, Permits, Demerged Liabilities, employee and personnel records of the Business Employees and all other ledgers, registers, data, books, documents and records maintained and used solely for the Demerged Business; and (ii) to the extent the books, ledgers and financial records of the Demerged Company contain information in relation to the Demerged Business and Retained Business, the term 'Books and Records' shall mean copies of relevant extracts of statement of accounts, invoices of Demerged Assets, Business Contracts, Permits, Demerged Liabilities, employee and personnel records of the Business Employees and all other ledgers, registers, data books, documents and records pertaining to the Demerged Business, to the extent practicable, including any such information recorded or stored in writing or upon magnetic tape or disc or otherwise recorded or stored for reproduction, whether by mechanical or electronic means;
- 1.8. "Business Contracts" means:
  - (i) all such contracts executed by the Demerged Company up to the Appointed Date solely and exclusively in relation to the Demerged Business;
  - (ii) intra-company purchase orders issued by the Demerged Company and the purchase orders issued by the affiliates of the Demerged Company, prior to the Effective Date in relation to the Demerged Business; and



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- (iii) such other contracts and purchase orders executed by the Demerged Company solely in relation to the Demerged Business during the period between the Appointed Date and the Effective Date as mutually agreed between the Parties at least 10 (ten) days prior to the Effective Date,

in each case being valid and subsisting as on the Effective Date;

- 1.9. "Business Employees" shall have the meaning ascribed to it in Clause 5.7.1;
- 1.10. "Business Employee Entitlements" means, in respect of each Business Employee, any and all accrued but unpaid entitlements to gratuity, leave encashment and provident fund accumulations of such Business Employee as at the Effective Date, including all related Taxes;
- 1.11. "Charter Documents" means the memorandum of association and the articles of association, or any other constitutional documents, of a Person as amended from time to time;
- 1.12. "Demerged Assets" mean all immovable properties, assets, plant, machinery, properties, rights and interests (whether tangible or intangible), where the Demerged Company has a right to use, occupy, operate, hire, rent etc. pertaining solely to the Demerged Business including (i) all Immovable Properties and rights thereto as are currently being used solely for the purpose of the Demerged Business, more particularly set out in Schedule 1 hereto, i.e., the Leased Land, together with the Durgapur Facility, Durgapur Township and structures standing thereon, including capital work in progress, whether freehold, leasehold, leave and licensed, right of way, tenancies or otherwise including all rights and interests in the roads, gardens, drains and culverts, civil works, foundations for civil works, buildings, warehouses, offices, complexes, and other premises etc. situated thereat, unless otherwise mutually determined by the Boards of Demerged Company and Resulting Company, and all documents (including panchnamas, declarations, lease deeds or receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest, in connection with the said immovable properties; (ii) all assets, as are movable in nature pertaining solely to the Demerged Business, whether present or future or contingent, tangible or intangible, in possession or not, corporeal or incorporeal, including current assets, capital work in progress, plant and machinery, furniture, fixtures, air conditioners, appliances, accessories, office equipment, installations, vehicles, actionable claims, earnest monies and sundry debtors, prepaid expenses, bills of exchange, promissory notes, outstanding loans and advances, recoverable in cash or in kind or for value to be received, receivables, funds, deposits including accrued interest thereto with any Government Authority; (iii) all deposits and balances with government, quasi-government, local and other authorities and bodies, customers and other persons, earnest monies and/or security deposits paid or received by the Demerged Company solely in connection with the Demerged Business; (iv) all input GST credits (to the extent transferable under Tax Laws) that are allocable, referable or solely related to the Demerged Business, as mutually determined by the Boards of the Demerged Company and the Resulting Company in accordance with Tax Laws; and (v) security deposits and payment guarantees provided by the Demerged Company in relation to Business Contracts but excluding the Retained Business Assets;
- 1.13. "Demerged Business" means the business of manufacture and supply of power boilers components, pressure vessels, piping, and coal mills for thermal power plants undertaken by the Demerged Company at the Durgapur Facility;
- 1.14. "Demerged Company" has the meaning ascribed to it in the Description of Parties;
- 1.15. "Demerged Company Funds" has the meaning ascribed to it in Clause 5.7.3;



1.16. "Demerged Company Financial Statements" means the management certified financial statements of the Demerged Undertaking prepared as of the Appointed Date;

1.17. "Demerged Liabilities" means the following Liabilities relating to the Demerged Business, and identified after due consideration of the applicable provisions of Section 2(19AA) of the IT Act:

- (i) Liabilities of every kind, nature and description, which arise out of the activities or operations of the Demerged Business, or solely relatable to the Demerged Business;
- (ii) the specific loans or borrowings (including debentures, if any, raised, incurred and utilized solely for the activities or operations) of the Demerged Business (including the amounts outstanding as on the Appointed Date as mentioned in the Demerged Company Financial Statements); and
- (iii) general or multipurpose borrowings, if any, of the Demerged Company, apportioned on the basis of proportion of the value of the assets transferred in the Demerger of Demerged Business to the total value of the assets of the Demerged Company immediately prior to the Demerger, outstanding as on the Appointed Date and as mentioned in the Demerged Company Financial Statements;

and (a) shall include (A) all Liabilities of the Demerged Company relating to the Demerged Business up to the period immediately prior to the Appointed Date and with effect from the Effective Date (including liabilities arising out of or in connection with breach of or non-compliance with any Applicable Law in relation to the Demerged Business and the Proceedings (but excluding Proceedings in relation to Taxes other than the Identified Tax Proceedings), but to the extent such Liabilities pertain to the Demerged Business; and (B) all Liabilities arising solely in connection with the Demerged Business, on and from the Appointed Date and with effect from the Effective Date (including Tax Liabilities pertaining to the period on or after the Appointed Date and liabilities arising out of or in connection with breach of or non-compliance with any Applicable Law in relation to the Demerged Business and any Proceedings related to the Demerged Business, and (b) shall not include the Retained Business Liabilities;

1.18. "Demerged Undertaking" means all the assets, Liabilities, businesses, undertakings, contracts, employees, activities, operations and properties, of whatsoever nature and kind and wheresoever situated, forming part of the Demerged Business, as a going concern, on the Appointed Date together with any additions, accretions, alterations or deletions thereto from the Appointed Date up to (and including) the Effective Date, and shall mean:

- (i) the Demerged Assets;
- (ii) the Demerged Liabilities;
- (iii) the Business Contracts;
- (iv) all Permits (in each case including the benefit of any applications made for the same), Tax deferrals, and exemptions, Tax benefits and other benefits, if any granted/ issued/ given by any Government Authority pertaining to the Demerged Business;
- (v) Business Employees, together with all rights, obligations and Liabilities relating to their respective Benefit Plans and Business Employee Entitlements, as accrued up to the Effective Date, including any associated Taxes or compliance responsibilities under Applicable Law and applicable collective bargaining agreements associated with such employees;





(vi) all Books and Records,

it being clarified that the Demerged Undertaking shall not include any employees, assets, Liabilities, rights or obligations belonging to and forming part of the Retained Business, Retained Business Assets and/ or Retained Business Liabilities. Any question that may arise as to whether a specified asset, liability, employee or other action, matter or thing forms part of the Demerged Undertaking or the Retained Business, Retained Business Assets and / or Retained Business Liabilities shall be resolved by mutual agreement of the Demerged Company and the Resulting Company;

- 1.19. "Demerger" shall have the meaning ascribed to it in Clause B(2)(i) in the Description of the Scheme;
- 1.20. "Durgapur Facility" means the manufacturing facility, including the buildings and structures situated thereat, situated on the Leased Land;
- 1.21. "Durgapur Township" means the township of the Demerged Company situated on the Leased Land, including, to Demerged Company's knowledge, 1,159 (one thousand one hundred and fifty nine) known residential quarters, common infrastructure, utilities and facilities situated thereat;
- 1.22. "Effective Date" means the last of the dates on which all the conditions precedent and matters referred to in Clause 13 of the Scheme occur or have been fulfilled, obtained or waived, as applicable, in accordance with this Scheme. References in this Scheme to date of 'coming into effect of the Scheme' or 'effectiveness of the Scheme' or "the scheme becoming effective" shall be construed accordingly;
- 1.23. "Eligible Shareholder" means a person whose name appears in the register of members of the Demerged Company and/ or whose name appears as the beneficial owner of the shares of the Demerged Company in the record of the depositories, each as on the Record Date;
- 1.24. "Encumbrance" means (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, security, interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person, including without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law; (ii) any voting agreement, option, right of first offer or refusal or transfer restriction in favour of any Person; (iii) any adverse claim as to title, possession or use; (iv) encumbrances arising in the Ordinary Course (but not in breach of any standstill obligation as may be mutually agreed between the Boards of the Parties) or by operation of Applicable Law, including encumbrances for Taxes and other governmental charges or any retention of title arrangement; (v) survey exceptions, easement and other customary charges or encumbrances on title to real property if such encumbrance would not reasonably be expected to be material to the Demerged Business; (vi) encumbrances created under, in accordance with or arising under this Scheme; (vii) encumbrances created by or through the Resulting Company; (viii) any encumbrance that arises after the date on which the Boards of the Demerged Company and the Resulting Company approve this Scheme, where the amount secured does not increase and the time for payment of that amount is not extended beyond the amount and time approved by the Resulting Company; and (ix) such other encumbrances resulting from or arising due to any mutually identified Proceedings;
- 1.25. "Government Authority(ies)" means any entity, authority or body exercising executive, legislative, judicial, regulatory, statutory or administrative functions of or pertaining to government, including any government authority, agency, department, board, commission or instrumentality of India or any political subdivision thereof, or of any other jurisdiction applicable





to the Parties or the transactions contemplated under this Scheme and shall include any court, tribunal or arbitrator and any securities exchange or body or authority regulating such securities exchange;

