

**Memorandum of Association &
Articles of Association of
Reliance Infrastructure Limited**

PART - I

(Revised up to March 23, 2025)

**Registered Office:
Reliance Centre, Ground Floor, 19, Walchand Hirachand Marg,
Ballard Estate, Mumbai – 400 001**

I N D E X

Certificate of Incorporation Certificate of Commencement of business

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Scheme of Arrangement Between Reliance Energy Limited and Reliance Energy Generation Limited and Reliance Goa and Samalkot Power Limited and Reliance Infraventures Limited and Reliance Property Developers Limited and Reliance Infrastructure Engineers Private Limited and Reliance Infrastructure Limited and Their Respective Shareholders and Creditors	20.04.2012
Scheme of Amalgamation of Reliance Bhavnagar Power Private Limited and Reliance Infrastructure Engineers Private Limited and Reliance Jamnagar Power Private Limited With Reliance Infrastructure Limited and Their Respective Shareholders And Creditors	22.02.2013
Scheme of Amalgamation of Western Region Transmission (Gujarat) Private Limited with Western Region Transmission (Maharashtra) Private Limited with Reliance Infrastructure Limited and their respective shareholders	15.07.2014
Scheme of Amalgamation of Reliance Concrete Private Limited With Reliance Infrastructure Limited and their respective shareholders	08.09.2016
Scheme of Arrangement BETWEEN Reliance Infrastructure Limited AND Reliance Electric Generation and Supply Limited AND their respective shareholders and creditors	09.01.2017 31.01.2017 20.11.2017 28.11.2017

Certificate of Incorporation

I hereby Certify that BOMBAY SUBURBAN ELECTRIC SUPPLY LIMITED is this day incorporated under the Indian Companies Act, VII of 1913, and that the Company is LIMITED.

Given under my hand at Bombay this First day of October One Thousand Nine Hundred and Twenty - Nine.



(Sd.)
J. P. de QUADROS,
Ag. Registrar of Companies

DUPLICATE FOR THE FILE.



Certificate under Section 103 (2) of the Indian Companies Act, VII of 1913, that a Company is entitled to commence business.

I hereby Certify, That the

Bombay Suburban Electric Supply Limited

which was incorporated under the Indian Companies Act, VII of 1913, on the First day of October 1929, and which has this day filed a statutory declaration in the prescribed form that the conditions of Section 103 [1 (a) to (d)] of the said Act, have been complied with, is entitled to commence business.

Given under my hand at Bombay this Twenty third day of November One Thousand Nine Hundred and Twenty Nine.

[Signature]
Registrar of Companies.

Seal.



Anglo Siam Bank Ltd.
Bombay
RECEIVED
BOMBAY
11/23/29

NO. 011-01530

FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME

IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,
BOMBAY.

In the matter of * BOMBAY SUBURBAN ELECTRIC SUPPLY LIMITED

I hereby approve and signify in writing under
section 21 of the Companies Act, 1956 (Act I of 1956) read
with the Government of India, Department of Company Affairs,
Notification No.G.S.R. 5078 dated the 24th June 1985 the
change of name of the company from Bombay Suburban Electric
Supply Limited

to BSES LIMITED

and I hereby certify that Bombay Suburban Electric Supply
which was originally incorporated on FIRST day of VII of
XX OCTOBER 1929 under the Indian Companies Act, 1913

and under the name Bombay Suburban Electric Supply Ltd.

having duly passed the necessary resolution in terms of
section 21/22(1)(a)/22(2)(a) of the Companies Act, 1956 the
name of the said company is this day changed to BSES LIMITED

and this certificate is issued pursuant to section 23(1)
of the said Act.

GIVEN UNDER MY HAND AT BOMBAY THIS 23rd DAY
of DECEMBER 1992 (One thousand nine hundred ninety three two)



(G. C. GUPTA)

ADL. REGISTRAR OF COMPANIES
MAHARASHTRA, BOMBAY.

Here is the name of the company as existing
before change.

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

No. 11- 1530

FRESH CERTIFICATE OF INCORPORATION CONSEQUENT ON CHANGE OF NAME

IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,
MUMBAI.

In the matter of BSES LIMITED

I hereby approve and signify in writing under Section 21 of the Companies Act, 1956 (Act of 1956) read with the Government of India, Department of Company Affairs, Notification No. G.S.R. 507E dated the 24th June 1985 the change of name of the Company.

from BSES LIMITED

to Reliance Energy Limited


and I hereby certify that
BSES LIMITED

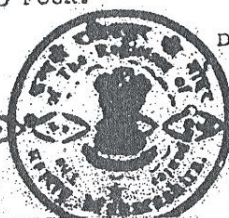
which was originally incorporated on FIRST
day of OCTOBER ¹⁹²⁹ under the Companies Act, 1913 and under the name
BOMBAY SUBURBAN ELECTRIC SUPPLY LIMITED having
duly passed the necessary resolution in terms of section 21/22/(1)
(a)/22(1) (b) of the Companies Act, 1956 the name of the said
Company is this day changed to Reliance Energy Limited

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

Given under my hand at MUMBAI this TWENTYFOURTH
day of FEBRUARY

SIXTY TWO THOUSAND FOUR.


(M.V. CHAKRANARAYAN)
DEPUTY/ Registrar of Companies
- Maharashtra, Mumbai.



भारत सरकार-कॉर्पोरेट कार्य मंत्रालय
कम्पनी रजिस्ट्रार कार्यालय, महाराष्ट्र, मुंबई
नाम परिवर्तन के पश्चात नया निगमन प्रमाणपत्र

कॉर्पोरेट पहचान संख्या : L99999MH1929PLC001530

मेसर्स RELIANCE ENERGY LIMITED

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मेसर्स
RELIANCE ENERGY LIMITED

जो मूल रूप से दिनांक एक अक्टूबर उन्नीस सौ अठ्तीस को कम्पनी अधिनियम 1956 की धारा 3 के अंतर्गत एक विद्यमान कम्पनी है और
Bombay Suburban Electric Supply Limited

के रूप में निगमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 की शर्तों के अनुसार विधिवत आवश्यक विनिश्चय पारित करके
तथा लिखित रूप में यह द्योतित करके की उसे भारत का अनुपवाद, कम्पनी 24.6.1985 956 की धारा A36336683 देते, भारत सरकार,
कम्पनी कार्य विभाग, नई दिल्ली की अधिसूचना सं.सा.का.नि 507 अ दिनांक एस.आर.एन. दिनांक 28/04/2008 के द्वारा
RELIANCE INFRASTRUCTURE LIMITED

हो गया है और यह प्रमाण-पत्र, कथित अधिनियम की धारा 23(1) के अनुसरण में जारी किया जाता है।

यह प्रमाण-पत्र, मेरे हस्ताक्षर द्वारा मुंबई में आज दिनांक अठ्ठीस अप्रैल दो हजार आठ को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS
Registrar of Companies, Maharashtra, Mumbai

Fresh Certificate of Incorporation Consequent upon Change of Name

Corporate Identity Number: L99999MH1929PLC001530

In the matter of M/s RELIANCE ENERGY LIMITED

I hereby certify that RELIANCE ENERGY LIMITED which was originally incorporated on First day of October Nineteen
Hundred Twenty Nine being an existing company as per Section 3 of the Companies Act, 1956 as Bombay Suburban
Electric Supply Limited having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956
and the approval of the Central Government signified in writing having been accorded thereto under Section 21 of the
Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R
507 (E) dated 24/06/1985 vide SRN A36336683 dated 28/04/2008 the name of the said company is this day changed to
RELIANCE INFRASTRUCTURE LIMITED and this Certificate is issued pursuant
to the provisions of the said Act.

Given under my hand and seal at Mumbai

this Twenty Eighth day of April Two Thousand Eight.



(SHRIRAM MOTIRAM SAINDANE)^xj ct>tgTi -<Fii<EK / Deputy

Registrar of Companies

H&K|(£, Tpr|
Maharashtra, Mumbai

cP^Ptr xlf^K eft WJrfeFT 3#Tefel 3 W/m WWR ^ qrU :

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

RELIANCE INFRASTRUCTURE LIMITED RELIANCE
ENERGEYCENTRE, SANTACRUZ (E), MUMBAI-
400055, Maharashtra, INDIA



GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

Registrar of companies, Mumbai
Everest, 100 Marine Drive, Mumbai, Maharashtra, India, 400002

Corporate Identity Number: L75100MH1929PLC001530

SECTION 13(1) OF THE COMPANIES ACT, 2013

**Certificate of Registration of the Special Resolution Confirming Alteration of
Object Clause(s)**

The shareholders of M/s RELIANCE INFRASTRUCTURE LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on – altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section 13(1) of the Companies Act, 2013.

I hereby certify that the said Special Resolution together with the copy of the Memorandum of Association as altered has this day been registered.

Given under my hand at Mumbai this Twenty fourth day of October Two thousand sixteen.



SATYA PARKASH KUMAR
Registrar of Companies (STS)
Registrar of Companies
RoC - Mumbai

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

RELIANCE INFRASTRUCTURE LIMITED

H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai,
Maharashtra, India, 400710



**Memorandum of Association
of
Reliance Infrastructure Limited**

- I. The name of the Company is "Reliance Infrastructure Limited".¹
- II. The Registered Office of the Company will be situate in the State of Maharashtra.²
- III. The objects for which the Company is established are: -
- (1) To acquire from the parties interested therein, take over and work the concession now vested in Sir Thomas William Birkett Knight, Harold Percival Hebblethwaite Esquire, Francis Charles Annesley Esquire, Ellis Cunningham Reid Esquire and Gerald Courtenay Phillips Esquire carrying on business in partnership together at Bombay under the name style of firm of Messieurs Killick Nixon & Company at Killick Building, Home Street, Fort, Bombay and Calendar's Cable and Construction Company Limited, a Company incorporated in England under the English Companies Act and having a Branch Office at Forbes Building, Home Street, Fort, Bombay conferred by the Bombay Suburban Electric License 1926 granted by the Government of Bombay on the 29th May, 1926 and published in the Bombay Government Gazette of the 3rd June, 1926 Part I at page 1272 upon such terms as may appear conducive to the interest of the Company and to pay there for either in cash or in shares of the Company or partly in one and partly in the other, and with the object aforesaid to adopt, become parties to, enter into and carry into effect all such agreements, guarantees, deeds, and instruments as may be necessary or as may be deemed advisable or proper, and in particular to become parties to, enter into and carry into effect the Agreements which have already been prepared and are referred to in * Article 3 of the Articles of Association of the company.
- (2) To generate, acquire by purchase in bulk, develop and accumulate electrical power at the place or places contemplated by the said License and to transmit, distribute and supply such power throughout the area of supply named therein; and generally to generate, acquire by purchase in bulk, develop and accumulate power at any other place or places and to transmit, distribute and supply such power.
- (3) To carry on the business of an electric Power, Light and Supply Company in all its branches, and in particular to construct, lay down, establish, fix and carry out all necessary power stations, cables, wires, lines, accumulators, lamps and works, and to generate, acquire by purchase in bulk, accumulate, distribute and supply electricity, and to light cities, towns, streets, docks, markets, theaters, buildings and places, both public and private.
- (4) To carry on the business of electrician, mechanical engineers, suppliers of electricity for the purposes of light, heat, motive power or otherwise, and manufacturers of and dealers in apparatus and things required for or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity, galvanism, magnetism or otherwise.

* The Article refers only to the original Articles of Association

¹ Altered on April 28, 2008 as per fresh Certificate of Incorporation issued by the Registrar of Companies.

² Altered by a Special Resolution passed at the Annual General Meeting held on 28th July, 1999.

- ³(4-A) To carry on in India or elsewhere the business of establishing, commissioning, setting up, operating and maintaining electric power generating stations based on conventional/non-conventional resources, tie-lines, sub-stations and transmission lines on build, own and transfer (BOT), and/or build, own, lease and transfer (BOLT) and/or build, own, operate and transfer (BOOT) basis and to carry on in India or elsewhere the business of acquiring, operating, managing and maintaining existing power generation stations, tie-lines, sub-stations and transmission lines, either owned by the private sector or public sector or the Government or Governments or other public authorities and for any or all of the aforesaid purposes, to do all the necessary or ancillary activities as may be considered necessary or beneficial or desirable.
- (5) To acquire concessions or licenses granted by, and enter into contracts with the Government of India or the Government of any Province in India, or the Government of any State in India, or any municipal or local authority, company or person in India, or elsewhere, for the construction and maintenance of an electric installation for the production, transmission or use of electric power for lighting, heating, pumping, signalling, telephonic, or traction or motive purposes, including the application thereof to tramcars, omnibuses, carriages, ships, conveyances and objects, or any other purpose.
- ⁴(5-A) To conduct and carry on in India or elsewhere the business of rendering buying or selling services by the use and aid of computers and other electronic or electronically controlled devices, equipments and facilities.
- ⁴(5-B) To develop, carry out, purchase, sell, exchange, import or export scientific and technical expertise and know-how relating to programming and other technical aspects of computers and other electronics and electronically controlled devices, equipments and facilities.
- ⁴(5-C) To provide or render consultancy and training services related to the preparation and mathematical information and reports, including data processing, programming, collecting, storing, processing and transmitting information and data of every kind and description, system, and analysis and machine services for solving or aiding commercial, industrial, scientific and research problems and all other related businesses with or without the use of computers and other electronic or electronically controlled devices, equipments and facilities.
- ⁴(5-D) To start and/or carry on and engage in and conduct research and development in the fields of electronics, electronic/electronically controlled processes or in respect of matters technical or operational, and to carry on investigation and experiments of all kinds, to originate, develop and improve any discoveries, inventions, processes and formulae, and particularly to manufacture, purchase or otherwise acquire, own, hold, operate, sell or otherwise transfer, lease, license, use, distribute or otherwise dispose off and generally to deal in property of every kind and description, including without limitation of the generality of the foregoing, computers, electronic, electrical and mechanical devices, appliances and machines and parts thereof.
- ⁴(5-E) To collect and disseminate trading, commercial, scientific, technical, budgetary, costing, financial, economical and other information and data in respect of all matters and to furnish and supply the same or any part thereof to and for the benefit of any individual, firm, company, trust, association, body corporate, society, organisation or institution, and for this purpose to provide, maintain and operate offices, organisations, services, laboratories, workshops, facilities, conveniences, bureaus and the like including teleprinters and other communication services and facilities.