- 1.26. "GST" means the goods and services tax levied under the Central Goods and Services Tax Act, 2017 and the respective States Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, Union Territory Goods and Services Tax Act, 2017 and the Goods and Services Tax (Compensation to States) Act, 2017;
- 1.27. "Identified Tax Proceeding" means Central Excise Appeal Number E/76065 of 2019-Ex pending before the Hon'ble Customs, Excise and Service Tax Appellate Tribunal, Kolkata for FY 2000-01 to 2003-04 relating to the inclusion of value of freight in the assessable value leviable to excise duty, which is related to Demerged Undertaking, for an excise demand of INR 48,966,058 (Indian Rupees Forty Eight Million Nine Hundred Sixty Six Thousand and Fifty Eight) and pre-deposit INR 3,682,455 (Indian Rupees Three Million Six Hundred Eighty Two Thousand Four Hundred and Fifty Five);
- 1.28. "Immovable Properties" means (a) the Leased Land; (b) Durgapur Facility (including any plant and machinery which is permanently embedded thereat); and (c) Durgapur Township;
- 1.29. "Ind AS" shall mean the Indian Accounting Standards notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time;
- 1.30. "INR" means Indian Rupee, the lawful currency of the Republic of India;
- 1.31. "IT Act" means the (Indian) Income-tax Act, 1961 and any rules, regulations, by-laws, orders, ordinances, directions, notifications, clarifications, and similar legal enactments, in each case issued thereunder as applicable. Any reference in this Scheme to a section, rule or concept under the Income-tax Act, 1961 shall, upon the Income-tax Act, 2025 coming into force, be construed to include the corresponding or substantially equivalent provision of the Income-tax Act, 2025 (and any subordinate legislation thereunder), and terminology shall be read *mutatis mutandis* unless the context otherwise requires;
- 1.32. "Lease Deed" means the Indenture of Lease dated July 2, 1969 executed between the Governor of the State of West Bengal and ACC-Vickers-Babcock Limited for grant of lease of the Leased Land by the Governor of the State of West Bengal for 999 (nine hundred and ninety-nine) years and currently under the administration of ADDA;
- 1.33. "Leased Land" means approximately 661 (six hundred and sixty-one) acres of land situated in Durgapur, district Paschim Bardhaman, West Bengal, India, taken on lease by the Demerged Company under the Lease Deed;
- 1.34. "Liabilities" means all indebtedness and other liabilities, obligations or commitments of any nature whatsoever, whether known or unknown, absolute, accrued or contingent, liquidated or otherwise, including those arising under any Applicable Law, action or order and those arising under any contract;
- 1.35. "LODR Regulations" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- 1.36. "Master Circular" means the (i) 'Master Circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957' dated June 20, 2023; and (ii) Chapter XII (Scheme(s) of Arrangement by entities



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who have listed their NCDs/ NCRPS) of the Master Circular for listing obligations and disclosure requirements for Non-convertible Securities, Securitized Debt Instruments and/ or Commercial Paper dated May 21, 2024 issued by SEBI;

- 1.37. **"National Company Law Tribunal"** or **"NCLT"** means the National Company Law Tribunal at Mumbai, having jurisdiction in relation to Demerged Company and Resulting Company, and/or the National Company Law Appellate Tribunal (**"NCLAT"**), as constituted and authorized as per the provisions of the Act for approving any scheme of arrangement, compromise or reconstruction of companies under Sections 230 to 232 of the Act and shall include, if applicable, such other forum or authority as may be vested with the powers of a tribunal for the purposes of Sections 230 to 232 of the Act as may be applicable;
- 1.38. **"NCD"** means the listed non-convertible debentures of the Resulting Company, having terms and conditions specified in Schedule 2 of this Scheme;
- 1.39. **"Order"** means any writ, judgment, decree, injunction, decision, ruling, order or statement of any Government Authority (in each such case whether preliminary or final);
- 1.40. **"Ordinary Course"** means with reference to an action, event or circumstance, taken by or occurring in respect of a Person, means an action, event, or circumstance that is: (i) recurring in nature; and (ii) similar in magnitude to actions or initiatives customarily taken in the ordinary course of the Person's normal business and operations having regard to the nature and scope of its business at such time; and (iii) consistent with past practices and existing policies;
- 1.41. **"Parties"** means collectively the Demerged Company and the Resulting Company and **"Party"** means each of them, individually;
- 1.42. **"Permits"** means all licenses, consents, permissions, approvals, authorisations, no-objections, applications, registrations, exemptions, waivers, permits, and concessions obtained from the Government Authorities solely for use or held for use by Demerged Company in relation to the Demerged Business which are capable of being transferred or assigned under Applicable Laws;
- 1.43. **"Person"** means any natural person, limited or unlimited liability company, corporation, partnership firm (whether limited or unlimited), proprietorship firm, Hindu undivided family, trust, union, association, government or any agency or political subdivision thereof;
- 1.44. **"Proceeding"** means any claim, action, cause of action, arbitration, audit, examination, hearing, investigation (whether civil, criminal or administrative), litigation, summons, proceeding or lawsuit commenced, brought, conducted or heard by or before any Government Authority, including in relation to Taxes;
- 1.45. **"Record Date"** means a mutually agreed date to be fixed by the Boards of Demerged Company and Resulting Company for the purposes of determining the Eligible Shareholders to whom shares of Resulting Company would be issued and allotted in accordance with Clause 6 of this Scheme;
- 1.46. **"Registrar of Companies"** shall mean the Registrar of Companies at Mumbai, Maharashtra, having jurisdiction in relation to the Demerged Company and the Resulting Company;
- 1.47. **"Resulting Company"** has the meaning ascribed to it in the Description of Parties;
- 1.48. **"Resulting Company New Shares"** has the meaning ascribed to it in Clause 6.1 hereto;





- 1.49. **"Retained Business"** means all the undertakings, assets, liabilities, investments, businesses, activities and operations of the Demerged Company other than the Demerged Business;
- 1.50. **"Retained Business Assets"** means any and all assets pertaining to the Retained Business and assets not forming part of the Demerged Assets;
- 1.51. **"Retained Business Liabilities"** means (i) all Liabilities in respect of the Retained Business Assets; and (ii) Tax Liabilities in relation to Demerged Company pertaining to the period prior to the Appointed Date whether arising before or after the Appointed Date; and (iii) Liabilities in relation to Tax Proceedings (except Identified Tax Proceeding) of Demerged Company related to the period prior to the Appointed Date whether arising before or after the Appointed Date;
- 1.52. **"Scheme" or "the Scheme" or "this Scheme"** means this scheme of arrangement in its present form as submitted to the NCLT, pursuant to Sections 230-232 (read with Section 2(19AA), Section 47 and other applicable provisions of the IT Act) and other relevant provisions of the Act, with such modifications and amendments, if any made, as per Clause 12 of this Scheme, with the appropriate approvals and sanctions of the NCLT and other relevant regulatory authorities, including without limitation the SEBI, as may be required under the Act and under all other Applicable Laws;
- 1.53. **"SEBI"** means the Securities and Exchange Board of India;
- 1.54. **"Share Entitlement Ratio"** shall have the meaning ascribed to it in Clause 6.1;
- 1.55. **"Stock Exchanges"** means the BSE Limited and/or the National Stock Exchange of India Limited;
- 1.56. **"Tax", "Taxes" or "Taxation"** means all applicable forms of taxation, duties, levies imposed, whether direct or indirect, whether central, state or local, including corporate income tax, tax deduction at source, tax collection at source, minimum alternate tax, withholding tax, stamp duty, health and education cess, value added tax, GST, customs and excise duties, capital gains tax and other legal transaction taxes, dividend withholding tax, environmental taxes and duties and any other type of taxes or duties payable by virtue of any Applicable Law or regulation in India and which may be due directly or by virtue of joint and several liability in India or by virtue of being treated as a representative assessee and/or a successor under the IT Act; together with any interest, penalties, surcharges or fines relating to them, due, payable, levied, imposed upon or claimed to be owed in India;
- 1.57. **"Tax Laws"** shall have the meaning set out in Clause 5.9.4;
- 1.58. **"TCS"** means tax collectible at source, in accordance with the provisions of Tax Laws; and
- 1.59. **"TDS"** means tax deductible at source, in accordance with the provisions of Tax Laws

## 2. INTERPRETATION

- 2.1. Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, IT Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other Applicable Laws.
- 2.2. In this Scheme, unless the context otherwise requires:



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- (i) reference to any law, statute or to any provision thereof shall include references to any such law or statute or to any provision thereof as it may, after the date hereof, from time to time, be amended, supplemented or re-enacted, or to any law, statute or any provision which replaces it, and any reference to any statute or to any statutory provision shall include any subordinate Legislation made from time to time under that statute or provision;
- (ii) References to 'Clauses', 'Recitals' and 'Schedules', unless otherwise provided, are to clauses, recitals and schedules of and to this Scheme;
- (iii) headings, subheadings, titles, subtitles to clauses, sub-clauses and paragraphs are for information only and shall not form part of the operative provisions of this Scheme and shall be ignored in construing the same;
- (iv) words denoting the singular shall include the plural and words denoting any gender shall include all genders;
- (v) reference to a document includes an amendment or supplement to, or replacement or novation of that document;
- (vi) Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
- (vii) reference to days, months and years are to calendar days, calendar months and calendar years, respectively; and
- (viii) the Schedules shall constitute an integral part of this Scheme.

### 3. SHARE CAPITAL

- 3.1. The authorized, issued and subscribed share capital of the Demerged Company as on September 18, 2025 is as follows:

Particulars	Amount (in INR)
<b>Authorized Share Capital</b>	
195,000,000 equity shares of INR 10 each	1,950,000,000
40,500,000 preference shares of INR 100 each	4,050,000,000
<b>Total</b>	<b>6,000,000,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
67, 227,471 equity shares of INR 10 each	672,274,710
<b>Total</b>	<b>672,274,710</b>

- 3.2. The authorized, issued and subscribed share capital of the Resulting Company as on September 18, 2025 is as follows:



Particulars	Amount (in INR)
<b>Authorized Share Capital</b>	
5,000,000,000 equity shares of INR 10 each	50,000,000,000
<b>Total</b>	<b>50,000,000,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
1,74,77,68,451 equity shares of INR 10 each	17,477,684,510
<b>Total</b>	<b>17,477,684,510</b>

- 3.3. The equity shares of the Demerged Company and Resulting Company are listed on the Stock Exchanges.

**4. DATE OF TAKING EFFECT AND OPERATIVE DATE**

The Scheme will become operative on and from the Effective Date, and the Demerged Undertaking shall stand transferred and be vested in the Resulting Company on and from and with effect from the Appointed Date.

**PART II**

**DEMERGER OF THE DEMERGED UNDERTAKING INTO THE RESULTING COMPANY**

**5. Transfer and vesting of the Demerged Undertaking**

- 5.1. Upon this Scheme becoming effective and with effect from the Appointed Date, the Demerged Undertaking shall, subject to the provisions of this Clause 5, without any further act, instrument or deed, be demerged from the Demerged Company and stand transferred to and vested in or be deemed to be transferred to or vested in the Resulting Company, as a going concern, on an as is where is basis, so as to become a business undertaking of the Resulting Company and vest in the Resulting Company all the rights, title and interest of Demerged Undertaking therein from the Appointed Date by operation of law, in accordance with Sections 230 to 232 and other applicable provisions of the Act and Section 2(19AA), Section 47, Section 72A and other applicable provisions of the IT Act and Tax Laws in force in India on the Effective Date. For the avoidance of doubt, the Retained Business and all the assets, liabilities and obligations pertaining thereto and Retained Business Assets and Retained Business Liabilities shall continue to belong to and be vested in and be managed by the Demerged Company.

**5.2. Transfer of Assets**

Without prejudice to the generality of Clause 5.1 above, upon this Scheme becoming effective and with effect from the Appointed Date:

- 5.2.1. such assets of the Demerged Company, pertaining to the Demerged Undertaking, as are movable in nature including Books and Records and/or otherwise capable of transfer by manual or constructive delivery and/or by endorsement and delivery, or by vesting and recording, the same shall stand transferred by the Demerged Company to the Resulting Company pursuant to the provisions of Section 230 to 232 read with other relevant provisions of the Act, without requiring





any deed or instrument of conveyance for transfer of the same, and shall become the property of the Resulting Company as an integral part of the Demerged Undertaking. The vesting pursuant to this sub-Clause shall be deemed to have occurred by physical or constructive delivery or by endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.

5.2.2. all other movable properties of the Demerged Company pertaining to the Demerged Undertaking (other than as set out in Clause 5.2.1 above), including input GST credit with the government as applicable, actionable claims, earnest monies, margin money, sundry debtors, future receivables, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of the Resulting Company without any notice or other intimation to any Person 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 the books of the Resulting Company to record the aforesaid change, without any notice or other intimation to such debtors, depositors or Persons as the case may be. 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 NCLT having sanctioned this Scheme, the relevant assets 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 realize the same stands transferred to the Resulting Company.

5.2.3. in respect of the assets and properties forming part of the Demerged Undertaking which are immovable in nature (i.e., the Leased Land, Durgapur Facility, and Durgapur Township as set out in Schedule 1 hereto) including all rights, interest and easements in relation thereto or embedded to the land and rights and interests in immovable properties forming part of the Demerged Undertaking, whether freehold or leasehold or licensed or otherwise, all tenancies, and all documents of title, right, security deposits and easements in relation thereto, the same shall stand transferred and vested or be deemed to have been transferred to or vested in 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 the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant appropriate authority shall suffice as record of continuing titles with the Resulting Company and shall be constituted as a deemed mutation and substitution thereof. The Resulting Company shall be liable to pay the ground rent and Taxes and fulfil all obligations in relation or applicable to such immovable properties with effect from the Effective Date. The relevant authorities shall grant all clearances / permissions, if any, required for enabling the Resulting Company to absolutely own and enjoy the immovable properties in accordance with Applicable Law. The mutation of the immovable properties (including the Immovable Properties) shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Resulting Company by the appropriate authorities pursuant to the sanction of this Scheme by the NCLT in accordance with the terms hereof. The Resulting Company shall upon the Scheme becoming effective be entitled to the delivery and possession of copies of all documents of title to such immovable property in this regard, which are in possession of the Demerged Company pertaining to the Demerged Undertaking. 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. For the purposes of this Clause, the Boards of the Demerged Company and the Resulting Company shall mutually decide the manner of giving effect to the transfer or vesting of the whole or part of the right, title and interest in all or any of the immovable properties along with any attendant formalities involved, including by way of execution of deed(s) of conveyance, assignment, transfer or rectification, in order to give effect to the objectives of the Scheme.



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5.2.4. Without prejudice to the generality of Clause 5.2.3 above and Clause 5.2.5 below, it is clarified that, with respect to the immovable properties forming part of the Demerged Undertaking in the nature of land and buildings, the Resulting Company may, at its own cost and expense, register the true copy of the order of the NCLT approving the Scheme with the offices of the relevant sub-registrar of assurances or similar registering authority having jurisdiction over the location of such immovable property and may also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 5.2.4 or Clause 5.2.5 below will be for the limited purpose of meeting statutory requirements and shall not be deemed to be a document under which the transfer of any property of the Demerged Company takes place and the assets and liabilities forming part of the Demerged Undertaking shall be transferred solely pursuant to and in terms of this Scheme and the order of the NCLT sanctioning this Scheme.

5.2.5. Without prejudice to the aforesaid, it is clarified that if any assets of whatsoever nature (including estate, claims, rights, title, interest in or authorities relating to such assets) in relation to the Demerged Undertaking which the Demerged Company owns or to which the Demerged Company is a party to, cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such assets in trust for the benefit of the Resulting Company, insofar as it is permissible so to do, till such time as the transfer is effected and shall hold and deal with the same in accordance with the reasonable instructions as may be given by the Resulting Company in that regard; and the Demerged Company shall make reasonable efforts to transfer such assets to the Resulting Company (along with any benefits attached thereto) within the earliest possible period pursuant to the Scheme becoming effective.

### 5.3. Transfer of Liabilities

5.3.1. Upon coming into effect of this Scheme and with effect from the Appointed Date (or in case where any such Liabilities are incurred on a date after the Appointed Date, with effect from such date), all Demerged Liabilities, shall without any further act, instrument or deed be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Resulting Company and the same shall be assumed by the Resulting Company to the extent that they are outstanding as on the Effective Date, so as to become as and from the Appointed Date (or in case of any Liability incurred on a date after the Appointed Date, with effect from such date), the Liabilities of the Resulting Company, on the same terms and conditions as were applicable to the Demerged Company, which the Resulting Company undertakes to meet, discharge and satisfy to the exclusion of the Demerged Company such that the Demerged Company shall in no event be responsible or liable in relation to any such Demerged Liabilities including any actions, demands and Proceedings in respect thereof. The Resulting Company shall keep the Demerged Company indemnified at all times from and against all such Demerged Liabilities and from and against all actions, demands and Proceedings in respect thereto in the manner mutually agreed between the Parties. It shall not be necessary to obtain the consent of any third party or other Person who is a party to any contract or arrangement by virtue of which such Demerged Liabilities have arisen in order to give effect to the provisions of this Clause.

5.3.2. Such Demerged Liabilities transferred to the Resulting Company in terms of Clause 5.3.1 above, shall, without any further act, instrument or deed, become Liabilities of the Resulting Company, and all rights, powers, duties and obligations in relation thereto shall stand vested in and shall be exercised by or against the Resulting Company as if it had incurred such Liabilities. Thus, with effect from the Effective Date, the primary obligation to discharge such Demerged Liabilities shall be that of the Resulting Company.

5.3.3. Where any of the Liabilities and obligations of the Demerged Company as on the Appointed Date deemed to be transferred to the Resulting Company, have been partially or fully discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge



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shall be deemed to have been for and on account of the Resulting Company and all Liabilities raised/ incurred by the Demerged Company for the operations of the Demerged Undertaking on or after the Appointed Date and prior to the Effective Date shall be deemed to have been raised/ incurred for and on behalf of the Resulting Company and to the extent they are outstanding on the Effective Date, shall also without any further act, instrument or deed be and stand transferred to and be deemed to be transferred to the Resulting Company and shall become the Liabilities of the Resulting Company.

- 5.3.4. Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Demerged Company alone and severally shall be liable, as applicable, to perform all obligations in respect of all debts, liabilities, duties and obligations pertaining to the Retained Business and the Resulting Company shall not have any obligations in respect of the debts, liabilities, duties and obligations of the Retained Business and Retained Liabilities.

#### 5.4. Encumbrances

- 5.4.1. The transfer and vesting of Demerged Undertaking to and in the Resulting Company upon the coming into effect of the Scheme shall be subject to the Encumbrances, if any, affecting the same as hereinafter provided.
- 5.4.2. All the existing Encumbrances, if any, existing immediately prior to the Effective Date over the Demerged Undertaking shall, after the Effective Date, without any further act, instrument or deed, continue to relate, extend, operate over and attach to such assets of the Demerged Undertaking or any part thereof to which they are related or attached immediately prior to the Effective Date.
- 5.4.3. In so far as the existing Encumbrances in respect of the Demerged Liabilities are concerned, such Encumbrances shall, after the Effective Date, without any further act, instrument or deed, continue to be related and attached to such assets of the Demerged Undertaking or any part thereof to which they related or were attached immediately prior to the Effective Date and are transferred to the Resulting Company. Provided that if any of the assets of the Demerged Company pertaining to the Demerged Undertaking have not been Encumbered in respect of the Demerged Liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Resulting Company. The absence of any formal amendment which may be required by a lender or trustee or any third party shall not affect the operation of the foregoing provisions of this Scheme.
- 5.4.4. The Scheme shall not operate to enlarge the Encumbrances in respect of the Demerged Liabilities over the properties, assets, rights, benefits and interest of the Resulting Company (as existing immediately prior to the effectiveness of the Scheme) nor shall the Resulting Company be obliged to create any further or additional Encumbrance after the Scheme has become effective or otherwise.

#### 5.5. Permits and Approvals

- 5.5.1. Upon coming into effect of this Scheme and with effect from the Appointed Date, the Permits relating solely and exclusively to the Demerged Undertaking, including the benefits of any applications made for any of the foregoing, which are subsisting immediately before the Effective Date, shall subject to Applicable Law, stand transferred to and vested in the Resulting Company and the concerned licensor and grantors of such Permits shall endorse where necessary, and record, in accordance with Applicable Law, the Resulting Company on such Permits so as to empower and facilitate the approval and vesting of the Demerged Undertaking in the Resulting Company and continuation of operations pertaining to the Demerged Undertaking in the



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Resulting Company without any hindrance and the Permits shall stand transferred to and vested in and shall be deemed to be transferred to and vested in the Resulting Company without any further act or deed and shall be appropriately mutated by the Government Authorities concerned therewith in favour of the Resulting Company as if the same were originally given by, issued to or executed in favour of the Resulting Company and the Resulting Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Resulting Company.

5.5.2. The Resulting Company shall take all such actions as maybe necessary and permissible under Applicable Law to get the Permits transferred or registered in its name, at its own cost and expense and the Demerged Company shall (at the sole cost of the Resulting Company), do all such acts or things as may be reasonably necessary to facilitate transfer/ registration of the Permit in the Resulting Company's name.