³ Inserted by a Special Resolution passed at the Annual General Meeting held on 28th July, 1999.

⁴ Inserted by a Special Resolution pass at the Annual General Meeting held on 25th August, 1972.

- ⁴(5-F) To manufacture, purchase sell or otherwise transfer, lease, license, use, dispose off, operate fabricate, construct, assemble, design, develop, charter, hire, acquire, recondition, work upon or otherwise generally deal in, computers, tabulators, data processing machines such as card punches, verifiers, sorters, collators, document originating machines, accounting machines, interpreters, calculating punches and the like and allied machinery and electronic equipment of every kind, description and activation, including accounting, book-keeping, calculating, counting, reckoning, registering, recording, perforating, tabulating, sorting, adding, subtracting, dividing, multiplying, printing, typewriting, copying, reproducing and distributing machines and machinery systems, apparatus, appliances, facilities and accessories and devices of all kinds, and for all purposes, and any products and component parts thereof or materials or articles used in connection therewith, and any and all other machines, machinery, appliances, apparatus, devices, materials, substances, articles or things of a character similar or analogous to the foregoing or any of them or connected therewith.
- ⁴(5-G) To apply for purchase or otherwise acquire any patents, brevets d' invention, licences, concessions and the like conferring an exclusive or non-exclusive or limited right to use, any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem, calculated directly or indirectly to benefit this Company, and to use, exercise, develop, grant licences in respect of, or otherwise turn to account the property, rights and information so acquired.
- ⁴(5-H) To act as a service organisation or bureau for providing, rendering or undertaking services relating to electrical, mechanical, engineering, computer technology, administration, marketing, purchasing, technical scientific research publication of technical literature or journals and other services to individuals, firms, companies, corporate bodies, trustees, associations, organisations or institution, in India and abroad and to utilise the expertise already developed by the Company for the above purposes and also to employ experts on the relative subjects and make their services available to others in this behalf.
- (6) To construct, purchase, take on lease or otherwise acquire any railways, tramways or other ways, omnibuses and other vehicles, ships, boats, barges, and launches and to equip, maintain, work and develop the same by electricity, steam, oil, gas, petroleum, horses, or any other motive power, and to employ the same in the conveyance of passengers, merchandise and goods of every description and to authorise any local authority, company or persons to use and work the same or any part thereof.
- (7) To carry on the business of railway, tramway, omnibus, van, carriage, and boat proprietors and carriers of passengers and goods.
- (8) To carry on business as financiers, promoters, concessionaries, or bankers, and any other business which can be conveniently carried on in connection with the above.
- ⁵(8-A) To carry on the business of manufacturing, processing, assembling, packing, buying, selling, importing, exporting, hiring, letting on hire, distributing, dealing and acting as agents in the fields of automobiles, vehicles, packages of component parts thereof and without prejudice to the generality of the foregoing, trucks, tractors, chassis, motors, motor cycles, cycles, buses, lorries, omnibuses, engines, boats, barges, launches, and other vehicles and components or motor vehicle replacement, parts, tools, implements, spare parts, accessories, materials and products for the transport or conveyance of passengers, merchandise and goods of every description whether propelled or used by electricity, steam, oil vapour, gas, petroleum or any other motive or mechanical power now known or that may hereafter be invented.

⁴ Inserted by a Special Resolution passed at the Annual General Meeting held on 25th August, 1972.

⁵ Inserted by a Special Resolution passed at the Annual General Meeting held on 22nd October, 1981.

- ⁵(8-B) To carry on business of manufacturing, processing, packing, buying, selling, importing, exporting, distributing, dealing and acting as agents in the fields of cement, cement products and without prejudice to the generality of the foregoing pozzolana cement, plasters, whiting, clay, gravel, sand, concrete, mortar, minerals earth, artificial stone, portland cement, alumina cement, plaster of paris, lime and lime-stone, kankar and/ or by-product thereof now known and that may hereafter be known and in connection therewith, to acquire, erect, construct, establish, operate and maintain cement factories, limestone quarries, workshops and other works.
- ⁵(8-C) To carry on the business of manufacturing, processing, importing, exporting, packing, buying, selling, distributing, dealing and acting as agents in the field of chemicals, and without prejudice to the generality of the foregoing carbon dioxide, ammonia salt, sodium bicarbonate, soda ash, cresol, calcium chloride, inorganic, organic and fine chemicals, petrochemicals and generally all kinds of chemicals, chemical compounds and chemical products, dyes, dyestuffs, intermediates, auxiliaries and all derivatives and by-products thereof, and all active principals, raw materials, and ingredients required for the manufacture, process or used thereof and any and all kinds of products of which any of the foregoing constitutes and ingredient or in the production of which any of the foregoing is used, and all materials required in the manufacture, preparation or use of any of the foregoing or their derivatives or by-products now known or that may hereafter be invented.
- ⁵(8-D) To carry on all or any of the business of consultants, contractors, manufacturers, installers, maintainers, repairers, workers and marketers, sale promoters, agents, distributors and dealers in electrical and electronic apparatus and instruments of every description and without prejudice to the generality of the foregoing, battery chargers, turbines, inverters, rectifiers, regulated power suppliers, automatic voltage regulators and other allied equipment and of and in electronic components, radio, television and tele-communication requisites and supplies, including relays, transformers, electric accumulators, chokes, switches, lamps, printed circuits and generally wireless and electrical components, fittings, parts, apparatus, accessories and equipments of every kind now known or that may hereafter be invented.
- ⁵(8-E) To carry on business of manufacturing, processing, assembling, packing, buying, selling, importing, exporting, distributing, dealing and acting as agents in the fields of machinery, parts and component parts of machinery, accessories and stores for all kinds of machinery, tools and implements necessary for and pertaining to the objects of the Company
- ⁵(8-F) To erect and build civil structure for power stations, receiving stations, factories, engine houses, industries, offices, commercial establishments, warehouses, godowns, buildings and other houses which may seem directly or indirectly conducive to any of the objects of the Company, and to contribute to, subsidise or otherwise aid or take part in any such operations.
- ⁵(8-G) To carry on the business as manufacturers of iron steel or other metal pipes, seamless pipes, sheet srods and other products of iron, steel or other metals now known or that may hereafter be invented as also to carry on the business of ironmasters, iron founders, metal workers, steel makers and steel converters and to purchase or otherwise acquire, set up, erect, maintain, reconstruct and adapt any offices, workshops, plant, machinery and other things found necessary or convenient for the purpose of the Company.
- ⁵(8-H) To carry on the business of buying, selling, importing, exporting, assembling, distributing, dealing and acting as agents in steel, iron, hardware, iron mongery, turnery, tools, metals and metalware of all kinds, utensils, ornaments, stationery, fancy goods, articles and commodities of personal and household use and consumption and generally all manufactured goods, materials and products, glassware, crockery, electrical goods, apparatus of all kinds, timber, bricks, stone, cement, marble, tiles, plumber's materials (pipes, bath tubs, basins, sanitary fittings) building material of all kinds, stoves, cookers, lanterns, lamps, watches, clocks, binoculars, microscopes, surgical instruments and appliances, ophthalmic goods, lenses, cameras, photographic materials of all kinds, X-Ray apparatus, radios, wireless sets and musical instruments, all kinds of proprietary and patent articles, mineral waters, wines, cordials, liquors, beer, soups, broths and

⁵ Inserted by a Special Resolution passed at the Annual General Meeting held on 22nd October 1981

other restorative or food and provisions of all kinds, tobacco, cigars, cigarettes, cosmetics, soaps, powders and perfumes.

- ⁵(8-I) To carry on the business of a water-work company in all its branches and to sink wells and shafts, and to make, build and construct, lay down and maintain dams, reservoirs, water works, cisterns, culverts, filter-beds, mains and other pipes and appliances and to execute and do all other acts and things necessary or convenient for obtaining, storing, selling, delivering, measuring, distributing and dealing in water.
- ⁵(8-J) To manufacture, import, export, deal in or prepare for market, revise, clean, restore, recondition, treat and otherwise manipulate and deal in and turn to account by process or means whatsoever all materials and commodities grown or produced by the Company and all by-products, refuse and waste and other products capable or being manufactured or produced out of or with the use of all or any raw materials, ingredients, substances or commodities used in the manufacture of all or any of the products which the Company is entitled to manufacture or deal in and to make such other use of the same as may be thought fit.
- ⁵(8-K) To establish, provide, maintain and conduct, or otherwise subsidise research laboratories and experimental workshops for scientific and technical researches and experiments and to undertake and carry on with all scientific and technical research, experiments, and tests of all kinds and to promote studies and research, both scientific and technical, investigations or inventions by providing, subsidising, endowing or assisting laboratories, workshops, libraries, lectures, meeting and conferences and by providing for the remuneration of scientific or technical professors or teachers and by providing for the award of exhibitions, scholarships, prizes and grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any of the business which the Company is authorised to carry on.
- ⁵(8-L) To transact and carry on all kinds of Agency business.
- ⁵(8-M) To invest and deal with the moneys of the Company in such manner as may from time to time be determined.
- ⁵(8-N) To undertake, carry out, promote and sponsor rural development including any programme for promoting the social and economic welfare of or the uplift of the public in any rural area and to incur any expenditure on any programme of rural development and to assist execution and promotion thereof either directly or through an independent agency or in any other manner. Without prejudice to the generality of the foregoing programme of rural development shall also include any programme for promoting the social and economic welfare of or the uplift of the public in any rural area likely to promote and assist rural development and that the words 'rural area' shall include such area as may be regarded as rural areas under Section 35CC of the Income-tax Act, 1961 or any other law relating to rural development for the time being in force and in order to implement any of the above mentioned objects or purposes transfer without consideration or at a fair or concessional value and divest the ownership of any property of the Company to or in favour of any Public or Local Body or Authority of Central or State-Government or any Public Institutions or Trusts established under any law for the time being in force or recognised or approved by the Central Government or State Government or any other authority specified in that behalf.
- ⁵(8-O) To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of national economy and for discharging social and moral responsibilities of the Company to the public or any section of the public as also any activity likely to promote national welfare or social, economic or moral uplift of the public or any section of the public and undertake, carry out,

⁵ Inserted by a Special Resolution passed at the Annual General Meeting held on 22nd October, 1981.

promote and sponsor any activity for publication of any books, literature, newspaper, or for organising lectures or seminars likely to advance these objects or for giving merit awards, for giving scholarships, loans or any other assistance to deserving students or other scholars or persons to enable them to prosecute their studies or academic pursuits or researches and for establishing, conducting or assisting any institution, trust having any one of the aforesaid objects as one of its objects, by giving donations or otherwise in any other manner and in order to implement any of the above mentioned objects or purposes transfer without consideration or at a fair or concessional value and divest the ownership of any property of the Company to or in favour of any Public or Local Body or Authority or Central or State Government or any Public Institutions or Trusts established under any law for the time being in force or recognised or approved by the Central Government or State Government or any other authority specified in that behalf.

- (9) To purchase, take on lease or in exchange, hire or otherwise acquire any moveable and immoveable property and any rights or privileges, which the Company may think necessary or expedient for the purpose of its business, and in particular any lands, buildings, works, easements, machinery, plant, stock-in-trade, rolling-stock, live-stock, wharves, warehouses, offices, ships, steam vessels, boats, barges and launches, patents, inventions, privileges, monopolies, licences, concessions or processes and the like, and any other rights or powers conferring any exclusive or non-exclusive or limited rights to use any secret or other information as to any invention available for use in connection with any of the objects of the Company.
- (10) To acquire and undertake on any terms and subject to any conditions the whole or any part of the business, property and liabilities of any person or Company carrying on any business which this Company is authorised to carry on, or possessed of property suitable for the purposes of the Company.
- (11) To make, buy, import, export, sell, let or otherwise dispose of, repair, alter, improve, use or deal either wholesale or retail, in all plant, machinery, articles and things used or capable of being used, in any business carried on or authorised to be carried on by the Company, and any articles or provision required by workmen or others employed by the Company, and to act as store and shop-keepers.
- ⁶(11-A) To be appointed or to act as Agents, Selling Agents, Sole Selling Agents, Commission Agents and Distributors of any Company or concern for sale of or marketing electric meters, cables, electric apparatus and appliances, dynamos, lamps, refrigerators and other electrical and electronic appliances, apparatus and goods of all descriptions including radio, television and telecommunication requisites to which application of electricity or any like power that can be used as substitute therefor.
- (12) To make any experiments in connection with any business of the Company and take out, or otherwise acquire, by original application or otherwise, any Letters Patent, or patent rights or the like, and to use, exercise, develop, grant licenses in respect of, sell, dispose of or otherwise turn to account any patents, patent or other rights, licenses or other interest for the time being held or acquired by the Company.
- (13) To apply the money of the Company in any way in, or towards the establishment, maintenance, or extension of any association, institution, or fund in anywise connected with any particular trade or business, or with trade or commerce generally, including any association, institution, or fund for protection of the interest of masters, owners, or employers, for insurances, against loss by bad debts, strikes, workmen's combinations, fire, accidents or otherwise, or for the benefit of any clerks, workmen or others, at any time employed by the Company, or any company in which the

⁶ Inserted by a Special Resolution passed at the Annual General Meeting held on 25th August, 1972.