5.5.3. If any Permit is non-transferrable, in such a scenario, the Resulting Company shall apply for fresh licenses, permits, permissions, approvals, consents, etc. at its sole cost and expense and the Demerged Company shall co-operate with Resulting Company to apply for the same. Any costs, liabilities or expenses incurred by the Demerged Company in relation thereto shall be promptly reimbursed by the Resulting Company to the Demerged Company.

5.5.4. Without prejudice to the generality of the foregoing, upon coming into effect of this Scheme, the Demerged Company shall have the unconditional right at all times to use all experience, past track record, qualification criteria and credentials in manufacturing and supplying the products / services thereof to various customers, authorities, agencies, departments and clients pertaining to the Demerged Undertaking (any time prior to the Effective Date) for the purpose of eligibility, standing, evaluation and participation in existing and future bids, tenders and contracts with various customers, authorities, agencies, departments, clients, etc and other commercial purposes.

5.5.5. Notwithstanding the generality of the foregoing provisions, all electricity, 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 West Bengal pertaining to the Demerged Undertaking, together with security deposits and all other advances paid, shall stand automatically transferred in favour of the Resulting Company on the same terms and conditions 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 falls. The Resulting Company shall be liable to comply with the terms, conditions, obligations and covenants associated with the grant of such connection including all payment obligations and shall also be entitled to refund of security deposits placed with such companies, boards, agencies and authorities in respect of the Demerged Undertaking. Any payments made by the Demerged Company for the aforesaid utilities after the Effective Date, shall be promptly reimbursed by the Resulting Company.

#### 5.6. Contracts

5.6.1. Upon coming into effect of this Scheme and subject to the other provisions of this Scheme, all Business Contracts which are subsisting or are in effect on the Effective Date, shall, notwithstanding anything to the contrary contained in the aforesaid Business Contracts, without any further act, instrument or deed, stand transferred to the Resulting Company and continue in full force and effect against or in favour of the Resulting Company and may be enforced by or against the Resulting Company as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party thereto. It shall not be necessary to obtain the consent



of any third party or any other Person who is a party to any such Business Contracts, to give effect to the provisions of this Clause 5.6.1 of the Scheme. Provided that if the Resulting Company enters into and/ or issues and/ or executes deeds, writings or confirmations or enters into any arrangements, confirmations or novation in relation to transfer of Business Contracts, if required by the Resulting Company, the Demerged Company shall at the cost of the Resulting Company, also be party to such tripartite agreements for transfer of such Business Contracts, only to give formal effect to the transfer, without incurring any obligation or liability (present or future) under or in relation to such Business Contracts.

- 5.6.2. Without prejudice to the aforesaid, it is clarified that if any Business Contract cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such contracts, in trust for the benefit of the Resulting Company, insofar as it is permissible so to do, till such time as the transfer is effected and shall hold and deal with the same in accordance with the reasonable instructions as may be given by the Resulting Company in that regard; and the Demerged Company shall make reasonable efforts to transfer such contracts to the Resulting Company (along with any benefits attached thereto) within the earliest possible period pursuant to the Scheme becoming effective.

#### 5.7. Business Employees

- 5.7.1. On the Scheme becoming effective, all permanent employees engaged in the Demerged Business and in service as on the Effective Date and whose services are transferred to the Resulting Company ("Business Employees") shall be deemed to have become employees of the Resulting Company with effect from the Appointed Date or their respective joining date, whichever is later, without any interruption or break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Resulting Company shall not be less favourable than those applicable to them with reference to their employment in the Demerged Company as on the Effective Date. The Resulting Company agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, as applicable, to the Business Employees, their past services with the Demerged Company shall also be taken into account and agrees and undertakes to pay the same as and when payable. The transfer of Business Employees will be together with the transfer of all rights, obligations and Liabilities relating to their respective Benefit Plans and Business Employee Entitlements.
- 5.7.2. It is clarified that save as expressly provided for in the Scheme and subject to Clause 5.7.1, the Business Employees who become the employees of the Resulting Company by virtue of this Scheme, shall be entitled to such employment policies and shall be entitled to avail of such schemes and benefits, as may be determined by the Resulting Company, but and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the other employees of the Resulting Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other employees of the Resulting Company), unless otherwise determined by the Resulting Company. The Resulting Company undertakes to continue to abide by any agreement/ settlement, if any, entered into by the Demerged Company with any union/ Business Employee.
- 5.7.3. It is expressly provided that, upon the Scheme becoming effective, the funds, trusts or benefits created or existing for the benefit of the Business Employees under the Benefit Plans and Business Employee Entitlements (collectively referred to as the "Demerged Company Funds") shall be transferred to similar funds created and/or nominated by the Resulting Company and shall be held for the benefit of the concerned Business Employees, or at the sole discretion of the Resulting Company, be maintained as separate funds by the Resulting Company. In the event the Resulting Company has its own funds in respect of any of the Demerged Company Funds, such contributions and investments shall, subject to the necessary approvals and permissions, at the sole discretion of the Resulting Company, be transferred or merged with the similar/relevant



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funds of the Resulting Company. In the event that the Resulting Company does not have its own funds in respect of any of the above, the Resulting Company may, subject to necessary approvals and permissions, maintain the existing funds separately and contribute thereto until such time that the Resulting Company creates its own funds, at which time, at the sole discretion of the Resulting Company, the Demerged Company Funds, investments, contributions and liabilities pertaining to the Business Employees shall be transferred to the funds created by the Resulting Company. It is hereby clarified that for purposes of vesting, eligibility to participate and level of benefits under the Benefit Plans providing benefits to Business Employees on and from the Effective Date, each Business Employee who is a beneficiary of such plans shall be credited with his or her years of service with the Demerged Company before the Effective Date to the same extent as such Business Employee was entitled to, before the Effective Date, under the Benefit Plan of the Demerged Company in which such Business Employee participated or was eligible to participate immediately prior to Effective Date.

5.7.4. Further to the transfer of Demerged Company Funds as set out in Clause 5.7.3 above, for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, schemes, bye-laws etc. if any, all rights, duties, powers and obligations of the Demerged Company as on the Effective Date in relation to such fund or funds shall become those of the Resulting Company. It is clarified that the services of the Business Employees will be treated as having been continuous for the purpose of the said Demerged Company Funds.

5.7.5. In relation to any other fund (including any funds set up by the Government for employee benefits) created or existing for the benefit of the Business Employees, the Resulting Company shall stand substituted for the Demerged Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said funds in accordance with the provisions of such scheme, funds, bye-laws, etc. in respect of such Business Employees such that all the rights, duties, powers and obligations of the Demerged Company in relation to such funds shall become those of the Resulting Company.

#### 5.8. Legal proceedings

5.8.1. Pursuant to the Scheme coming into effect, the Resulting Company will be the successor of the Demerged Company in connection with the Demerged Undertaking.

5.8.2. Upon the coming into effect of this Scheme, all Proceedings (including Identified Tax Proceeding but excluding Proceedings in relation to Taxes pertaining to the period prior to Appointed Date whether arising before or after the Appointed Date), by or against the Demerged Company in relation to the Demerged Undertaking or the Demerged Business, or which may be instituted at any time in the future shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said Proceedings shall be continued, prosecuted and/or enforced by or against the Resulting Company, as the case may be, after the Effective Date, as effectually and in the same manner and to the same extent as if the same had been instituted by or against the Resulting Company.

5.8.3. The Resulting Company undertakes to have all Proceedings initiated by or against the Demerged Company referred to in Clause 5.8.2 above, which are capable of being continued by or against the Resulting Company, transferred to its name as soon as possible after the Effective Date or amended, as the case may be, and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company, except for criminal proceedings that may not be capable for such transfer as per Applicable Law.



5.8.4. Subject to Clause 5.8.3 above, in case any Proceedings in relation to the Demerged Undertaking mentioned in Clause 5.8.2 above are taken against the Demerged Company, the Resulting Company shall be made party thereto and shall prosecute or defend such proceedings in co-operation with the Demerged Company and any payment, Liabilities or expenses incurred by the Demerged Company thereto shall be the liability of the Resulting Company. In the event, the Resulting Company is not made a party to or until the Resulting Company is made party to any such Proceedings in relation to the Demerged Undertaking, the Demerged Company shall defend the same in accordance with the advice of the Resulting Company and at the cost of the Resulting Company, and the Resulting Company shall reimburse and indemnify the Demerged Company against all Liabilities, expenses and obligations incurred by the Demerged Company in respect thereof in the manner mutually agreed between the Parties.

5.8.5. In the event any Proceedings relate to both the Demerged Undertaking and the Retained Business of the Demerged Company and cannot be allocated exclusively to the Demerged Undertaking or the Retained Business of the Demerged Company, the Resulting Company shall, to the extent permissible under Applicable Laws, be added as party to such Proceedings and shall prosecute or defend such Proceedings in good faith and mutual co-operation with the Demerged Company. Any Liabilities arising from such Proceedings (and related refunds, benefits, entitlements therefrom) will be allocated between the Demerged Company and the Resulting Company by the mutual agreement of the Boards of the Demerged Company and the Resulting Company.

#### 5.9. Taxation matters

5.9.1. This Scheme has been drawn to comply with the conditions relating to "demerger" as defined under Section 2(19AA), Section 47, Section 72A and other applicable provisions of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Sections of the IT Act, at a later date, including resulting from an amendment of law or for any other reason whatsoever, the Scheme shall stand modified/amended to the extent determined necessary to comply and come within the definition and conditions relating to "demerger" as defined in the IT Act. In such an event the Clauses which are inconsistent shall be modified or, if the need arises, be deemed to be deleted and such modification/deemed deletion shall however not affect the other parts of the Scheme.

5.9.2. Notwithstanding anything to the contrary contained in this Scheme and subject, at all times, to Applicable Law, upon effectiveness of this Scheme:

- (i) with effect from the Appointed Date, Tax credits in form of TCS and TDS of Demerged Company in respect of the profits or activities or operation of the Demerged Undertaking on or after the Appointed Date shall be treated as the Tax credit of the Resulting Company. Government Authorities shall transfer the same and give credit for the same to the Resulting Company upon approval of this Scheme by the NCLT and upon such Scheme and other relevant documents being provided to the said Government Authorities;
- (ii) the payment of any amounts in relation to any outstanding Tax liability shall not be hampered in any way as a result of the Demerger of the Demerged Undertaking from the Demerged Company to the Resulting Company and any Tax liability of the Demerged Company which is outstanding as on the Appointed Date and/or which arises after the Appointed Date but pertains to the period prior to the Appointed Date shall be borne by the Demerged Company and any Tax liability pertaining to the Demerged Undertaking which arises after and pertains to the period on or after the Appointed Date shall be borne by the Resulting Company; and



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- (iii) The unutilized credits relating to GST pertaining to the Demerged Undertaking which remain unutilized in the electronic ledger of the Demerged Company, as on the date of filing of the requisite forms, shall be transferred to and vest in the Resulting Company as per the relevant provisions of Applicable Law on GST upon filing of the requisite forms.