Company is interested, or their families and whether or not in common with other classes of persons and to subscribe to and support, friendly co-operative and other societies, reading rooms, libraries, educational and charitable institutions, churches, chappels, schools and hospitals, and to grant pensions and allowances, and to contribute to any fund raised by local or public subscriptions for any purpose whatever.

- (14) To sell, improve, manage, develop, lease, mortgage, or otherwise dispose of, or deal with the whole or any part of the undertaking, business and property of the Company for such consideration as may be thought fit, and in particular for a rent, or rents, or shares, debentures, debenture stock or other obligations of any other company, and to promote and form any company intended to purchase, take on lease, or in anywise deal with any property or rights of the Company, or to use anything made or produced by the Company, or which it may be considered will help the Company in its business, or in which it may be considered desirable that the Company shall be interested, and to subscribe absolutely or subject to any condition or contingency for, or acquire in any way, any shares or obligations of such company.
- (15) To subscribe absolutely, or subject to any condition or contingency for, or purchase or acquire in any way, any shares, stock, debentures, debenture-stock or other obligations of any other company of any description.
- (16) To give all descriptions of guarantees and in particular to guarantee the principal and interest of and any premium, which may become payable on any mortgages, debentures, debenture-stock, or other obligations and the dividend on, and the return, either with or without any premium, of the capital paid on any shares.
- (17) To hold all or any shares or obligations acquired by the Company, or to sell or reissue the same, with or without guarantee, or to distribute them or any other assets of this Company in kind upon a division of profits or distribution of capital among the Members, and in the case of any cash, shares or obligations, receivable upon any sale or amalgamation to arrange, in case at the time of any such sale or amalgamation the shares of this Company shall be of different classes, for the distribution of any proceeds of sale in any manner authorised by or under the provisions of the Articles of Association of the Company for the time being.
- (18) To take part in the management, supervision and control of the business or operations of any company or undertaking and for that purpose to appoint and remunerate any directors, trustees, accountants or other experts or agents.
- (19) To enter into arrangements for sharing profits, co-operation, joint adventure, or reciprocal concession with any other person, firm or company, carrying on or about to carry on, or engage, in any business or transaction which may seem calculated, directly or indirectly to benefit this Company and to amalgamate with any other company and to give to any person or company special rights and privileges in connection with or control over this Company and in particular the right to nominate one or more Directors of this Company.
- (20) To purchase with a view to closing or reselling in whole or in part any business or properties which may seem or be deemed likely to injure by competition or otherwise any business, or branch or business, which the Company is authorised to carry on, and to close, abandon and give up any works or business at any time acquired by the Company.
- (21) To borrow and raise money in any manner and on any terms approved by the Board of Directors of the Company.

- (22) For any purpose and in any manner and from time to time to mortgage or charge the whole or any part of the undertaking property and rights (including, property and rights to be subsequently acquired) of the Company and any money uncalled on any shares of the Capital (original or increased) of the Company, and whether at the time issued or created or not, and to create, issue, make and give debentures, debenture-stock, bonds or other obligations perpetual or otherwise, with or without any mortgage or charge on all or any part of such undertaking, property rights, and uncalled money.
- (23) To confer upon any encumbrancer or trustee for any encumbrance of uncalled capital, such powers of making and enforcing calls and of vetoing the transfer of shares not fully paid up as may be thought fit.
- (24) To make, draw, accept, endorse and negotiate respectively promissory notes, bills of exchange, cheques, bills of lading, shipping documents, dock and warehouse warrants and other instruments, negotiable or otherwise.
- (25) To remunerate any person, firm or company rendering service to the Company, whether by cash payment or the allotment to him or them of shares or securities of the Company, credited as paid up in full or in part or otherwise.
- (26) To pay all preliminary expenses of the Company, and any company promoted or formed by the Company, or any company in which this Company is or may contemplate being interested, including in such preliminary expenses all or any part of the costs and expenses of owners of any business or property acquired by the Company, and to remunerate any person or company for services rendered in placing or assisting to place or subscribing or agreeing to subscribe, whether absolutely or conditionally for, or procuring or agreeing to procure, subscriptions whether absolute, or conditional, for any of the shares, debentures or debenture stock or other obligations of or for any other services in or about the promotion of or the issue of the capital or obligation of this or any other company, or the conduct of the business of this or any other company, and to grant to any person or Company subscribing, or agreeing to subscribe or procuring or agreeing to procure, subscription as aforesaid an option to require the Company to issue to him or it, or his or its nominees further shares in the Company at not less than par, or further debentures or debenture-stock or other obligations of the Company at any price, and also to pay any costs of winding up any Company, the whole or any portion of the property of which is acquired by this Company, and also all expenses attending the issue of any circular or notice, and the printing, stamping, and circularising of proxies or forms to be filled up by the members of this Company.
- (27) To lend money with or without security, and to subsidise, assist and guarantee the payment of money by, or by the performance of, any contract, engagement or obligation by any persons or companies and in particular, customers of the Company or any persons or companies with whom the Company may have or intend to have business relations.
- (28) To apply for, at the cost of the Company, and obtain any provisional order or Act of the Legislature or order or decree of any court for enabling the Company to extend its objects or to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem calculated directly or indirectly to benefit the Company, and to oppose any provisional order or Bill of the Legislature which may seem directly or indirectly opposed to the Company's interest.
- (29) To enter into arrangements with any authority, Municipal, local, or otherwise, or any corporations, companies, firms, or persons that may seem conducive to the Company's objects or any of them and to obtain from any such authority corporation, company, firm or person any contracts, rights, privileges and concessions which the Company may think desirable.

- (30) To carry any business or branch of a business which this Company is authorised to carry on by means or through the agency or any subsidiary company or companies, and to enter into any arrangement with any such subsidiary company for taking the profits and bearing the losses of any business or branch so carried on, for financing any such subsidiary company or guaranteeing its liabilities, or to make any other arrangements, which may seem desirable with reference to any business or branch so carried on, including power at any time either temporarily or permanently to close any such business or branch and to act as Managers or to appoint Directors or Managers of any such subsidiary company.
- (31) To give to any officers, servants or employees of the Company any share or interest in the profits of the Company's business or any branch thereof, and whether carried on by means or through the agency of any subsidiary company or not and for that purpose to enter into any arrangements the Company may think fit.
- (32) To do anything by this Memorandum of Association authorised as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents, or otherwise, and either alone or in conjunction with others.
- (33) To incorporate the Company or otherwise procure the Company to be constituted, registered or recognised in accordance with the laws in force in any country in which the Company may desire to carry on business and to apply for and accept or acquire upon any terms, any license or concessions, and by the deposit or money or otherwise to comply with the terms of any such concession of any terms precedent to its being granted.
- (34) To issue all or any part of the original or other capital of the Company at par or premium and as fully or partly paid up and to distribute any of the property of the Company among the members in specie.
- ⁷(34A) To establish, maintain develop, conduct, procure, buy, sell, import, export, trade, or otherwise deal in, or to act as service providers of every kind in the fields of engineering, technology, technical know how, chemical, mechanical, electrical, electronics, civil, industrial, commercial, statistical, financial, accountancy, medical, legal, educational, production, marketing, distribution, materials, personnel, planning, computers, software and software solutions of all kinds, system integration, data processing, multi media services, direct to home services, entertainment media, cable television services, interactive television services, content for various uses, electronic media, Cellular Mobile Telephone Services (CMTS), National Long Distance Operator Services (NLDO), Fixed Telephone Services (FTS), Cable Service Provider, Basic Telephone Services (BTS) with or without the use of Wireless Local Loop (WLL) Technology, VSAT Services, Internet Service Provision (ISP), Global Mobile Personal Communications by Satellite (GMPCS), wireline and wireless systems and other value added services including paging services, Radio Paging Service Providers, Public Mobile Radio Trunking Service Provider, DTM communication methods, telecommunication, basic and cellular telephone, voice mail, internet, electronic mail, data communication services, intranet, internet connectivity, internet telephoning, interconnect and intraface services applications like telebanking, tele-medicine, tele-education, tele-trading, e-commerce, e-governance, e-business and system design, kiosks, management information systems and other types of management including spectrum management, social or other value added services like providing end to end integrated solutions, netserv solutions, network connectivity solutions, cost effective solutions, other allied solutions for data transfer, administrative and effective communication.

⁷ Inserted by a Special Resolution passed at the Extraordinary General Meeting held on 15th February, 2003.

- ⁷(34B) To manufacture, market, distribute and sell all types, varieties and kinds of (i) telephone instruments including mobile telephones, Fixed wireless Terminals, any type of mobile communication devices, Personal Digital Assistant(PDA) with or without communication facilities, dial-type phone, car phone, corded phones, cordless phone, mini-corded phone, radio phone, speakerphone, videophone, wireless systems desk top and wall type pay phones, headsets, office systems, conferencing equipment, fax, answering machines, intercoms, accessories and components thereof for telecommunications (ii) radio communication equipment like receivers, transmitters, trans-receiver, walkie ó talkie radio relay equipment, point to point communication equipment, antennas and associated equipment single channel, multi channel, fixed frequency, variable frequency, facsimile transmitting and receiving equipment and systems.
- ⁷(34C) To acquire, utilise, grow, plant, cultivate, produce and to exploit any estates or lands for floricultural, agricultural, horticultural, plantation, sericulture and farming purposes and agro-industrial projects and to carry on business as producers, planters, processors, growers, cultivators, traders, buyers and sellers, importers, agents, consultants, dealers, storekeepers and distributors and exporters for any ordinary or specialised floricultural, agricultural, horticultural, sericulture and agro-industrial products and commodities, including flowers, fruits, vegetables, food-grains, pulses, seeds, cash crops, cereal products and flora.
- ⁷(34D) To aid, assist, promote, develop and manufacture agricultural implements, agricultural machinery and other equipments and technological development in equipments used in agricultural field and to organise, conduct, or manage engineering or repair shop or workshops of all description and to manufacture, import, export, buy, sell or otherwise deal in, agricultural machinery, of all kinds and to adopt such means of making known the uses thereof.
- ⁷(34E) To act as recognised Trading House and for that purpose indent, buy, sell, deal, import, export raw materials, commodities, products and services and also to act as an Export House.
- ⁷(34F) To purchase, take on lease or otherwise acquire any mining rights, mines and lands in India or elsewhere and to pump, refine, raise, dig and quarry all natural resources including gold, silver, diamonds, precious stones, coal, earth, limestone, iron, aluminium, titanium, vanadium, mica, apalite, chrome, copper, gypsum, lead, manganese, molybdenum, nickel, platinum, uranium, rutile, sulphur, tin, zinc, zircon, bauxite and tungsten and other ores and minerals and believed to contain metallic, or mineral, saline or chemical substances, kisselghur, french chalk, china clay, bentonite and other clays, boryles, calcite and such other filler materials, earths or other ingredients including coal, lignites, rock phosphate, brimstone, brine, rare earths and to explore, work, exercise, develop and turn to account the same and to carry on business as producers, buyers, and acquire, obtain, refine, cut, polish, prepare, melt, import, export or otherwise deal in gold, silver, bullion, jewellery, diamonds, precious stones, artificial man made jewellery, gems and novelties.
- ⁷(34G) To found, acquire, take over, establish, construct, erect, maintain, run, manage, develop, own, acquire, purchase, undertake, improve, equip, promote, initiate, encourage, subsidise and organise hospitals, dispensaries, clinics, diagnostic centers, polyclinics, pathology, laboratories, research centres, operation theatres, chemists shops, blood banks, eye banks, kidney banks, nursing homes, physiotherapy centres, investigations centres and other similar establishments for providing treatment and medical reliefs in all its branches by all available means to public at large on suitable fees, concessional fees or on free of charge basis and to engage in the research and development in all fields of medical sciences and in all therapies of medical treatment.
- ⁷(34H) To carry on the business of designing, setting up, erecting, maintaining, repairing, improving and operating or managing in India or abroad, pipes, pipelines, cross country piping systems, jetties, single buoy moorings, all other kinds of onshore and offshore port facilities, storage and distribution terminals, storage, loading and unloading facilities for the storage and transportation of natural gas, crude oil, petroleum products including but not limited to liquefied petroleum gas, petrol, naphtha, high speed diesel, aviation turbine fuel, superior kerosene oil and

⁷ Inserted by a Special Resolution passed at the Extraordinary General Meeting held on 15th February, 2003.

all products as may be conveniently transported through pipelines and, for the purpose, enter into any technical or financial collaboration as may be desired.

- ⁷ (34I) To provide, develop, establish, maintain, run, manage, operate fire fighting services which shall include short circuits, building collapses, mishaps, accidents and also carry out rescue operations and any other cases of emergency and to act as advisors or consultants for providing safety measures for construction of structural buildings, complexes including infrastructure projects and to maintain fire equipments for residential, commercial and industrial buildings & complexes including for factories, plants and display, provide training services, safety awareness and for prevention, control of fire.
- ⁷(34J) To build, construct, acquire, erect, install, operate, maintain, develop, promote, manage, repair, administer, provide, infrastructural facilities for ports, jetties, wharfs, piers, docks, embankments, bulk, break bulk, dry bulk cargo, multipurpose and specialized cargo berths, stackyard and rail infrastructure, terminals, general terminals, marine terminals, cargo terminals, container terminals, transport systems, clearing and handling systems, cargo handling, berths, shorecrains, ship manifolds, fork lifts, bunkers, cargo hoses, navigational channels, depth maintenance, navigation marks, dredging, dry docking, tunnels, canals, work shops, shipways, hangers, derricks, pipe lines for supply of water, oil, fuel, sewage, petrochemicals, chemicals, warehouses, cold storages, godowns, ship stores, sheds, container freight stations and services, port crafts and equipment, tank farms, tugs, pilotage and carnage services, container handling facilities, floating dry dock and vessel repair facilities, setting up of captive power plant, installation of equipment, handling equipment, loading equipment and supporting infrastructure, to acquire marine related technology and undertake underwater work on ports, docks, tugs, terminals, jetties and ship repairs, establish and maintain work lines of power, fuel, steam, aerial communications between ports, ships and other transports and to act as marine consultants, marine engineers and advisors.
- ⁷(34K) To build, construct, acquire, maintain, develop, promote, manage, repair, provide, terminals and administer terminals industrial estates, housing, constructions, buildings, ports, roads , bridges, sub-ways, express ways, tunnels, shopping complexes or centres, recreational facilities such as theatre, clubs, sports centres, gardens, parks, resorts, medical centres like hospitals and dispensaries, educational centres like schools and colleges, libraries, infrastructural facilities for village, town/city developments, other construction such as parking spaces, to promote and participate in ecological development, preservation and betterment of environment through plantation of trees, effluent treatment and disposal systems and to carry on the business of proprietors, managers and renters either separately or in collaboration with others and to render technical and managerial advice in building construction, maintaining, repairing and managing such places including terminals.
- ⁷(34L) To manufacture and carry on the business of film productions and to exhibit, distribute, give or take on hire, exchange, purchase or sell and to deal in any manner in films, cinematography or pictures, Indian or Foreign, in India or elsewhere outside India and also to engage agents or representatives or servants for the above or any other purposes of the company and to engage Directors, Actors and other servants, Authors, Play-writers, Dramatists, Dialogue and Scenario writers, Film Editors, Story writers and other persons, Technicians, Engineers, Sound Experts, Cameramen, Musicians, Art Directors, Artists, Painters, Carpenters and other experts necessary for conducting the business of the Company and to construct, purchase or take on lease Cinematograph theatres, cinema halls and other buildings and works convenient for the purposes thereof and to manage, maintain and carry on such theatres and other buildings, when so erected on.

⁷ Inserted by a Special Resolution passed at the Extraordinary General Meeting held on 15th February, 2003.

- ⁷(34M) To carry on in India or elsewhere the business of exploration, extraction, development, production, manufacture, refining, processing, converting, formulation, treating, pumping, drawing, purifying, distilling, smelting reducing, modifying, blending, holding, using, buying, dealing, acquiring, storing, packaging, selling, marketing, transporting, distributing, importing, exporting, acting as agents/dealers of all kinds of crude oil, LPG, kerosene, LNG, compressed hydrocarbons, mineral oils, lubricating oils, products or their by-products which may be derived, produced, prepared, developed, compounded, made or manufacturing therefrom and substances obtained by mixing any of the foregoing with other substances and all other residual products resulting from the manufacture and treatment of oil.
- ⁷(34N) To do, act, perform, undertake, pursue, practise, achieve or carry on in India or elsewhere the business of providing security services, vocation or calling of detectives, guards, security agents, investigators, examiners, explorers, inspectors in the industrial, business, trade, management, legal, social or any other area or field and to provide security, body guard services, detective services or consultancy.
- ⁷(34O) To acquire by purchase for investment, develop or resale, and to traffic in land and house and other property wherever situated and to make advances upon the security of land or house or other property, or any enters therein, and generally to deal in by way of sale lease, sub-lease, tenancy, exchange or otherwise, lands, buildings and hereditaments of any tenure or description, and any estate or interest therein, and any rights over or connected therewith, and to turn the same to account and in particular by preparing and laying out building sites, wells, troughs and ponds and by constructing, reconstructing, pulling down, altering, improving decorating, furnishing fitting up and maintaining offices, mansions, flats, houses, bungalows, resorts, cottages, complex, factories, warehouses, shops, sheds, barns, farms, stables, areas, works and conveniences of all kinds.
- ⁷(34P) To carry on the business as merchants, traders, carriers, commission agents, buying agents, selling agents, billing agents, collection agents, brokers, adatias, buyers, sellers, importers, exporters, dealers, service providers to import, export, buy, sell, barter, collect, exchange, pledge, mortgage, advance upon or otherwise trade or deal in all kinds of commodities, goods, plant, machinery, tools and equipment, produce, articles, and merchandise of any kind whatsoever in India or elsewhere in the world, for and on behalf of self, customers or third parties/others by or through the means of conventional or non-conventional methods including through debit cards, credit cards, electronic, electrical or other devices or methods, processes or systems.
- ⁷(34Q) To carry on the business of asset management company, mutual fund, insurance company and/or to provide financial services, advice and facilities of every description, including (but without limiting the generality of the foregoing words) all those capable of being provided by bankers, stockbrokers, stock jobbers, foreign exchange dealers, commodity brokers, investment and pension fund managers investment/merchant bankers and advisers promoters and managers of trusts, funds and other investment media, insurance brokers, issuing houses and financiers, undertakers, trustees, and custodians, executors and to carry on and undertake the business of hire-purchase, leasing and to finance lease operations of all kinds, purchasing, selling, hiring or letting on hire all kinds of plant and machinery and equipment and to assist in financing of all and every kind and description of hire- purchase or deferred payment or similar transactions and to subsidise, finance or assist in subsidising or financing the sale and maintenance of any goods, articles or commodities of all and every kind and description upon any terms whatsoever.

⁷ Inserted by a Special Resolution passed at the Extraordinary General Meeting held on 15th February, 2003.

⁸(34R) To undertake and carry on the business of research, design, development, engineering, procurement, construction, building, production, manufacture, assembly, modification, refit, repair, upgrade, overhaul, servicing, buying, selling, retailing, trading, importing, exporting, exchanging or otherwise dealing in all forms of machines, equipments, components, tools, tackles, spares, systems, weapons and technology for defence and/or non defence segment applications and uses including missile systems, tanks, mines, torpedoes, guns, mortars, rockets, launchers, similar projectiles for launch from land, air and sea whether operated manually, digitally or remotely (with or without explosives), armaments, artillery and other weaponry, assemblies, ammunition, gun or gun parts/components, detonators, armoured vehicles, cranes and other forms of vehicles for transport of men and materials and all forms of terrestrial vehicles, naval systems, submersible and floating vessels, amphibious vehicles, ships, frigates, boats, tugs crafts, barges, ports, airplanes, fighter planes, helicopters, drones, spacecrafts and all forms or constituent of aerospace, engineering, surveillance and communication systems and devices, radars, electronic warfare equipment and all forms of software, systems, machine tools and machinery of any other description for use by armed, naval and air forces and others and whether as principals or proprietors or as contractors, sub contractors and/or as agents and to acquire, promote companies with similar objects and act as service provider, provide training in aforesaid activities and any other related activities and to do all such incidental acts and things as may be necessary for the attainment of the aforesaid objects.

⁹(34S) To set-up, create, incorporate, promote, sponsor, co-sponsor, contribute to and manage assets, trusts or funds including alternative investment funds, infrastructure investment trusts, real estate investment trust, venture capital fund, taxable or tax exempt funds, trusts or consortium funds, or any other funds, trusts or pooled investment vehicles, by whatever name called, whether in India or outside India and to do all such incidental acts and things as may be necessary for the attainment of the aforesaid objects.

(35) To do all such other things as are incidental or conducive to the attainment of the above objects or any of them. And it is hereby declared that the words "company" in this clause, except where used in reference to this Company shall be deemed to include any partnership or other body of persons, whether corporate or incorporate and whether domiciled in British India or elsewhere, and that the objects specified in the different paragraphs of this clause, shall except where otherwise expressed in such paragraphs, be in no wise limited by reference to any other paragraph or the name of the Company, but may be carried out in as full and ample a manner, and shall be construed in as wide a sense as if each of the said paragraphs defined the objects of a separate, distinct and independent company.

IV. The liability of the Members is limited.

¹⁰V. The Authorised Share Capital of the Company is Rs. 2,050,06,00,000 (Rupees Two Thousand Fifty Crores Six Lacs) comprising 194,00,60,000 Equity Shares of Rs.10 each, 10,00,00,000 Preference Shares of Rs. 10 each, 1,00,00,000 Equity Shares of Rs.10 each, with differential rights (differential rights as to dividend, voting or otherwise); with power to increase or reduce the capital of the Company and/or the nominal value of the shares and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions with or without voting rights as may be determined by or in accordance with the Articles of Association of the Company or as may be decided by the Board of Directors or by the Company in General Meeting, as applicable, in conformity with the provisions of the Act and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions and to consolidate or sub-divide the shares and issue shares of higher or lower denominations in such manner as may for the time being be provided by the Articles of Association of the Company.

⁸ Substituted by High Court Order dated February 22, 2013.

⁹ Inserted by Special Resolution passed at the Postal Ballot dated October 21, 2016.

¹⁰ Substituted by resolution passed by the members at Annual General Meeting held on September 14, 2021. Prior to this,

- VI. The Company has power from time to time to increase its Capital, and to divide the shares in the Capital, whether original or increased into several classes, and to attach to any class or classes of such shares any preferences, rights, privileges or conditions or to subject the same to any variations or limitations that may be determined before the issue of the shares affected thereby and to vary the regulations of the Company so far as necessary to give effect to any such preferences, rights, privileges, or conditions.
- VII. Any shares issued as fully paid up pursuant to any agreement entered into for the purpose of the acquisition referred to in Sub-clause (1) of Clause III of this Memorandum shall, if issued at the time of completion of the acquisition be treated for the purpose of dividend as having been paid up at the date of the registration of the Company, and any shares at any other time or for any other purpose issued as fully paid up shall, for the purposes of dividend be treated as having been paid up at the date of the issue hereof.

it read as "The Authorised Share Capital of the Company is Rs. 2,050,06,00,000 (Rupees Two Thousand Fifty Crores Six Lacs) comprising 45,00,60,000 Equity Shares of Rs.10 each, 155,00,00,000 Redeemable Preference Shares of Rs. 10 each, 80,00,000 Equity Shares of Rs.10 each, with differential rights (differential rights as to dividend, voting or otherwise and 4,20,00,000 Unclassified Shares of Rs. 10 each; with power to increase or reduce the capital of the Company and/or the nominal value of the shares and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions with or without voting rights as may be determined by or in accordance with the Articles of Association of the Company or as may be decided by the Board of Directors or by the Company in General Meeting, as applicable, in conformity with the provisions of the Act and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions and to consolidate or sub-divide the shares and issue shares of higher or lower denominations in such manner as may for the time being be provided by the Articles of Association of the Company."

Note:

- 1) Clause (5-A) to (5H) and (11-A) were added by Special Resolution passed at the Annual General Meeting of the Company held on 25th day of August, 1972 and confirmed by an Order of the High Court at Bombay made on the 15th day of December, 1972.
- 2) Clause (8-A) to (8-O) were added by Special Resolution passed at the Annual General Meeting of the Company held on 22nd day of October, 1981 and confirmed by the Company Law Board, Western Region Bench, Bombay by its Order dated the 20th day of June, 1982.

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

Names, addresses and descriptions of subscribers	Number of shares taken by each Subscriber
F.C. Annesley Partner Killick Nixon & Co. Bombay, Merchant	Fifty
E.C. Reid Partner Killick Nixon & Co. Bombay, Merchant by his constituted attorney, F.C. Annesley	Fifty
J.P. Bradshaw Electrical Engineer Forbes Building, Bombay, by his constituted attorney, F.C. Annesley	Fifty
M.S. Captain Solicitor 96, Murzaban Road, Andheri	Fifty
Purshotamdas Thakurdas Soonita, Ridge Road Malabar Hill, Bombay, Merchant	Fifty
D.R.C. Hartley Killick Building Bombay Merchant	One
A. Trevor Robinson Killick Building, Bombay, Merchant	One

Dated this 1st day of October 1929.

WITNESS to the above Signatures:

Leslie Blunt,
Solicitor, Bombay

THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
(Incorporated under the Indian Companies Act, 1913)

**Articles of Association
of
Reliance Infrastructure Limited**

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed by Postal Ballot on October 21, 2016 in substitution for, and to the entire exclusion of, the earlier regulations comprised in the extant Articles of Association of the Company.