5.9.3. It is hereby clarified that in case of any incentives under IT Act and Applicable Law on GST due to the Demerged Company pertaining to the Demerged Undertaking, the same shall stand vested in the Resulting Company upon this Scheme becoming effective.

5.9.4. Each of the Resulting Company and the Demerged Company shall be entitled to file/ revise their books of accounts and financial statements and accordingly its income-tax returns, TDS/TCS certificates, TDS/TCS returns, GST returns and other statutory returns, notwithstanding that the period for filing/ revising such returns may have lapsed including but not limited to revision of income tax returns under Section 170A of the IT Act or otherwise, certificates and returns of TDS and TCS, GST returns, other statutory returns and to obtain TDS/TCS certificates, including TDS/TCS certificates relating to transactions between or amongst the Demerged Company and the Resulting Company and shall have the right to claim refunds, advance Tax credits, input Tax credit (if transferable), credits of all Taxes paid/withheld/ collected, if any, to the extent permissible under Applicable Laws relating to Tax ("Tax Laws") as may be required consequent to implementation of this Scheme.

5.9.5. If the Demerged Company makes any payment to discharge any Liabilities under Tax Laws that are the responsibility of the Resulting Company under Clause 5.9.2(ii) above, the Resulting Company shall promptly pay or reimburse the Demerged Company for such payment. If the Resulting Company makes any payment to discharge any Liabilities under Tax Laws that are the responsibility of the Demerged Company under Clause 5.9.2(ii) above, the Demerged Company shall promptly pay or reimburse the Resulting Company for such payment.

5.9.6. If the Demerged Company receives any refunds under Tax Laws that the Resulting Company is entitled to receive under Clause 5.9.2(i) and Clause 5.9.2(iii) above, the Demerged Company shall promptly pay the Resulting Company the amount of refund so received. If the Resulting Company receives any refunds under Tax Laws in relation to the Demerged Undertaking that the Demerged Company is entitled to receive (i.e. other than refunds Resulting Company is entitled under Clause 5.9.2(i) and Clause 5.9.2(iii) above), the Resulting Company shall promptly pay the Demerged Company the amount of refund so received.

5.9.7. Without prejudice to the generality of the foregoing, on and from the Appointed Date, if any certificate for tax deducted or collected at source or any other tax credit certificate relating to the Demerged Undertaking is received in the name of Demerged Company, or Tax credit relating to the Demerged Undertaking is appearing in Form 26AS of the Demerged Company, it shall be deemed to have been received by and in the name of the Resulting Company which alone shall be entitled to claim credit for such Tax deducted or paid.

5.9.8. Upon the Scheme coming into effect, any actions taken by the Demerged Company to comply with Tax Laws (including but not limited to payment of Taxes, maintenance of records, payments, returns, filings under Tax Laws) in respect of the Demerged Undertaking on and from the Appointed Date shall be deemed to constitute maintenance, filing, compliance or payment by the Resulting Company with the relevant obligations under such Tax Laws and shall, in all Proceedings, be dealt with accordingly.

5.9.9. All the expenses incurred by the Demerged Company and the Resulting Company in relation to the Demerger of the Demerged Undertaking as per this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the respective companies in accordance with Section



35DD of the IT Act over a period of 5 (five) financial years beginning with the previous year during which the Appointed Date of the Scheme falls.

5.9.10. All available accumulated Tax losses including brought forward business loss, unabsorbed depreciation, etc., pertaining to the Demerged Undertaking as on and up to the Appointed Date, shall be available to Resulting Company in terms of Section 72A of IT Act. Where such loss or unabsorbed depreciation that is not directly relatable to the Demerged Undertaking is transferred to the Resulting Company, it shall be apportioned between the Demerged Company and Resulting Company in accordance with the provisions of IT Act. It is expressly clarified that all the accumulated losses and unabsorbed depreciation as are transferred, shall be eligible to be carried forward and set off in the hands of the Resulting Company.

5.9.11. It is hereby agreed and acknowledged by the Parties that, pursuant to the Demerger and the consequent transfer of the Identified Tax Proceedings to the Resulting Company, all rights, entitlements, and obligations arising therefrom shall vest exclusively with the Resulting Company. Accordingly, any amount pre-deposited by the Demerged Company in relation to such Identified Tax Proceedings, including but not limited to amounts deposited under protest or as a condition for filing appeal(s), shall stand transferred to and be deemed to be held by the Resulting Company for all intents and purposes, including for the purpose of compliance with statutory requirements and realization of any refund, adjustment, or relief arising therefrom.

## 6. CONSIDERATION

6.1. Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Demerged Undertaking of the Demerged Company in the Resulting Company in terms of this Scheme, the Resulting Company shall, without any further application, act or deed, issue and allot equity shares, credited as fully paid-up ("Resulting Company New Shares"), to the Eligible Shareholders, or to their respective heirs, executors, administrators, other legal representative or other successors in title in the following manner:

*"10 (ten) fully paid up equity shares of INR 10 (Indian Rupees Ten) each of the Resulting Company shall be issued and allotted for every 139 (one hundred and thirty nine) fully paid-up equity shares of INR 10 (Indian Rupees Ten) each held in the Demerged Company which shall be adjusted, without any further approval from the Government Authority, for any restructuring of share capital of the Demerged Company and/ or the Resulting Company by way of share split/consolidation/issue of bonus shares, buyback/ capital reduction/ preferential issue/ issue of shares on conversion of loans, debentures, preference shares, except issuance of shares on account of employee stock options during the pendency of the Scheme ("Share Entitlement Ratio")."*

6.2. The Resulting Company New Shares shall be subject to the provisions of the Charter Documents of the Resulting Company, as the case may be, and shall rank *pari passu* in all respects with the then existing equity shares of the Resulting Company, as the case may be, after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of the Resulting Company. The issuance of the Resulting Company New Shares by the Resulting Company shall be in compliance with the Foreign Exchange Management Act, 1992 and rules and regulations framed thereunder.

6.3. The Share Entitlement Ratio has been determined by the Board of the Demerged Company and the Resulting Company based on their independent judgment and taking into consideration the share entitlement report dated September 18, 2025 issued jointly by RBSA Valuation Advisors LLP (registered valuer appointed by the Demerged Company) and GT Valuation Advisors Private Limited (registered valuer appointed by the Resulting Company).





- 6.4. Without prejudice to the provisions contained in Clause 12.1 of this Scheme, the approval of this Scheme by the shareholders of the Demerged Company and the Resulting Company shall be deemed to also constitute approval of any such consequential adjustment to the Share Entitlement Ratio, and the respective Boards of Directors of the Demerged Company and the Resulting Company are hereby authorised, without any requirement for further approval of the shareholders, to determine, approve and give effect to such adjustment.
- 6.5. The issue and allotment of the Resulting Company New Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the NCLT 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 Law as may be applicable, were duly complied with. It is clarified that the approval of the members and creditors of the Resulting Company and/or the Demerged Company to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of the Resulting Company New Shares to the Eligible Shareholders.
- 6.6. The Resulting Company New Shares shall mandatorily be issued in dematerialized form to those shareholders who hold shares of the Demerged Company in dematerialized form, into the account in which shares of the Demerged Company are held or such other account as is intimated in writing by such shareholders to the Demerged Company provided such intimation has been received by the Demerged Company at least 7 (seven) days before the Record Date. All those shareholders who hold shares of the Demerged Company in physical form shall receive the Resulting Company New Shares in dematerialized form only, provided that the details of their account with the depository participant are intimated in writing to the Demerged Company and provided such intimation has been received by the Demerged Company at least 7 (seven) days before the Record Date. If no such intimation is received from any shareholder who holds shares of the Demerged Company in physical form 7 (seven) days before the Record Date, the Resulting Company shall issue and allot such Resulting Company New Shares in dematerialised form into a separate demat account opened by the Resulting Company in accordance with Regulation 39(2A) of LODR Regulations for the benefit of such shareholders and such shares shall be credited to the respective depository participant accounts of such shareholders as and when the details of such shareholder's account with the depository participant are intimated in writing to the Resulting Company and/or its registrar, if permitted under Applicable Law. All costs and expenses incurred in this respect shall be borne by the Resulting Company.
- 6.7. If the allotment of the Resulting Company New Shares pursuant to this Clause 6 will result in any shareholders being issued fractional shares, then the fractional entitlements shall be consolidated and thereupon allotted in lieu thereof to trustee(s) authorized by the Board of the Resulting Company in this behalf who shall hold the Resulting Company New Shares in trust on behalf of the Eligible Shareholders, entitled to fractional entitlements with the express understanding that such trustee(s) shall sell the Resulting Company New Shares so allotted on the Stock Exchanges within a period of 90 (ninety) days from the date of allotment of Resulting Company New Shares, at such price or prices and to such persons, as the trustee(s) deems fit, subject to the provisions of the Master Circular, and shall distribute to the Eligible Shareholders, the net sale proceeds, after deductions of applicable Taxes and expenses incurred, in proportion to their respective fractional entitlements. In case the number of Resulting Company New Shares to be allotted to the trustee(s) authorized by the Board of the Resulting Company by virtue of consolidation of fractional entitlement is a fraction, it shall be rounded off to the next higher integer.
- 6.8. The Resulting Company New Shares to be issued by the Resulting Company in respect of the equity shares of the Demerged Company held in the unclaimed suspense account shall be credited to a new unclaimed suspense account created for shareholders of the Resulting Company. The Resulting Company New Shares to be issued to the equity shareholders of the Demerged



Company held in the investor education and protection fund authority shall be issued to investor education and protection fund authority in favour of such equity shareholders by the Resulting Company.

- 6.9. The Resulting Company New Shares to be issued by the Resulting Company pursuant to this Clause 6 in respect of such of the equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act or which the Resulting Company is unable to issue due to non-receipt of relevant approvals or due to Applicable Law or otherwise shall, pending allotment or settlement of dispute by order of NCLT or any court or otherwise, be held in abeyance by the Resulting Company or shall be dealt with as provided under Applicable Law.
- 6.10. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of the Demerged Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or transferee of equity shares in the Demerged Company, after the effectiveness of the Scheme. The Board of the Demerged Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Demerged Company on account of difficulties faced in the transaction period.
- 6.11. The Resulting Company New Shares will be listed and/or admitted to trading on the Stock Exchanges. The Resulting Company shall promptly apply for listing of Resulting Company New Shares on the Stock Exchanges and enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Applicable Law for the Resulting Company. The Resulting Company New Shares shall remain frozen in the depositories system till listing and trading permission is given by the designated Stock Exchanges. There shall be no change in the shareholding pattern or control in the Resulting Company between the Record Date and the listing which may affect the status of approvals received from the Stock Exchanges.
- 6.12. The approval of the members of the Resulting Company to this Scheme shall be deemed to constitute due compliance with Section 62 and any other applicable provisions of the Act, the LODR Regulations, and the articles of association of the Resulting Company, and no other consent shall be required under the Act or the articles of association of the Resulting Company, for the issue and allotment of Resulting Company New Shares under the Scheme.
- 6.13. Without prejudice to the generality of Clause 6.1, the Demerged Company and the Resulting Company shall, if and to the extent required, apply for and obtain any approvals from concerned Government Authorities and undertake necessary compliance for the issuance and allotment of the Resulting Company New Shares.

## **7. ACCOUNTING TREATMENT**

### **7.1. Accounting treatment in the books of the Demerged Company:**

Upon the Scheme coming into effect, with effect from the Appointed Date, the Demerged Company shall account for the demerger of Demerged Undertaking, in its books of account in accordance with the Ind AS and generally accepted accounting principles in India, in the following manner:



*Handwritten signature/initials.*





- 7.1.1. all the assets and the liabilities of the Demerged Undertaking as appearing in the books of accounts (i.e. the book value) of the Demerged Company shall stand transferred to and vested in the Resulting Company pursuant to the Scheme and shall be reduced from the respective book value of assets and liabilities of the Demerged Company;
- 7.1.2. having recorded the transfer of the assets and liabilities, as aforesaid, the Demerged Company shall make necessary adjustments for the sake of compliance with Ind AS, specifically Ind AS 10 Appendix A 'Distribution of Non cash assets to Owners', and shall debit the fair value of the Demerged Undertaking to the retained earnings/general reserve and create a corresponding liability;
- 7.1.3. The book value of net assets derecognised at Clause 7.1.1 above will be adjusted against the liability recognised at Clause 7.1.2 above. The difference, if any, shall be recognised in the Statement of Profit and Loss in accordance with Ind AS 10 Appendix A; and
- 7.1.4. any matter not dealt with in Clauses 7.1.1, 7.1.2 and 7.1.3 above shall be dealt with in accordance with the Ind AS applicable to the Demerged Company.

7.2. Accounting treatment in the books of the Resulting Company:

Recording the transfer of assets and liabilities on Demerger:

Upon the Scheme coming into effect, with effect from the Appointed Date, the Resulting Company shall account for the acquisition of Demerged Undertaking in its books of account in accordance with the "Acquisition" method prescribed under Ind AS 103 Business Combinations' and generally accepted accounting principles in India, in the following manner:

- 7.2.1. the Resulting Company shall record all the identifiable assets and liabilities of the Demerged Undertaking (including assets and liabilities not specifically recognized by the Demerged Company in its financial statements), transferred to and vested in it pursuant to this Scheme at their respective fair values as on the Appointed Date in accordance with Ind AS 103. Further, acquisition related costs will also be accounted in accordance with the requirements of Ind AS 103;
- 7.2.2. The Resulting Company shall credit its equity share capital account in its books of account with the aggregate face value of the Resulting Company New Shares issued to the shareholders of the Demerged Company as per Clause 6 of this Scheme. The difference between the fair value of Resulting Company New Shares issued and the face value of Resulting Company New Shares issued by the Resulting Company will be credited to securities premium account of the Resulting Company;
- 7.2.3. The surplus or deficit, as the case may be, between the value of Net Assets ("Net Assets" means excess of the fair values of identifiable assets over the fair value of liabilities assumed as recorded under Clause 7.2.1 hereinabove) pertaining to the Demerged Undertaking and the amount of fair value of Resulting Company New Shares issued as per Clause 6 above shall be credited to "capital reserve" under the head "Other Equity" or debited to "goodwill", as the case may be, in accordance with Ind AS 103; and
- 7.2.4. any matter not dealt with in Clauses 7.2.1, 7.2.2 and 7.2.3 above shall be dealt with in accordance with the Ind AS applicable to the Resulting Company.

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### PART III

#### GENERAL TERMS & CONDITIONS

##### 8. RETAINED BUSINESS

- 8.1. The Retained Business and all the assets, investments, liabilities and obligations of the Demerged Company in relation thereto, shall continue to belong to and be vested in and be managed by the Demerged Company and the Resulting Company shall have no right, claim or obligation in relation to the Retained Business and nothing in this Scheme shall operate to transfer any of the Retained Business to the Resulting Company.
- 8.2. 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 Retained Business and/or Retained Business Liabilities shall be continued and enforced against the Demerged Company. The Resulting Company shall in any event not be responsible or liable in relation to any such legal, Tax and/or other proceedings by or against the Demerged Company which relate to the Retained Business.
- 8.3. If the Resulting Company in relation to the Retained Business, is in receipt of any demand, claim, notice and/or impleaded as a party in any of the proceedings before the Government Authority, in view of the transfer and vesting of the Demerged Undertaking pursuant to this Scheme, both the Demerged Company and Resulting Company (at the cost of the Demerged Company) shall take all such steps in the proceedings before the Government Authority to replace the Resulting Company with the Demerged Company. However, if the Resulting Company is unable to get the Demerged Company replaced 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 and indemnify the Resulting Company against all liabilities and obligations incurred by or against the Resulting Company in respect thereof in the manner mutually agreed between the Parties.

##### 9. DIVIDENDS

- 9.1. The Parties shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date, as applicable.
- 9.2. Prior to the effectiveness of the Scheme, the holders of the shares of the Parties shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Charter Documents including the right to receive dividends.
- 9.3. It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of any of the Parties to demand or claim any dividends, which subject to the provisions of the Act, shall be entirely at the discretion of the Boards of the respective Parties, and subject to such approval, if required, of the shareholders of the respective Parties.

##### 10. BUSINESS UNTIL EFFECTIVE DATE

- 10.1. During the period between the approval of the Scheme by the Board of the Demerged Company and the Board of the Resulting Company and the Effective Date, save as may be governed by any arrangement entered into between the Demerged Company and the Resulting Company, the Demerged Business shall be carried out in the Ordinary Course. With effect from the Appointed Date and up to and including the Effective Date,





- (a) the Demerged Company shall carry on and be deemed to have carried on all business and activities pertaining to the Demerged Undertaking and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts, investments, and strategic decisions pertaining to the Demerged Business for and on account of, and in trust for, the Resulting Company;
- (b) all profits and income accruing or arising to the Demerged Company pertaining to the Demerged Undertaking, and losses and expenditure arising or incurred by it (including Taxes, if any, accruing or paid in relation to such profits or income) shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be, of the Resulting Company, except for profits or income accruing to the Retained Business;
- (c) any of the rights, powers, authorities, privileges, exercised by the Demerged Company pertaining to the Demerged Undertaking shall be deemed to have been exercised by the Demerged Company for and on behalf of, and in trust for and as an agent of the Resulting Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Demerged Company pertaining to the Demerged Undertaking shall be deemed to have been undertaken for and on behalf of and as an agent for the Resulting Company; and
- (d) all assets and properties comprised in the Demerged Company pertaining to the Demerged Undertaking as on the date immediately preceding the Appointed Date, whether or not included in the books of the Demerged Company and all assets and properties relating thereto, which are acquired by the Demerged Company pertaining to the Demerged Undertaking, on or after the Appointed Date, shall be deemed to be the assets and properties of the Resulting Company.

10.2. Any claims (including but not limited to trade claims by customers or distributors), Liabilities or demands (including in relation to provident fund and any other statutory obligations) raised or received after the Effective Date but arising out of the activities or operations of the Demerged Undertaking, irrespective of whether it relates to the period before or after the Effective Date, shall be deemed to be part of the Demerged Undertaking and shall consequently be entirely borne by the Resulting Company; provided that any liability or demand in relation to Taxes (including interest, penalty or any other amounts in respect thereof but excluding the Identified Tax Proceedings) which pertains to the period prior to the Appointed Date shall not be transferred to the Resulting Company as part of the Demerged Undertaking, and shall continue to be borne by the Demerged Company, notwithstanding the time at which such liability or demand is raised or crystallised. In the event that such liability is incurred by or such claim or demand is made upon the Demerged Company, then the Resulting Company shall indemnify the Demerged Company (or any successor thereof) for any payments made, costs or Liabilities incurred by the Demerged Company in relation to the same in the manner mutually agreed between the Parties. The Demerged Company shall indemnify the Resulting Company (or any successor thereof) for any payments made, costs or Liabilities incurred by the Resulting Company in relation to the Retained Business Liabilities in the manner mutually agreed between the Parties.

#### 11. APPLICATIONS/PETITIONS

- 11.1. The Demerged Company and the Resulting Company shall make and file all necessary applications and petitions to the NCLT under Sections 230 to 232 of the Act, including seeking such orders for convening and holding or alternatively, dispensing with requirements for convening and holding meetings of the shareholders and/or creditors of the Parties and other applicable provisions of the Act, for sanction of this Scheme and apply for such approvals, as may be required under Applicable Law.



- 11.2. The Parties shall be entitled, pending the effectiveness of the Scheme, to apply to any Government Authority, if required, under any Applicable Law for such consents, licenses, clearances, registrations, approvals etc. which the Parties may require to effect the transactions contemplated under the Scheme and to carry on the business of the Demerged Undertaking, subject to the terms and conditions as may be mutually agreed between the Parties.