TABLE 'F' EXCLUDED

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|----|-----|--|--|
| 1. | (1) | The regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act. | Table 'F' not to apply |
| | (2) | The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles. | Company to be governed by these Articles |

Interpretation

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| 2. | (1) | In these Articles — | |
| | (a) | “Act” means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and to any previous company law, so far as may be applicable. | “Act” |
| | (b) | Deleted ¹ | |
| | (c) | Deleted ¹ | |
| | (d) | “Articles” means these articles of association of the Company or as altered from time to time. | “Articles” |
| | (e) | “Board of Directors” or “Board”, means the collective body of the directors of the Company. | “Board of Directors” or “Board” |

¹ Deleted vide Special Resolution passed by the members of the Company through Postal Ballot on March 23, 2025

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| (f) | Deleted ² | |
| (g) | "Company" means Reliance Infrastructure Limited. | "Company" |
| (h) | Deleted ² | |
| (i) | "Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act. | "Rules" |
| (j) | "Seal" means the common seal of the Company. | "Seal" |
| (2) | Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender. | "Number" and "Gender" |
| (3) | Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be. | Expressions in the Articles to bear the same meaning as in the Act |

Share capital and variation of rights

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| 3. | Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions, either at a premium or at par and at such time as they may from time to time think fit. | Shares under control of Board |
| 4. | Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be. | Directors may allot shares otherwise than for cash |
| 5. | The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws: | Kinds of Share Capital |
| | (a) Equity share capital:
(i) with voting rights; and / or
(ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and | |
| | (b) Preference share capital | |
| 6. (1) | Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission or within such other period as the conditions of issue applicable law may provide -
(a) one certificate for all his shares without payment of any charges; or
(b) several certificates, each for one or more of his shares, upon payment of such charges as may be fixed by the Board for each certificate after the first. | Issue of certificate |
| (2) | Every certificate shall be under the seal and shall specify the shares to | Certificate to |

²Deleted vide Special Resolution passed by the members of the Company through Postal Ballot on March 23, 2025

	which it relates and the amount paid-up thereon.	bear seal
(3)	In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.	One certificate for shares held jointly
7.	A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialised state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share. For the purposes of these Articles, the term "Depository" shall carry the meaning assigned to the term by the Depositories Act, 1996 or any subsequent amendment(s) thereto.	Option to receive share certificate or hold shares with depository
8.	If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board.	Issue of new certificate in place of one defaced, lost or destroyed
9.	The provisions of the foregoing Articles relating to issue of certificates shall <i>mutatis mutandis</i> apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.	Provisions as to Issue of certificates to apply <i>mutatis mutandis</i> to debentures, etc.
10.	(1) The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.	Power to pay commission in connection with securities issued
	(2) The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.	Rate of commission in accordance with Rules
	(3) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.	Mode of payment of commission
11.	(1) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.	Variation of members' rights
	(2) To every such separate meeting, the provisions of these Articles relating to general meetings shall <i>mutatis mutandis</i> apply, but so that	Provisions as to general

	necessary quorum shall be at least two persons holding issued shares of the class in question.	meetings to apply <i>mutatis mutandis</i> to each meeting
12.	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking <i>pari passu</i> therewith.	Issue of further shares not to affect rights of existing members
13.	Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.	Power to issue redeemable preference shares
14.	<p>(1) The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to -</p> <p>(a) persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or</p> <p>(b) employees under any scheme of employees' stock option; or</p> <p>(c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.</p> <p>(2) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer, private placement or otherwise, subject to and in accordance with the Act and the Rules.</p>	<p>Further issue of share capital</p> <p>Mode of further issue of shares</p>
Lien		
15.	<p>(1) The Company shall have a first and paramount lien -</p> <p>(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and</p> <p>(b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company: Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause.</p> <p>(2) The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.</p> <p>(3) Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.</p>	<p>Company's lien on shares</p> <p>Lien to extend to dividends, etc.</p> <p>Waiver of lien in case of registration</p>
16.	The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:	As to enforcing lien by sale

Provided that no sale shall be made—

- (a) unless a sum in respect of which the lien exists is presently payable; or
 - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.
17. (1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof. Validity of sale
- (2) The purchaser shall be registered as the holder of the shares comprised in any such transfer. Purchaser to be registered holder
- (3) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share. Validity of Company's receipt
- (4) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale. Purchaser not affected
18. (1) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. Application of proceeds of sale
- (2) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale. Payment of residual money
19. In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim. Outsider's lien not to affect Company's lien
20. The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities including debentures of the Company. Provisions as to lien to apply *mutatis mutandis* to debentures, etc.

Calls on shares

21. (1) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. Board may make calls
- (2) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares. Notice of call
- (3) The Board may, from time to time, at its discretion, extend the time Board may

	fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.	extend time for payment
(4)	A call may be revoked or postponed at the discretion of the Board.	Revocation or postponement of call
22.	A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.	Call to take effect from date of resolution
23.	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	Liability of joint holders of shares
24.	(1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board.	When interest on call or installment payable
	(2) The Board shall be at liberty to waive payment of any such interest wholly or in part.	Board may waive interest
25.	(1) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.	Sums deemed to be calls
	(2) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.	Effect of nonpayment of sums
26.	The Board - (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.	Payment in anticipation of calls may carry interest
27.	If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.	Installments on shares to be duly paid
28.	All calls shall be made on a uniform basis on all shares falling under the same class.	Calls on shares of same class to

be on uniform basis

Explanation: Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

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| 29. | Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided. | Partial payment not to preclude forfeiture |
| 30. | The provisions of these Articles relating to calls shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company. | Provisions as to calls to apply <i>mutatis mutandis</i> to debentures, etc. |

Transfer of shares

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| 31. | (1) The instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee. | Instrument of transfer to be executed by transferor and transferee |
| | (2) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof. | |
| 32. | The Board may, subject to the right of appeal conferred by the Act decline to register - | Board may refuse to register transfer |
| | (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or | |
| | (b) any transfer of shares on which the Company has a lien. | |
| 33. | In case of shares held in physical form, the Board may decline to recognise any instrument of transfer unless - | Board may decline to recognise instrument of transfer |
| | (a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act; | |
| | (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and | |
| | (c) the instrument of transfer is in respect of only one class of shares. | |
| 34. | On giving previous notice in accordance with the Act and Rules made thereunder or other provisions of law, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine: | Transfer of shares when suspended |
| | Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty five days in the aggregate in any year, unless permissible under the applicable | |

provisions of law.

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| 35. | The provisions of these Articles relating to transfer of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company. | Provisions as to transfer of shares to apply <i>mutatis mutandis</i> to Debentures, etc. |
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Transmission of shares

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| 36. | (1) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares. | Title to shares on death of a member |
| | (2) Nothing in clause (1) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons. | Estate of deceased member liable |
| 37. | (1) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either - | Transmission Clause |
| | (a) to be registered himself as holder of the share; or | |
| | (b) to make such transfer of the share as the deceased or insolvent member could have made. | |
| | (2) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency. | Board's right unaffected |
| | (3) The Company shall be fully indemnified by such person from all liability, if any, arising out of actions taken by the Board to give effect to such registration or transfer. | Indemnity to the Company |
| 38. | (1) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. | Right to election of holder of share |
| | (2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share. | Manner of testifying election |
| | (3) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member. | Limitations applicable to notice |
| 39. | A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to | Claimant to be entitled to same advantage |

meetings of the Company:

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

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| 40. | The provisions of these Articles relating to transmission by operation of law shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company. | Provisions as to transmission to apply <i>mutatis mutandis</i> to debentures, etc. |
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Forfeiture of shares

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| 41. | If a member fails to pay any call, or installment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment. | If call or installment not paid notice must be given |
| 42. | The notice aforesaid shall:

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited. | Form of notice |
| 43. | If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. | In default of payment of shares to be forfeited |
| 44. | Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture. | Receipt of part amount or grant of indulgence not to affect forfeiture |
| 45. | When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid. | Entry of forfeiture in register of members |
| 46. | The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share. | Effect of forfeiture |

47.	(1)	A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit.	Forfeited shares may be sold, etc.
	(2)	At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.	Cancellation of forfeiture
48.	(1)	A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.	Members still liable to pay money owing at the time of forfeiture
	(2)	All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realisation. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.	Member still liable to pay money owing at time of forfeiture and interest
	(3)	The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.	Cessation of liability
49.	(1)	A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;	Certificate of forfeiture
	(2)	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;	Title of purchaser and transferee of forfeited shares
	(3)	The transferee shall thereupon be registered as the holder of the share; and	Transferee to be registered as holder
	(4)	The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.	Transferee not affected
50.		Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.	Validity of sales
51.		Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect,	Cancellation of share certificate in respect of forfeited shares

and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

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| 52. | The Board may, subject to the provisions of the Act, accept a surrender of any share certificates from or by any member desirous of surrendering them on such terms as they think fit. | Surrender of share certificates |
| 53. | The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified. | Sums deemed to be calls |
| 54. | The provisions of these Articles relating to forfeiture of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company. | Provisions as to forfeiture of shares to apply <i>mutatis mutandis</i> to debentures, etc. |

Alteration of capital

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| 55. | Subject to the provisions of the Act, the Company may, by ordinary resolution - | Power to alter share capital |
| | <ul style="list-style-type: none"> (a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient; (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person. | |
| 56. | Where shares are converted into stock: | Shares may be converted into stock |
| | <ul style="list-style-type: none"> (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: <p style="margin-left: 20px;">Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;</p> <ul style="list-style-type: none"> (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage; (c) such of these Articles of the Company as are applicable to paid-up | Right of stockholders |

shares shall apply to stock and the words “share” and “shareholder”/“member” shall include “stock” and “stock-holder” respectively.

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| 57. | The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, — | Reduction of capital |
| | (a) its share capital; and/or | |
| | (b) any capital redemption reserve account; and/or | |
| | (c) any securities premium account; and/or | |
| | (d) any other reserve in the nature of share capital. | |

Joint Holders

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| 58. | Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles: | Joint-holders |
| | (a) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share. | Liability of Joint holders |
| | (b) On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person. | Death of one or more joint-holders |
| | (c) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share. | Receipt of one sufficient |
| | (d) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed to be service on all the joint-holders. | Delivery of certificate and giving of notice to first named holder |
| | (e) i. Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof. | Vote of joint holders |
| | ii. Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders. | Executors or administrators as joint holders |

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| (f) | The provisions of these Articles relating to joint holders of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company registered in joint names. | Provisions as to joint holders as to shares to apply <i>mutatis mutandis</i> to debentures, etc. |
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Capitalisation of profits

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| 59. | (1) | The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve — | Capitalisation |
| | (a) | that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and | |
| | (b) | that such sum be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. | |
| | (2) | The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, either in or towards : | Sum how applied |
| | (a) | paying up any amounts for the time being unpaid on any shares held by such members respectively; | |
| | (b) | paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid; | |
| | (c) | partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B). | |
| | (3) | A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares; | |
| | (4) | The Board shall give effect to the resolution passed by the Company in pursuance of this Article. | |
| 60. | (1) | Whenever such a resolution as aforesaid shall have been passed, the Board shall - | Powers of the Board for capitalisation |
| | (a) | make all appropriations and applications of the amounts resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and | |
| | (b) | generally do all acts and things required to give effect thereto. | |
| | (2) | The Board shall have power— | Board's power to issue fractional certificate/ coupon etc. |
| | (a) | to make such provisions, by the issue of fractional certificates/ coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and | |
| | (b) | to authorise any person to enter, on behalf of all the members entitled | |

thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares.

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| (3) | Any agreement made under such authority shall be effective and binding on such members. | Agreement binding on members |
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Buy-back of shares

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| 61. | Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities. | Buy-back of shares |
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General meetings

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| 62. | All general meetings other than annual general meeting shall be called extraordinary general meeting. |
| 63. | The Board may, whenever it thinks fit, call an extraordinary general meeting. |

Proceedings at general meetings

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| 64.. | (1) | No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. | Presence of Quorum |
| | (2) | No business shall be discussed or transacted at any general meeting except election of Chairman whilst the chair is vacant. | Business confined to election of Chairman whilst chair vacant |
| | (3) | The quorum for a general meeting shall be as provided in the Act. | Quorum for general meeting |
| 65. | The Chairman of the Board shall preside as the Chairman at every general meeting of the Company. In absence of the Chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairman of the meeting, the Vice-Chairman of the Board, shall preside as Chairman of the meeting. | | Chairman of the General meetings |
| 66. | If there is no Chairman or Vice Chairman, or none of them are present within fifteen minutes after the time appointed for holding the meeting, or are unwilling to act as Chairman of the meeting, the directors present shall elect one of their number to be the Chairman of the meeting. | | Directors to elect a Chairman |
| 67. | If at any meeting no Director is willing to act as Chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the chair is vacant. | | Members to elect a Chairman |

68.	(1)	On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairman shall have a second or casting vote.	Casting vote of Chairman at general meeting
	(2)	The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.	Chairman to judge validity of votes
	(3)	The Members shall exercise their voting rights to ensure that the Act and/or these Articles are implemented and acted upon by the Members, and by the Company and to prevent the taking of any action by the Company or by any Member, which is contrary to or with a view or intention to evade or defeat the terms as contained in these Articles.	Exercise of Voting Rights by Members
69.	(1)	The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within the prescribed time of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.	Minutes of proceedings of meetings and resolutions passed by postal ballot
	(2)	There shall not be included in the minutes any matter which, in the opinion of the Chairman of the meeting -	Certain matters not to be included in Minutes
	(a)	is, or could reasonably be regarded, as defamatory of any person; or	
	(b)	is irrelevant or immaterial to the proceedings; or	
	(c)	is detrimental to the interests of the Company.	
	(3)	The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.	Discretion of Chairman in relation to Minutes
	(4)	The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.	Minutes to be evidence
70.	(1)	The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:	Inspection of minute books of general meeting
	(a)	be kept at the registered office of the Company; and	
	(b)	be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays.	
	(2)	Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (1) above	Members may obtain copy of minutes
71.		The Board, and also any person(s) authorised by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think	Powers to arrange security at

fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.

meetings

Adjournment of meeting

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| 72. | (1) | The Chairman may, <i>suo motu</i> , adjourn the meeting from time to time and from place to place. | Chairman may adjourn the meeting |
| | (2) | No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. | Business at adjourned meeting |
| | (3) | When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. | Notice of adjourned meeting |
| | (4) | Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. | Notice of adjourned meeting not required |

Voting rights

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| 73. | Subject to any rights or restrictions for the time being attached to any class or classes of shares - | | |
| | (a) | on a show of hands, every member present in person shall have one vote; and | |
| | (b) | on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company. | |
| 74. | A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once. | | Voting through electronic means |
| 75. | (1) | In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. | Vote of joint holders |
| | (2) | For this purpose, seniority shall be determined by the order in which the names stand in the register of members. | Seniority of names |
| 76. | A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians. | | How members <i>non compos mentis</i> and minor may vote |
| 77. | Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned | | Votes in respect of shares of deceased or insolvent members, etc. |

meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

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| 78. | Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. | Business may proceed pending poll |
| 79. | No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien. | Restriction on voting rights |
| 80. | A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article. | Restriction on exercise of voting rights in other cases to be void |
| 81. | Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class. | Equal rights of members |

Proxy

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| 82. | (1) Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting. | Member may vote in person or otherwise |
| | (2) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. | Proxies when to be deposited |
| 83. | An instrument appointing a proxy shall be in the form as prescribed in the Rules. | Form of proxy |
| 84. | A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:
Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used. | Proxy to be valid notwithstanding death of the principal |

Board of Directors

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| 85. | Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 15 (fifteen). | Board of Directors |
| 86. | The Board shall have the power to determine the directors whose | Directors not |

	period of office is or is not liable to determination by retirement of directors by rotation.	liable to retire by rotation
87.	(1) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.	Remuneration of directors
	(2) The remuneration payable to the directors, including any managing or whole-time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act by a resolution passed by the Members.	Remuneration to require members' consent
	(3) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—	Travelling and other expenses
	(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or	
	(b) in connection with the business of the Company.	
88.	All cheques, promissory notes, drafts, <i>hundis</i> , bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.	Execution of negotiable instruments
89.	(1) Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.	Appointment of additional directors
	(2) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.	Duration of office of additional director
90.	(1) The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.	Appointment of alternate director
	(2) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.	
	(3) If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.	Re-appointment provisions applicable to Original Director
	(4) If it is provided by a Trust Deed or any other document, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person/ Lender or Persons/ Lenders shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person/ Lender or Persons/ Lenders having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein	Debenture Directors

referred to a Debenture Director. A Debenture Director may be removed from office at any time by the Person/ Lender or Persons/ Lenders in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place.