## 12. MODIFICATION OR AMENDMENTS TO THIS SCHEME

- 12.1. Any modifications/ amendments/ additions/ deletions to the Scheme may only be made with the approval of the respective Boards of each of the Demerged Company and the Resulting Company. The aforesaid powers of the Demerged Company and the Resulting Company to give effect to the modification/ amendments/ additions/ deletions to the Scheme may be exercised subject to approval of the NCLT or any other Government Authorities as may be required under Applicable Law. The Demerged Company and the Resulting Company agree that if, at any time, either of the NCLT or any Government Authority directs or requires any modification or amendment of the Scheme, such modification or amendment shall not, to the extent it adversely affects the interests of the Demerged Company and/or the Resulting Company, be binding on the Demerged Company and the Resulting Company, as the case may be, except where the prior written consent of the affected party i.e. the Demerged Company and/or the Resulting Company, as the case may be, has been obtained for such modification or amendment. Subject to any directions given by the NCLT, the consent of the shareholders of the Parties to the Scheme shall be deemed to be sufficient for the purposes of effecting any modifications/ amendments/ additions/ deletions to the Scheme in accordance with the terms hereof.
- 12.2. Subject to approval of the NCLT or any other Government Authorities as may be required under Applicable Law, the Demerged Company and the Resulting Company (acting through their respective Boards) may, in their full and absolute discretion, jointly and as mutually agreed in writing, withdraw this Scheme prior to the Effective Date in any manner at any time.
- 12.3. On rejection of the Scheme by NCLT, revocation, withdrawal, or cancellation, this Scheme shall stand revoked, withdrawn, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred *inter-se* between the Demerged Company and the Resulting Company 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 in accordance with the Applicable Law and in such case, each party shall bear its own costs unless otherwise mutually agreed.
- 12.4. Subject to approval of the NCLT or any other Government Authorities as may be required under Applicable Law, the Demerged Company and the Resulting Company (acting through their respective Boards), may, in their full and absolute discretion, jointly and as mutually agreed in writing determine jointly whether any asset, liability, legal or other proceedings pertains to the Demerged Undertaking or not, on the basis of any evidence that they may deem relevant for this purpose.

## 13. CONDITIONALITY AND EFFECTIVENESS OF THE SCHEME

- 13.1. Subject to Applicable Law, the Scheme is conditional upon and subject to the following conditions precedent:
- 13.1.1. receipt of and compliance with the no-objection letter by the Demerged Company and the Resulting Company from the Stock Exchanges under Regulation 37 and Regulation 59A of the LODR Regulations and Master Circular, on terms acceptable to the Demerged Company and the Resulting Company;



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- 13.1.2. the Scheme having been approved by the requisite majority of members (passed through postal ballot/ e-voting, as applicable), and/or creditors (where applicable) of the Demerged Company and the Resulting Company and holders of NCDs (through e-voting) of the Resulting Company as required under the Act, Master Circular and as may be directed by the NCLT, subject to any dispensation that may be granted by the NCLT and the requisite order(s) of NCLT being obtained in this regard;
- 13.1.3. the Scheme having been approved and sanctioned by the NCLT under Sections 230 to 232 and other applicable provisions of the Act on terms acceptable to the Demerged Company and the Resulting Company and the certified copy of the order of the NCLT so approving the Scheme having been received by the Demerged Company and the Resulting Company;
- 13.1.4. the Resulting Company having obtained approval from ADDA for transfer of the Lease Deed in favour of the Resulting Company pursuant to the Scheme;
- 13.1.5. the Demerged Company and the Resulting Company having filed the certified copy of the order of the NCLT, sanctioning the Scheme, with the Registrar of Companies in terms of Section 232(5) of the Act;
- 13.1.6. the fulfilment, satisfaction or waiver (as the case may be) of any approvals mutually agreed by Demerged Company and the Resulting Company as required for completion of the transactions contemplated under this Scheme.
- 13.2. Upon fulfilment and/or waiver (if applicable) of the relevant conditions specified herein, the Demerged Company and the Resulting Company shall mutually acknowledge in writing that all the conditions specified above have been fulfilled and/or waived, if applicable.

#### 14. COSTS, EXPENSES AND TAXES

- 14.1. Unless otherwise specifically provided for under the Scheme, each Party shall bear its own costs, charges and expenses, in relation to or in connection with carrying out, implementing and completing the provisions of this Scheme and/or incidental to this Scheme together with all process-related costs incurred by such Party in connection with the Scheme, including regulatory filing fees, legal fees, valuation and fairness opinion costs, expenses for convening and conducting shareholder or creditor meetings, and other professional or incidental expenses for obtaining approvals or consents in relation to the Scheme, provided that nothing in this Clause 14.1 shall limit the Resulting Company's obligations under Clause 14.2.
- 14.2. Subject to Clause 14.1, the Resulting Company shall promptly pay all stamp, transfer, registration, documentary and other costs, expenses, duties and charges (including transfer, conveyance, assignment related costs, charges and any applicable notarial fees) payable in India in connection with:
  - (i) the Demerger, including the stamp duty and registration fee payable (if any) with respect to the order of the NCLT approving the Scheme and transfer of the Lease Deed in favour of the Resulting Company;
  - (ii) the sale, purchase, assignment, novation or transfer of the Demerged Undertaking (or any part thereof, including the Leased Land) pursuant to the order of the NCLT approving the Scheme and any property (including all the movable and immovable assets) under the Scheme, to the extent applicable;
  - (iii) in the event of any change in the paid-up share capital of the Resulting Company (except pursuant to issuance of shares on account of employee stock options) requiring any step



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/ action in relation to Demerger to be repeated or undertaken afresh or any additional action / compliance becomes applicable due to such change in the Resulting Company's paid up share capital, the Resulting Company shall bear such incremental/ additional / new costs and expenses incurred by the Demerged Company that arise as a result of such change of share capital of the Resulting Company, including, without limitation, costs of fresh valuation reports, fairness opinions, filings, legal fees, any other professional charges and out of pocket expenses; provided that, conversely, in the event of any change in the paid-up share capital of Demerged Company (except pursuant to issuance of shares on account of employee stock options) resulting in any incremental / additional / new costs or compliance in relation to the Demerger, such costs and expenses shall be borne by Demerged Company; and

(iv) any instrument or document that this Scheme contemplates, to the extent applicable;

and the Resulting Company shall be responsible for arranging prompt payment of any and all such duties and charges, including fulfilling any administrative or reporting obligation imposed in connection with such payment.

14.3. The Resulting Company shall bear, pay and discharge all assessments, rents, rates, Taxes, outgoing and impositions of whatsoever nature relating or pertaining to the operations and activities of the Demerged Undertaking pertaining to the period commencing from the Effective Date.

**15. IMPACT OF THE SCHEME ON HOLDERS OF NCDs OF THE RESULTING COMPANY**

15.1. Impact: The holders of the NCDs in the Resulting Company shall continue to hold the NCDs in the Resulting Company even post the Scheme becoming effective on the same terms and conditions at which they were issued. The liability of the Resulting Company towards the NCD holders of the Resulting Company, is neither being reduced nor being extinguished under the Scheme. Thus, the rights of the holders of the NCDs are in no manner affected by the Scheme.

15.2. Safeguards for the protection of the holders of NCDs: Pursuant to the Scheme, the holders of NCDs of the Resulting Company as on the Effective Date shall continue to hold the same, without any interruption, on same terms, including the coupon rate, tenure, redemption price, quantum, and nature of security, ISIN, etc.

15.3. Exit offer to the dissenting holders of NCDs, if any: As the Scheme does not in any manner affect the interest of the holders of NCD, nor does it impact the ability of the Resulting Company to discharge its obligations towards the NCDs, no safeguards are being proposed under the Scheme, nor is any exit offer being offered to the dissenting holders of NCDs. However, the NCDs of the Resulting Company, as on the Effective Date, will continue to be freely tradable and listed on BSE, thereby providing exit option and liquidity to the holders of such NCDs.

15.4. In view of the above, the Scheme will not have any adverse impact on the holders of NCDs of the Resulting Company. The additional disclosures that are required to be included in the Scheme in terms of the Master Circular, pursuant to the NCDs of the Resulting Company being listed are set out in Schedule 2.

**16. 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 of the Demerged Undertaking.

#### 17. SEVERABILITY

- 17.1. The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would come into effect only if the Scheme is approved in its entirety unless specifically agreed otherwise by the respective Boards of each of the Parties.
- 17.2. Subject to Clause 17.1 above, if any part of this Scheme is invalid, ruled illegal by any Government Authority or unenforceable under the present or future laws, then subject to the decision of the Boards of each of the Parties, such part shall be severable from the remainder of this Scheme and shall not affect the validity or implementation of the other parts and/ or provisions of this Scheme, unless the deletion of such part shall cause this Scheme to become materially adverse to any Party, in which case the Parties shall attempt to bring about a modification in this Scheme, as will best preserve for the Parties, the benefits and obligations of this Scheme, including but not limited to such part.

#### 18. REMOVAL OF DIFFICULTIES

Subject to approval of the NCLT or any other Government Authorities as may be required under Applicable Law, the Demerged Company and the Resulting Company, acting through their respective Boards, may, in their full and absolute discretion, jointly and as mutually agreed in writing:

- 18.1. give such directions (acting jointly) and agree to take steps, as may be necessary, desirable or proper, to resolve all doubts, difficulties, ambiguities and errors or to settle any questions arising under this Scheme, whether by reason of any orders of NCLT or of any directive or Orders of any Government Authority, under or by virtue of this Scheme in relation to the arrangement contemplated in this Scheme and/ or matters concerning or connected therewith or in regard to the meaning or interpretation of this Scheme or implementation thereof or in any manner whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and it necessary, to waive any of those to the extent permissible under Applicable Law; and
- 18.2. do all such acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect.



### SCHEDULE 1

#### DETAILS OF IMMOVABLE PROPERTIES OF THE DEMERGED UNDERTAKING

**Location:** Durgapur, District Paschim Bardhaman, West Bengal, India  
**Total Area:** ~661 Acres  
**Factory Land:** ~300 Acres & Township Land - ~361 Acres  
**Type of Ownership:** on Lease from Government of West Bengal/ ADDA  
**Original Lessee:** ACC- Vickers - Babcock Limited  
**Term of Lease:** 999 years  
**Date of execution of Lease:** 02.07.1969  
**Lease Period:** 01.04.1960 to 31.03.2959

#### DURGAPUR FACILITY

- Latitude: 23.506094261732386N
- Longitude: 87.329677542558E
- Total Land- 300.8 Acre
- Forest Area as per lease deed - 120 Acre
- Green Area / Disputed with ADDA - 97.3 Acre
- Build up area (Infrastructure, Building, Shops Etc.) - 18.4 Acre
- Open Land/ Common Area - 65 Acre

S. No.	Office Building Name	No. of Floors	Floor Area (SQ. M.)
1	P.M Building	G+1	1610
2	Technology Building	G+1	774
3	Maintenance Office (MEB)	G+1	319
4	MEB	G+1	588
5	Quality Building	G+2	508
6	General Store Office Building	G+1	495
7	Gate House Building	G+1	622
8	Panel Shop Office	G	95
9	Drawing Archive Building	G+1	368
10	Admin. Building	B+5	4690
11	AIMS Building	G+1	940
12	Canteen	G	910
13	OHC & Transport Building	G	147





S. No.	Office Building Name	No. of Floors	Floor Area (SQ. M.)
14	Facility and Emergency Control Room	G	80
	<b>Total</b>		<b>12147</b>

S. No.	Manufacturing Shop Name	Cover area (SQ. M.)
1	Panel bay (including NPS)	16054
2	Element bay -1	11204
3	Element bay -2	4879
4	Header bay - 1	4879
5	Header bay -2	5783
6	Assembly bay - 1	5061
7	Pipe shop (B&W go down)	1254
8	Assembly bay- 2	5061
9	Preparatory & infer shop (Smithy)	1440
	<b>Total</b>	<b>55616</b>

S. No.	Non-Manufacturing Shop Name	Cover area
1	Joiner shop (new ATI and Machin shop)	555
2	Training Institute (Welding training Ins)	611
3	Store material keeping area	2513
4	Compressor House	240
5	Essar Godown (Old ATI workshop)	1533
6	Cobalt X-ray	643
7	Vulcan Furnace	645
	<b>Total</b>	<b>6741</b>



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Other Developed Area	
This includes:	
Material yard, Parking area, gardens, storage area, roads, scrap yard, drainage system, ablution blocks, water lines, cables for IT and electrical, security fences	

### DURGAPUR TOWNSHIP

- Latitude: 23.520996968079544N
- Longitude: 87.3298072539135E
- Total Area—360.9 Acre
- Build up area —15.9 Acre
- Open Land/Common Area —275 Acre
- Green Area—70 Acre

#### Quarters:

S. No.	Quarters	Unit/Sq.ft.	Units
1.	Santi-neer	5661	1
2.	Bungalow	3616	11
3.	MSB- Medical Staff Bungalow	1485	2
4.	SDB- Senior Duplex Bungalow	2690	8
5.	SSB- Senior Staff Bungalow	1507	16
6.	MSF- Multi Storied Flat	1292	36
7.	SB- Staff Bungalow	1023	33
8.	TRF- Three rooms Flat	840	12
9.	TR- Three Room	861	108
10.	LV- Large Varanda	657	24
11.	RR- Regular Room	538	180
12.	LR— Long Road	592	342
13.	LV(M-) Lower Range Multi Story	538	60
14.	LRWW- Large Room Watch & Watch	510	40



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S. No.	Quarters	Unit/ Sq. ft.	Units
15.	LRM- Large Room Multi story	528	276
16.	SR- Security Resident	431	10
	<b>Grand Total</b>		<b>1159</b>

**Common Facilities:**

S. No.	Other Establishment	Area/ Sq. ft.	Other Establishment	Area / Sq. ft.
1.	EDC – East Durgapur Club	3616	Post Office	550
2.	SRC- Sports and Recreation Club	7111	INTUC Union office	533
3.	Eng. Hostel	8264	INTTUC Union off	535
4.	Apprentice hostel	23995	CITU Union Office	533
5.	Gitanjali GH	8755	Medical Center	8278
6.	Sundarbans GH	5618	Town Office	3635
7.	Sr. Staff Association	7801	AVB School (Govt Rec)	19107
8.	ICICI ATM	275	STP	37305
9.	Credit Society	550	Pump House	443
10.	Gen Cooperative	4511	Kali mandir (Temple)	5462



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## SCHEDULE 2

Details of the NCDs of the Resulting Company in terms of the Chapter XII (Scheme(s) of Arrangement by entities who have listed their NCDs/ NCRPS) of the Master Circular for listing obligations and disclosure requirements for Non-convertible Securities, Securitised Debt Instruments and/ or Commercial Paper dated May 21, 2024

Particulars	NCD 1	NCD 2	NCD 3	NCD 4
ISIN	INE121E08013	INE121E07361	INE121E08039	INE121E08021
Face Value	100,000	10,00,000	100,000	100,000
Dividend/Coupon	8.45%	1 Year SBI MCLR +5bps, i.e., currently 8.85%	8.75%	8.80%
Terms of payment of dividend/coupon including frequency, etc.	Yearly interest payment	Yearly interest payment	Yearly interest payment	Yearly interest payment
Credit Rating	IND AA/Stable, ICRA AA/Stable	IND AA/Stable, ICRA AA/Stable	IND AA/Stable, ICRA AA/Stable	IND AA/Stable, ICRA AA/Stable
Tenure/Maturity	2 years 11 months and 26 days	3 years	3 years	5 years
Terms of Redemption:	Bullet Redemption	Bullet Redemption	Bullet Redemption	Bullet Redemption
Redemption amount: (in Crores)	250	250	700	500
Redemption date:	13 <sup>th</sup> March 2026	30 <sup>th</sup> September 2025	03 <sup>rd</sup> March 2028	04 <sup>th</sup> March 2030
Redemption premium/discount:	At Par	At Par	At Par	At Par
Early redemption scenarios:	NA	NA	NA	NA
Other embedded features (put option, call option, dates, notification times, etc.	NA	NA	NA	NA



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Particulars	NCD 1	NCD 2	NCD3	NCD4
Other terms of instruments	As per Private Placement Offer letter dated 10 <sup>th</sup> March 2023 and Debenture Trust Deed dated 14 <sup>th</sup> March 2023	As per Private Placement Offer letter dated 26 <sup>th</sup> September 2022 and Debenture Trust Deed dated 26 <sup>th</sup> September 2022	As per Private Placement Offer letter dated 27 <sup>th</sup> February 2025 and Debenture Trust Deed dated 28 <sup>th</sup> February 2025	As per Private Placement Offer letter dated 27 <sup>th</sup> February 2025 and Debenture Trust Deed dated 28 <sup>th</sup> February 2025
Name of debenture trustee	Axis Trustee Services Limited	IDBI Trusteeship Services Limited	IDBI Trusteeship Services Limited	IDBI Trusteeship Services Limited
Latest audited financials along with notes to accounts and any audit qualifications.	Latest audited financials along with notes to accounts and any audit qualifications - Please refer to the following URL on the website of the Resulting Company: <a href="https://www.jsw.in/investors/energy/jsw-energy-financials-annual-reports">https://www.jsw.in/investors/energy/jsw-energy-financials-annual-reports</a>			
An auditors' certificate certifying the payment/ repayment capability of the resultant entity	An auditors' certificate certifying the payment/ repayment capability of the resultant entity - Please refer to the following URL on the website of the Resulting Company: <a href="https://www.jsw.in/investors/energy/jsw-energy-scheme-arrangement-ge-power-india-limited">https://www.jsw.in/investors/energy/jsw-energy-scheme-arrangement-ge-power-india-limited</a>			
Fairness report	Fairness report - Please refer to the following URL on the website of the Resulting Company: <a href="https://www.jsw.in/investors/energy/jsw-energy-scheme-arrangement-ge-power-india-limited">https://www.jsw.in/investors/energy/jsw-energy-scheme-arrangement-ge-power-india-limited</a>			
Safeguards for the protection of holders of NCDs	Please refer to Clause 15.2 of the Scheme.			
Exit offer to the dissenting holders of NCDs	Please refer to Clause 15.3 of the Scheme.			
Any other information/details pertinent for holders of NCDs	NA			



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Particulars	NCD 5	NCD 6	NCD 7
ISIN	INE121E08047	INE121E08054	INE121E08062
Face Value	100,000	100,000	100,000
Dividend/Coupon	8.75%	8.80%	Kotak Bank 1-month MCLR i.e., Currently 7.95%
Terms of payment of dividend/coupon including frequency, etc.	Yearly interest payment	Yearly interest payment	Yearly interest payment
Credit Rating	IND AA/Stable, ICRA AA/Stable	IND AA/Stable, ICRA AA/Stable	IND AA/Stable, ICRA AA/Stable
Tenure/Maturity	3 years	5 years	3 years
Terms of Redemption:	Bullet Redemption	Bullet Redemption	Bullet Redemption
Redemption amount: (in Crores)	400	400	250
Redemption date:	20/03/2028	20/03/2030	12/06/2028
Redemption premium/discount:	At Par	At Par	At Par
Early redemption scenarios:	NA	NA	NA
Other embedded features (put option, call option, dates, notification times, etc.	NA	NA	NA
Other terms of instruments	As per Private Placement Offer letter dated 17 <sup>th</sup> March 2025 and Debenture Trust Deed dated 18 <sup>th</sup> March 2025	As per Private Placement Offer letter dated 17 <sup>th</sup> March 2025 and Debenture Trust Deed dated 18 <sup>th</sup> March 2025	As per Private Placement Offer letter dated 9 <sup>th</sup> June 2025 and Debenture Trust Deed dated 12 <sup>th</sup> June 2025
Name of debenture trustee	IDBI Trusteeship Services Limited	IDBI Trusteeship Services Limited	IDBI Trusteeship Services Limited
Latest audited financials along with notes to accounts and	Latest audited financials along with notes to accounts and any audit qualifications - Please refer to the following URL on the website of the Resulting Company:		



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Particulars	NCD 5	NCD 6	NCD 7
any audit qualifications.	<a href="https://www.jsw.in/investors/energy/jsw-energy-financials-annual-reports">https://www.jsw.in/investors/energy/jsw-energy-financials-annual-reports</a>		
An auditors' certificate certifying the payment/ repayment capability of the resultant entity	An auditors' certificate certifying the payment/ repayment capability of the resultant entity - Please refer to the following URL on the website of the Resulting Company: <a href="https://www.jsw.in/investors/energy/jsw-energy-scheme-arrangement-ge-power-india-limited">https://www.jsw.in/investors/energy/jsw-energy-scheme-arrangement-ge-power-india-limited</a>		
Fairness report	Fairness report - Please refer to the following URL on the website of the Resulting Company: <a href="https://www.jsw.in/investors/energy/jsw-energy-scheme-arrangement-ge-power-india-limited">https://www.jsw.in/investors/energy/jsw-energy-scheme-arrangement-ge-power-india-limited</a>		
Safeguards for the protection of holders of NCDs	Please refer to Clause 15.2 of the Scheme.		
Exit offer to the dissenting holders of NCDs	Please refer to Clause 15.3 of the Scheme.		
Any other information/details pertinent for holders of NCDs	NA		



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