- (5) Any deed for securing loans by the Company from financial corporations may be so arranged to provide for the appointment from time to time by the lending financial corporation of some person or persons to be a director or directors of the Company and may empower such lending financial corporation from time to time to remove and re-appoint any Director so appointed. A Director appointed under this Article is herein referred as "Nominee Director" and the term "Nominee Director" means any director for time being in office under this Article. The deed aforesaid may contain ancillary provisions as may be arranged between the Company and the lending corporation and all such provisions shall have effect notwithstanding any of the other provisions herein contained.
- Nominee Director

91. (1) If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.
- Appointment of director to fill a casual vacancy
- (2) The director so appointed shall hold office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated.
- Duration of office of Director appointed to fill casual vacancy

Powers of Board

92. The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.
- General powers of the Company vested in Board
93. All the Directors shall exercise their voting rights to ensure that these Articles are implemented and acted upon by them to prevent the taking of any action by the Company or by any Member, which is contrary to or with a view or intention to evade or defeat the terms as contained in these Articles.
- Exercise of Voting Rights by Directors
94. Deleted³

³Deleted vide Special Resolution passed by the members of the Company through Postal Ballot on March 23, 2025

Proceedings of the Board

95.	(1)	The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.	When meeting to be convened
	(2)	The Chairman or any one Director with the previous consent of the Chairman may, or the company secretary on the direction of the Chairman shall, at any time, summon a meeting of the Board.	Who may summon Board meeting
	(3)	The quorum for a Board meeting shall be as provided in the Act.	Quorum for Board meetings
	(4)	The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	Participation at Board meetings
96.	(1)	Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.	Questions at Board meeting how decided
	(2)	In case of an equality of votes, the Chairman of the Board if any shall have a second or casting vote.	Casting vote of Chairman at Board meeting
97.		The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.	Directors not to act when number falls below minimum
98.	(1)	The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit or to any officer of the Company.	Delegation of powers
	(2)	Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.	Committee to conform to Board regulations
	(3)	The participation of directors in a meeting of the Committee may be	Participation

	either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	at Committee meetings
99.	(1) A Committee may elect a Chairman of its meetings unless the Board, while constituting a Committee, has appointed a Chairman of such Committee.	Chairman of Committee
	(2) If no such Chairman is elected, or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairman of the meeting.	Who to preside at meetings of Committee
100.	(1) A Committee may meet and adjourn as it thinks fit.	Committee to meet
	(2) Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.	Questions at Committee meeting how decided
	(3) In case of an equality of votes, the Chairman of the Committee shall have a second or casting vote.	Casting vote of Chairman at Committee meeting
101.	All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.	Acts of Board or Committee valid notwithstanding defect of appointment
102.	Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.	Passing of resolution by circulation

**Chief Executive Officer, Manager, Company Secretary
and Chief Financial Officer**

103.	(a) Subject to the provisions of the Act,— A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.	Chief Executive Officer, etc.
	(b) The same individual, at the same time, may be appointed as a director as well as the chief executive officer, manager, company secretary, chief financial officer or as any other key managerial person (KMP) of the company.	Director may be KMP, etc.

Registers

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| 104. | <p>The Company shall keep and maintain at its registered office or at such other place as may be decided by the Board, all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.</p> | Statutory registers |
| 105. | <p>(a) The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.</p> <p>(b) The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.</p> | Foreign register |

The Seal

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| 106. | <p>(1) The Board shall provide for the safe custody of the seal.</p> <p>(2) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf, and except in the presence of at least one director or the manager, if any, or of the secretary or such other person as the Board may appoint for the purpose; and such director or manager or the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.</p> | <p>The seal, its custody and use</p> <p>Affixation of seal</p> |
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Dividends and Reserve

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| 107. | <p>The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.</p> | <p>Company in general meeting may declare dividends</p> |
| 108. | <p>Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.</p> | <p>Interim dividends</p> |
| 109. | <p>(1) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in</p> | <p>Dividends only to be paid out of profits</p> |

such investments (other than shares of the Company) as the Board may, from time to time, think fit.

	(2)	The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	Carry forward of profits
110.	(1)	Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.	Division of profits
	(2)	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.	Payments in advance
	(3)	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.	Dividends to be apportioned
111.	(1)	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.	No member to receive dividend whilst indebted to the Company and Company's right to reimbursement there from
	(2)	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.	Retention of dividends
112.	(1)	Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.	Dividend how remitted
	(2)	Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	Instrument of payment
	(3)	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.	Discharge to Company
113.		Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.	Receipt of one holder sufficient
114.		No dividend shall bear interest against the Company.	No interest on dividends

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| 115. | The waiver in whole or in part of any bonus shares, other rights or dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board. | Waiver of bonus, Dividends etc. |
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Accounts

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| 116. | (1) The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules. | Inspection by Directors |
| | (2) No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorised by the Board. | Restriction on inspection by members |

Winding up

- | | | |
|------|---|-----------------------|
| 117. | Subject to the applicable provisions of the Act and the Rules made thereunder – | Winding up of Company |
| | (a) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not. | |
| | (b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. | |
| | (c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability. | |

Indemnity and Insurance

- | | | |
|------|--|---|
| 118. | (a) Subject to the provisions of the Act, every director, managing director, whole-time director, manager, chief executive officer, chief financial officer, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, chief executive officer, chief financial officer, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, chief executive officer, chief financial officer, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses. | Directors and officers right to indemnity |
| | (b) Subject as aforesaid, every director, managing director, manager, chief executive officer, chief financial officer, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable | |

provisions of the Act in which relief is given to him by the Court.

- (c) The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably. Insurance

General Power

119. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

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

Names, addresses and descriptions of subscribers	Number of shares taken by each Subscriber
F.C. Annesley Partner Killick Nixon & Co. Bombay, Merchant	Fifty
E.C. Reid Partner Killick Nixon & Co. Bombay, Merchant by his constituted attorney, F.C. Annesley	Fifty
J.P. Bradshaw Electrical Engineer Forbes Building, Bombay, by his constituted attorney, F.C. Annesley	Fifty
M.S. Captain Solicitor 96, Murzaban Road, Andheri	Fifty
Purshotamdas Thakurdas Soonita, Ridge Road Malabar Hill, Bombay, Merchant	Fifty
D.R.C. Hartley Killick Building Bombay Merchant	One
A. Trevor Robinson Killick Building, Bombay, Merchant	One

Dated this 1st day of October 1929.

WITNESS to the above Signatures:

Leslie Blunt,
Solicitor, Bombay

**Memorandum of Association &
Articles of Association of
Reliance Infrastructure Limited**

**PART - II
(Court Orders)**

**Registered Office:
Reliance Centre, Ground Floor, 19, Walchand Hirachand Marg,
Ballard Estate, Mumbai – 400 001**

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**IN THE HIGH COURT OF JUDICATURE: ANDHRA PRADESH AT HYDERABAD
(ORDINARY ORIGINAL / CIVIL JURISDICTION)
THURSDAY THE EIGHTEENTH DAY OF DECEMBER
TWO THOUSAND AND THREE
PRESENT
THE HONOURABLE MR. JUSTICE N. V. RAMANA
COMPANY PETITION NO. 181 OF 2003
IN THE MATTER OF THE COMPANIES ACT 1956 (1 OF 1956)
AND IN THE MATTER OF BSES Andhra Power Limited**

BETWEEN

In the Matter of the Scheme of Amalgamation of BSES Andhra Power Limited with BSES Limited.

BSES Andhra Power Limited, Regd. Office at 6-3-1090 / A Raj Bhavan Road, Carnus Campri Apartment, II Floor, Somajiguda, Hyderabad reps. by its Additional General Manager and Company Secretary Mr K V Subrahmanya Sastry.

Petitioner / Transferor
Company

Petition Under Sections 391 to 394 of the Companies Act, 1956 praying that this High Court may be pleased to order.

- (a) that the Amalgamation of the Petitioner Company with the Transferee Company as per the Scheme of amalgamation (being Exhibit 'E' to the Petition) be sanctioned by this Hon'ble Court so as to be binding on shareholders, creditors and employees and all concerned of the Petitioner Company;
- (b) that, with effect from the 1st day of April 2003, the whole of the Undertaking (as defined in the Scheme of Amalgamation) of the Petitioner Company be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the manner stated in the Scheme of Arrangement being Exhibit E to the Petition without any further act or deed of the Petitioner Company subject to the mortgages or charges, if any, now affecting the same, so as to become the Undertaking of the Transferee Company;
- (c) that with effect from the 1st day of April 2003, all secured and unsecured debts (whether in Indian Rupees or foreign currency), liabilities (Including contingent liabilities), duties, undertakings and obligations of the Petitioner Company be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company without any further act or deed of the Petitioner Company, so as to become the debts, liabilities, duties, undertaking and obligations of the Transferee Company;
- (d) that all legal proceeding pending by or against the Petitioner Company on the Effective Date be continued by or against the Transferee Company;
- (e) that the Petitioner Company be dissolved without winding up by this Hon'ble Court.
- (f) That the parties to the amalgamation embodied in the said Scheme of Amalgamation shall be at liberty to apply to this Hon'ble High Court for any Directions that may be necessary for the purpose of carrying out the Scheme of Amalgamation.
- (g) That further orders in respect of such Incidental, consequential and supplemental matters as are necessary to ensure that the Scheme of Amalgamation is fully and effectively carried out be given and made. This Petition coming on for orders upon reading the Judge's Summons and the affidavit dated 18-11-2003 and filed by Mr. K.V. Subrahmanya Sastry, Additional General Manager and Company Secretary of the Petitioner Company an upon hearing the arguments of Mr. V. S. Raju, Advocate for the Petitioner. The Court made the following Order:-

THE HONOURABLE SRI JUSTICE N. V. RAMANA
COMPANY PETITION NO. 181 OF 2003

ORAL ORDER:

This Company Petition has been filed seeking sanction of this Court for the amalgamation of the Petitioner - Company (Transferor Company) with the BSES Limited (Transferee Company). The registered Office of the Petitioner-Company is situated in the State of Andhra Pradesh, whereas the Registered Office of the Transferee Company is situated at Bombay.

The authorized share capital of Transferor Company is Rs. 225 crore divided into 22.50 crore equity share of Rs. 10 each and 21,08,59,730 equity shares of Rs. 10 each have been issued and subscribed. The authorized share capital of the Transferee Company is Rs. 350 crore divided into 20 crore equity share of Rs. 10 each and, Rs. 150 crore divided into 1,50,00,000 Cumulative Redeemable Preference shares of Rs. 100 each. The issued share capital is Rs. 137.87 crore divided into 13,78,66,830 equity share of Rs. 10 each. The subscribed share capital consists of 13,77,25,666 equity shares of Rs. 10/- each less forfeited shares to the extent of Rs. 11 lakhs. The Petitioner - Company is presently a wholly owned subsidiary of the Transferee Company and operates a 220 MW gas based combined cycle power plant in Samalkot in Andhra Pradesh. The Transferee Company is mainly engaged in the generation, transmission and distribution of electricity. It also provides value added services in electrical contracting, engineering, procurement and construction of contracts. It also operates 500 MW thermal power station at Dahanu near Mumbai and is in the field of power distribution for seven decades.

According to the Transferor Company, it is engaged in the similar line of business as is carried on by the Transferee Company and the amalgamation of the Transferor Company with the Transferee Company will be beneficial as it will help in achieving business synergy by pooling of financial resources, managerial, technical, distribution and marketing expertise and cash flows of both companies. It is further stated that the amalgamated entity with power generation capacity of 720 MW will enjoy leading domestic market share in generation, transmission and distribution with a strong consumer base. It is also stated that the amalgamated entity, with stronger financials and asset base, will be in a better position to exploit the vast growth opportunities in power sector which is a building block for development of nation's economy and is a GDP multiplier. Therefore, it is submitted that the proposed Scheme is in the Interests of all concerned and nobody's interest would be prejudicially affected by the proposed Scheme. The Board of Directors of both the companies have approved the Scheme of amalgamation at their respective meeting held on 28-7-2003 and filed Company Application No. 1493 of 2003 before this Court for dispensing with the meeting of the shareholders, by filing affidavits of the shareholders. This Court by order dated: 18-11-2003 ordered the said Application. Thereafter, the Petitioner-Company filed the present Company Petition. While admitting the Company Petition, this Court ordered notices to the Central Government as well as the Official Liquidator and also directed the Petitioners counsel to carry out the publication of notice in the newspapers, namely, Economic Times and Andhra Jyothi, as contemplated under Rule 80 of the Companies (Court) Rules, 1959. On behalf of the Official Liquidator a report has been filed stating that on examination of the books and records produced by the Company and also available with the Registrar of Companies, A. P., Hyderabad, the transferor company viz. M/s. BSES Andhra Power Ltd. has not conducted its affairs in a manner prejudicial to the interest of its members and to the public interest.

On behalf of the Central Government, an affidavit has been filed by the Registrar of Companies, Andhra Pradesh, Hyderabad taking a neutral stand. However, an objection has been taken that the Transferee Company is situated in Mumbai and the Scheme of Amalgamation must be approved by both the High Courts at Hyderabad and Mumbai. The Learned counsel for the Transferor Company has relied upon the judgment of this Court in Nebula Motors Limited, in respect of the objection taken by the Registrar of companies that the Scheme of Amalgamation must be approved by both the High Courts at Hyderabad and Mumbai, wherein it has been held

by this court that in case of amalgamation of two companies whose registered offices are situated within the jurisdiction of the different High Courts, it is not necessary that the transferee company has to file a similar Petition in the High Court within whose jurisdiction the transferee Company is situated. In view of the decision of this Court, the objection taken by the Registrar of Companies, Andhra Pradesh, Hyderabad is Overruled.

It is evident from the proof of publication filed by the Petitioner's counsel that notice as contemplated under the Rules has duly been published in the newspapers and no objections as to the proposed scheme of amalgamation are received. It is also evident from the material filed in support of the Company Petition that the Board of Directors of both the Companies and the shareholders of the Transferor Company have passed resolution approving the Scheme of Amalgamation. Further, the Official Liquidator has filed report expressing no objection for approval of the said Scheme, and, the only objection taken by the Registrar of Companies, Andhra Pradesh in his affidavit stood overruled by the decision of this court cited above and relied upon by the learned counsel for the Petitioner.

In the above circumstances, the Scheme of Amalgamation, which was approved by the Board of Directors of both the Companies as well as the shareholders of the Transferor Company, marked as Ex. E, is approved. As a result, the transferor company stands dissolved without going through the process of winding up.

The Petitioners shall deliver a certified copy of the orders to the Registrar of Companies, Andhra Pradesh, Hyderabad within 30 days from the date of receipt of the orders.

The Company Petition is accordingly allowed. No costs.

Sd/-
E. Umamaheswara Rao
Joint Registrar,

// true copy //

18/12/2003

Sd/-
Section Officer

**SCHEME OF AMALGAMATION
OF
BSES Andhra Power Limited the TRANSFEROR COMPANY
With
BSES Limited the TRANSFeree COMPANY**

PART I - GENERAL

1. BSES Andhra Power Limited (hereinafter referred to as BAPL or the Transferor Company') a wholly owned subsidiary of BSES Limited (hereinafter referred to as 'BSES' or 'the Transferee Company') is engaged in the business of generation of electricity in Andhra Pradesh. This Scheme of Amalgamation (hereinafter referred to as the 'Scheme') provides for the amalgamation of BSES Andhra Power Limited with BSES Limited pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Companies Act, 1956.

2. In this Scheme, unless repugnant to the meaning or context thereof, the following expression shall have the following meanings:

'Act' means the Companies Act, 1956 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force.

'Appointed Date' means 1st day of April 2003 or such other date as may be approved by the High Court.

BAPL' or 'Transferor Company' means BSES Andhra Power Limited, a company incorporated under the Companies Act, 1956, having its registered office at 6-3-1090/A. Raj Bhawan Road, Camus Capri Apartment, II Floor, Somajiguda, Hyderabad 500 082, Andhra Pradesh, India. 'BSES' or 'Transferee Company' means BSES Limited, a company incorporated under the Indian Companies Act, 1913, having its registered office at BSES House, Santa Cruz (East), Mumbai 400 055, Maharashtra, India.

'Effective Date' or 'Coming into effect of this Scheme or Effectiveness of this Scheme' means the date on which the certified copy of the order of the High Court sanctioning the Scheme is filed with the Registrar of Companies, Andhra Pradesh or as the case may be, the last of the dates on which such certified copy of the Order of the High Court sanctioning the Schemes is filed with the relevant Registrars of Companies having Jurisdiction over the Transferor Company and/or the Transferee Company.

High Court' means the High Court of Judicature of Andhra Pradesh or if the context so requires, the relevant High Courts before whom application and/or petitions for sanctioning of the Scheme are filed.

Scheme' means this Scheme of Amalgamation with such modification(s), if any, therein, as approved by the High Court.

'Undertaking' means all the undertakings and the entire business of the Transferor Company comprising of:

- (a) all the assets and properties (whether movable or immovable, tangible or Intangible, real or personal, corporeal or Incorporeal, present, future or contingent) of the Transferor Company, including but without being limited to plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixtures, office equipment, appliances, accessories, power lines, depots, deposits, all stocks, stocks of fuel, assets, Investment of all kinds (including shares, scrips, stocks, bonds, debenture stock, units or pass through certificates), cash balances with banks, loans, advances, contingent rights or benefits, receivables, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including lease rights, prospecting leases and mining leases, If any), and hire purchase contracts and assets,

lending contracts, rights under power purchase agreements, fuel supply agreements, benefit of any security arrangements or under any guarantees, reversions, powers, authorities, allotments, approvals, permits and consents, quotas, rights, fuel linkages, entitlements, contracts, licenses (Industrial and otherwise), municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, leases, licenses, fixed and other assets, trade and service, name and marks, patents, copyrights, and other Intellectual property rights of any nature whatsoever, permits, approvals, authorisations, rights to use and avail of telephones, telexes, facsimile, email, Internet, leased line connections and Installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, paper, computer programme, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including sales tax deferrals, title, Interest, other benefits (Including tax benefits), easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or In the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company in connection with or relating to the Transferor Company and all other Interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad (hereinafter referred to as the 'Assets')

- (b) all secured and unsecured debts (whether in Indian rupees or foreign currency), liabilities (including contingent liabilities), duties, undertakings and obligations of the Transferor Company of every kind, nature and description whatsoever and howsoever arising (hereinafter referred to as the 'Liabilities'). All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations and bye-laws or any statutory modification or re-enactment thereof, from time to time.

PART II - SHARE CAPITAL

3. (a) The share capital of the Transferor Company as at March 31, 2003 is as under:

Authorised	(Rupees in crores)
22,50,00,000 equity shares of Rs.10 each	225.00
Issued	
21,08,59,730 equity shares of Rs.10 each have been issued	210.86
Subscribed and paid-up	
21,08,59,730 equity shares of Rs.10 each have been fully paid up	210.86

As on date, the Transferor Company is a wholly owned subsidiary of the Transferee Company and the entire paid-up share capital of the Transferor Company is held by the Transferee Company and its nominees.

- (b) The share capital of the Transferee Company as at March 31, 2003 is as under:

Authorised	(Rupees in crores)
20,00,00,000 equity shares of Rs.10 each 1,50,00,000 Cumulative Redeemable Preference Shares of Rs.100 each	200.00 150.00
	360.00
Issued	
11,18,25,180 Equity Shares of Rs.10 each 2,60,41,650 Equity Shares of Rs.10 each represented by Global Depositary Receipts	111.83 26.04
	137.87
Subscribed	
13,77,25,666 Equity Shares of Rs.10 each Fully paid up Add : Forfeited Shares – Amount originally paid-up	137.72 0.11
	137.83

PART III - TRANSFER AND VESTING

4. (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, all the Assets of the Transferor Company comprised in the Undertaking but excluding the properties and assets specified in sub-clause (b) of this Clause shall, pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to have been stand transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the undertakings, business, properties and assets of the Transferee Company.
- (b) In respect of such of the properties and assets of the Transferor Company as are movable in nature and capable of transfer by manual delivery or by endorsement or endorsement and delivery, the same may be so transferred by the Transferor Company to the Transferee Company to the end and intent that the property in such movable properties and assets shall, upon such manual delivery or endorsement or endorsement and delivery, as the case may be, pass to the Transferee Company and thereupon such movable properties and assets shall become the properties and assets of the Transferee Company.
- (c) With respect to book-debts, outstanding loans and advances, receivables, bank balances and deposits, if any, due to the Transferor Company by any person or authority, the Transferee Company and if so required, the Transferor Company shall give notice in such form as they may deem fit to each such debtor or depositor that pursuant to the sanction

by the High Court of the Scheme under Sections 391 to 394 of the Act, the said debt, loan, advance or deposit be paid, made good or held on account of the Transferee Company as the person entitled thereto in place of the Transferor Company and that appropriate entry should be passed in its books to record the aforesaid change.

- (d) Without prejudice to the generality of sub-clause (a) of this clause 4, all assets, properties, estate, right, title, interest, licenses and authorities, permits, fuel linkages, quotas, approvals, permissions, incentives, sales tax deferrals, loans or benefits, subsidies, concessions, grants, claims, leases, tenancy rights, liberties and other assets, special status and other benefits or privileges (but excluding the properties and assets specified in sub-clause (b) of this clause (4) enjoyed or conferred upon or held or availed of by the Transferor Company and/or all rights and benefits that have been acquired or that have arisen or acquired or which may arise or accrue to the Transferor Company after the Appointed Date and prior to the Effective Date in connection or in relation to the operation of the Undertaking shall, pursuant to Section 394 (2) of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to have been and stand transferred to and vested in the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible under law.

5. Upon the coming into effect of this Scheme and with effect from the Appointed Date.

- (a) All Liabilities of the Transferor Company comprised in the Undertaking outstanding or subsisting on the Effective Date shall, pursuant to the provisions of Section 391 to 394 and other relevant provisions of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to have been and stand transferred to and vested in, so as to become, as and from the Appointed Date, the liabilities of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is party to any contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provision of this Clause.
- (b) Without prejudice to sub-clause (a) of this clause 5:
 - (i) All debentures, bonds, notes or other debt securities of the Transferor Company, whether convertible into equity or otherwise, (hereinafter referred to as the 'Transferor Company's Securities') shall, pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Act, without any further act, instrument or deed become the securities of the Transferee Company on the same terms and conditions except to the extent modified under the provisions of this Scheme and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in and shall be exercised by or against the Transferee Company to the same extent as if it were the Transferor Company in respect of the Transferor Company's Securities so transferred.
 - (ii) Loans, advances and other obligations (including any guarantees, letters or credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall stand discharged and come to an end and there shall be no liability in that behalf on either party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any such Intercompany loans, advances and other obligations.
 - (iii) Any debentures or notes, or other debt securities, if any issued by the Transferee Company and held by the Transferee Company and vice-versa, shall, unless sold or transferred by the Transferor Company or the Transferee Company, as the case may be, at any time prior to the Effective Date, stand cancelled as on the Effective

Date, and shall be of no effect and the Transferor Company or the Transferee Company, as the case may be, shall have no further obligation in that behalf.

- (c) (i) Where any of the Liabilities of the Transferor Company as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharged shall be deemed to have been for and on account of the Transferee Company.
- (ii) All loans raised and utilised and all debts, liabilities, duties, undertakings and obligations incurred or undertaken by the Transferor Company in relation to or in connection with the Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall upon the coming into effect of this Scheme, pursuant to the provisions of Section 394 (2) of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, liabilities, duties, undertakings and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

- 6. (a) In so far as the Assets of the Transferor Company are concerned, the existing securities, mortgages, charges, encumbrances or liens (hereinafter referred to as the 'Encumbrances') over the Assets or any part thereof transferred to the Transferee Company. In terms of this Scheme and relating to any Liabilities of the Transferor Company shall, after the Effective Date, Without any further act or deed, continue to relate or attach to such Assets or any part thereof but such Encumbrances shall not relate or attach to any to any of the assets and properties of the Transferee Company or any part thereof, save to the extent warranted by the term of any existing security arrangements to which both the Transferor Company and the Transferee Company are party, and consistent with the joint obligations assumed by them under such arrangements or unless specifically agreed to by the Transferee Company with the concerned secured creditors of the Transferor Company, subject to the consent of such of the secured creditors of the Transferee Company as are affected by such arrangements.
- (b) Without prejudice to sub-clause (a) of this Clause 6, it is clarified that the transfer and vesting of the assets and properties of the Transferor Company in terms of Clause 4 above shall be subject to the existing Encumbrances thereon and with effect from the Effective Date, any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its assets and properties shall be construed as a reference to the Transferee Company and the assets and properties of the Transferee Company, provide always that any such Encumbrances shall extent only to and over the assets and properties of the Transferor Company transferred to and vested in the Transferee Company pursuant to this Scheme and not any other assets and properties of the Transferee Company unless agreed to by the Transferee Company with the concerned secured creditors of the Transferor Company, subject to the consent of such of the secured creditors of the Transferee Company as are affected by such arrangements.
- (c) In so far as the existing securities, mortgages, charges, encumbrances or liens over the assets and properties of the Transferee Company or any part thereof and relating to liabilities of the Transferee Company are concerned, such securities, mortgages, charges, encumbrances or liens shall continue to relate or attach to such assets and properties of the Transferee Company or any part thereof but such securities, mortgages, charges, encumbrances or liens shall not extend to, or relate or attach to, any of the assets and properties of the Transferor Company or any part thereof transferred to the Transferee Company, save to the extent warranted by the terms of any existing security arrangements to which both the Transferor Company and the Transferee Company are party and consistent with the joint obligations assumed by them under such arrangements or unless specifically agreed to by the Transferee Company with the concerned secured creditors of the Transferee Company subject to the consent of such of the secured creditors of the Transferor Company as are affected by such arrangements.

7. Without prejudice to sub-clauses (b) (II) and (b) (III) of Clause 5, with effect from the Appointed Date, all Inter-party transactions between the Transferor Company and the Transferee Company shall be considered as Intra-party transactions for all purposes.
8. (a) With effect from Appointed Date and upto the Effective Date:
 - (I) The Transferor Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Undertaking on account of, and for the benefit of and in trust for the Transferee Company.
 - (II) All the profits or incomes accruing or arising to the Transferor Company, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes and expenditures or losses and taxes of the Transferee Company, as the case may be.
- (b) With effect from the date of filling of the Scheme with the High Court and upto and including the Effective Date:
 - (I) The Transferor Company shall carry on its business and activities with reasonable diligence and business prudence and shall not, undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, Indemnities, letters of comfort or commitments either for itself or on behalf of its subsidiaries or group companies or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking save and except in each case in the following circumstances:
 - (Ia) If the same is in its ordinary course of business as carried on by it as on the date of filling this Scheme with the High Court or
 - (Ib) If the same is expressly permitted by this Scheme or
 - (Ic) If written consent of the Transferee Company has been obtained.
 - (II) The Transferee Company shall not make any charge in its capital structure either by any increase (by issue of equity or shares on a rights basis, bonus shares, convertible debentures or otherwise) decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner, except under all or any of the following circumstances:
 - (IIa) Upon conversion of any outstanding bonds, debentures or convertible securities or
 - (IIb) If the same is expressly permitted by this Scheme or
 - (IIc) If written consent of the Transferee Company has been obtained.
 - (III) The Transferor Company shall not vary or modify the terms and conditions of employment of any of its employees, except with the written consent of the Transferee Company.
9. (a) Upon the coming into effect of this Scheme, all suits, actions and legal proceedings by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and/or enforced by or against the Transferee Company on and after the Effective Date, as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.
- (b) The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in sub-clause (a) above transferred to its name

and to have the same continued, prosecuted and enforced by or against the Transferee Company.

10. (a) Upon the coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Company or Powers or authorities granted by or to it) of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or having effect on the Effective Date, shall, without any further act, instrument or deed, be in full force and effect in favour of or against the Transferee Company and may be enforced as fully and effectually as if, Instead of the Transferor Company the Transferee Company had been a party or Transferee Company or obligee thereunder.
- (b) The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, be deemed to be authorised to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.
11. Upon the coming into effect of this Scheme:
 - (a) All the employees of the Transferor Company in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration not less favourable than those subsisting with reference to the Transferor Company as on the said date, it is clarified that the employees of the Transferor Company who become employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies, and shall not be entitled to avail of any schemes and benefits that are applicable and available to any of the employees of the Transferee Company, unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into by the Transferor Company with any union/employees of the Transferor Company.
 - (b) The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Company or any other special funds created or existing for the benefit of the employees of the Transferor Company shall at an appropriate stage be transferred to and form part of the relevant funds of the Transferee Company and till such time shall be maintained separately, and the Transferee Company shall be substituted for the Transferor Company in relation to the administration and operation of those funds. In the event that the Transferee Company does not have its own fund with respect to any such matters, the Transferee Company shall create its own fund to which the contributions pertaining to the employees of Transferor Company shall be transferred.
12. The transfer and vesting of the Undertaking of the Transferor Company and the continuance of proceedings by or against the Transferee Company shall not affect any transaction or proceeding already concluded by the Transferor Company prior to the Effective Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds, matters and things done and executed by the Transferor Company as done and executed on behalf of itself.

PART IV - CANCELLATION OF SHARE CAPITAL OF THE TRANSFEROR COMPANY

13. The entire issued, subscribed and paid-up share capital of the Transferor Company is held by the Transferee Company and its nominees. Upon the Scheme becoming effective, no shares of the

Transferee Company shall be allotted in lieu or exchange of its holding in the Transferor Company and the share capital of the Transferor Company shall stand cancelled. Upon the coming into effect of this Scheme, the Share Certificates, if any, as well as shares in electronic form representing the shares held by the Transferee Company in the Transferor Company shall be deemed to be cancelled without any further act or deed for cancellation thereof by the Transferee Company.

PART V - GENERAL TERMS AND CONDITIONS

14. Upon the completion of the transfer and vesting of the Undertaking of the Transferor Company as provided in this Scheme, the Transferor Company shall be dissolved without winding-up.
15.
 - (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date, the assets and liabilities of the Transferor Company shall be accounted for and dealt with in the books of the Transferee Company, at the book values thereof as on the Appointed Date in the books of the Transferor Company.
 - (b) The amount of excess of assets over liabilities as per sub-clause (a) above after making the adjustment referred to in Clause 13 consequent upon the cancellation of shares of the Transferor Company held by the Transferee Company and its nominees shall be credited by the Transferee Company to its General Reserve. The deficit if any, shall be debited by the Transferee Company to its General Reserve.
 - (c) If considered appropriate for the purpose of application of uniform accounting methods Company may make suitable adjustments and reflect the effect thereof in the General Reserve of the Transferee Company.
16. Upon the coming into effect of this Scheme the resolutions, if any of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added to, and shall constitute, the aggregate of the said limits in the Transferee Company.
17. The Transferor Company shall with all reasonable despatch, make and file all applications/petitions under Sections 391 and 394 and other applicable provision of the Act before the High Court for sanction of this Scheme and for the dissolution without winding up of the Transferor Company under the provisions of law, and shall obtain all approvals as may be required under law.
18.
 - (a) The Transferor Company and the Transferee Company by their respective Boards of Directors or any committee thereof or any Director authorised in that behalf (hereinafter referred to as the "Delegate") may assent to, or make, from time to time, any modifications or amendments or additions to this Scheme which the High Court or any authorities under law may deem fit to approve of or impose and which the Transferor Company and the Transferee Company may in their discretion accept or such modifications or amendments or additions as the Transferor Company and the Transferee Company or as the case may be, their respective Delegate may deem fit, or for the purpose of resolving any doubts or difficulties that may arise for carrying out this Scheme and the Transferor Company and the Transferee Company by their respective Boards of Directors or Delegate are authorised to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect. In the event that any conditions may be imposed by the High Court, which the Transferor Company or the Transferee Company find unacceptable for any reason, then the Transferor Company and the Transferee Company shall be at liberty to withdraw the Scheme. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by the Delegate of the respective Companies.

- (b) For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Delegate of the Transferor Company and Transferee Company may determine and give and are authorized to determine and give all such directions as are necessary including directions for setting or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.
19. (a) This Scheme is conditional upon and subject to :
- (i) The Scheme being agreed to by the requisite majority of the members and/or creditors of the Transferor Company and/or by such other persons as may be required under the Act and the requisite directions being issued by the High Court.
 - (ii) The requisite sanctions and approvals including sanctions of any governmental or regulatory authority, lessors, or contracting party as may be required by law or contract in respect of the Scheme being obtained and
 - (iii) The certified copies of the order of the High Court sanctioning the Scheme being filed with the relevant Registrar (s) of Companies.
- (b) In the event of this Scheme failing to take effect finally by 31st December, 2004, or by such later date as may be agreed by the respective Boards of Directors of the Transferor Company and the Transferee Company, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any person. In such case, each company shall bear its own costs or as may be mutually agreed.
20. All costs, charges and expenses, taxes and duties of the Transferor Company and Transferee Company respectively in relation to or in connection with this Scheme and Incidental to the completion of the amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme shall be borne and paid by the Transferee Company.

IN THE HIGH COURT OF BOMBAY, AT GOA, PANAJI
COMPANY PETITION NO. 17-R OF 2003
CONNECTED WITH
COMPANY APPLICATION NO. 80-R OF 2003

In the Matter of the Companies Act,
1956 (1 OF 1956)

And

In the matter of Sections 391 to 394
of the Companies Act, 1956

And

In the matter of the Scheme of
Amalgamation of Reliance Salgaocar
Power Company Limited

With

BSES Limited

Reliance Salgaocar Power Company Limited,)
a Company incorporated under the Companies Act, 1956)
having its Registered Office at Opp. Sancoale Industrial)
Estate, Zuari Nagar, Sancoale Village, Goa - 403 726)
represented by its Vice President, Mr. M. Durairaj)
..... Petitioner / Transferor Company)

Coram: Hon'ble Shri P V Hardas J.

Date: December 18, 2003

UPON the Petition of Reliance Salgaocar Power Company Limited, the Petitioner Company above named, presented to this Honorable Court on 21st day of November 2003 for sanction of the Scheme of Amalgamation between Reliance Salgaocar Power Company Limited ('RSPCL' or 'the Transferor Company' or 'the Petitioner Company'), and BSES Limited ('BSES' or 'the Transferee Company') and their respective shareholders AND for other consequential reliefs as mentioned in the Petition AND the said Petition being this day called on for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Mr. M. Durairaj, the Authorized Signatory of the Petitioner Company solemnly affirmed on 21st day of November 2003, verifying the said Petition AND UPON READING the affidavit of Mr. Prakash Shenoy, Company Secretary of the Petitioner Company dated 1st day of December, 2003 proving service of the notice of the date of hearing of the Petition upon the Regional Director, Department of Company Affairs, Maharashtra, Mumbai, and the Official Liquidator, High Court, Goa and also proving publication of the notice of the date of hearing of the Petition in the issue of 'Herald' in English and 'Gomantak' in Marathi, circulated in Goa, dated 25th day of November 2003 AND UPON READING the order dated 21st day of November 2003, made by this Hon'ble Court in Company Application No. 80-R of 2003 whereby the Petitioner Company was directed to dispense with the meetings of the shareholders of the Petitioner Company to consider and approve the proposed Scheme of Amalgamation AND by the said order dated 21st day of November 2003 convening and holding of the meetings of the Secured and Unsecured Creditors of the Petitioner Company to consider and approve the proposed Arrangement embodied in the Scheme of Amalgamation was dispensed with in view of the averments made in Para 17 and 21 of the affidavit in support of the Company Application No. 80-R of 2003 AND UPON HEARING Mr. A. F. Diniz, Advocate for the Petitioner Company that the Scheme of Amalgamation also does not effect the rights and interest of the shareholders and also the creditors of the Transferee Company as the Petitioner Company has substantial assets in excess of its liabilities and the Transferee Company also has an excess of assets over liabilities AND in view of the said facts and circumstances, the Transferee Company has not filed any separate application / proceedings for sanction of the Scheme of Amalgamation AND UPON HEARING Mr. Mahesh Sonak, Advocate for the Petitioner Company that since the entire Preference Share Capital is also held by the Transferee Company, prayer(i) of the Affidavit to the petition dated 21st day of November, 2003, to that extent shall stand redundant and shall be considered as cancelled AND UPON

HEARING Mr. Mahesh Sonak, Advocate for the Petitioner Company and Mr. G. K. Purwar, Official Liquidator present in person for Department of Company Affairs and submits to the Order of the Court AND no other person or persons entitled to appear at the hearing of the petition appearing this day either in support of the petition or to show cause against the same THIS COURT DOTH HEREBY SANCTION that the said arrangement embodied in the Scheme of Amalgamation (being Exhibit 'E' to the Petition) being Schedule I hereto, is sanctioned by this Honourable Court and declare the same to be binding on the Petitioner Company, BSES Limited, the Transferee Company, and also their respective shareholders and creditors AND THIS COURT DOTH ORDER that upon the coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, all the Assets of the Petitioner Company comprised in the Undertaking but excluding the properties and assets specified in sub-clause (b) of Clause 4 of the Scheme shall, pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to have been and stand transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the undertakings, business, properties and assets of the Transferee Company AND in respect of such of the properties and assets of the Petitioner Company as are movable in nature and capable of transfer by manual delivery or by endorsement or endorsement and delivery, the same may be transferred by the Petitioner Company to the Transferee Company, to the end and intent that the property in such movable properties and assets shall, upon such manual delivery or endorsement or endorsement and delivery, as the case may be, pass to the Transferee Company and thereupon such movable properties and assets shall become the properties and assets of the Transferee Company AND with respect to book-debts, outstanding loans and advances, receivable, bank balances and deposits, if any, due to the Petitioner Company by any person or authority, the Transferee Company and if so required, the Petitioner Company shall give notice in such form as they may deem fit to each such debtor or deposittee that pursuant to the sanction by this Court of the Scheme under Section 391 to 394 of the Act, the said debt, loan, advance or deposit be paid, made good or held on account of the Transferee Company as the person entitled thereto in place of the Transferor Company and that appropriate entry should be passed in its books to record the aforesaid change and without prejudice to the generality of sub-clause (a) of Clause 4 the Scheme, all assets, properties, estate, rights, title, interest, licenses and authorities, permits, fuel linkages, quotas, approvals, permissions, exemptions (including excise, customs and duty exemptions) incentives, sales tax deferrals, loans or benefits, subsidies, concessions, grants, claims, leases, tenancy rights, liberties and other assets, special status and other benefits or privileges (but excluding the properties and assets specified in sub-clause (b) of Clause 4 of the Scheme) enjoyed or conferred upon or held or availed of by the Petitioner Company and/or all rights and benefits that have been acquired or that have arisen or accrued or which may arise or accrue to the Petitioner Company after the Appointed Date and prior to the Effective Date in connection or in relation to the operation of the Undertaking shall, pursuant to Section 394 (2) of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to have been and stand transferred to and vested in the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible under law AND THIS COURT DOTH FURTHER ORDER that upon the coming into effect of this Scheme and with effect from the Appointed Date, all Liabilities of the Petitioner Company comprised in the Undertaking outstanding or subsisting on the Effective Date shall, pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to have been and stand transferred to and vested in, so as to become, as and from the Appointed Date, the liabilities of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other persons who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause AND THIS COURT DOTH FURTHER ORDER that in so far as the Assets of the Petitioner Company are concerned, the existing securities, mortgages, charges, encumbrances or liens (hereinafter referred to as the 'Encumbrances') over the Assets or any part thereof transferred to the Transferee Company in terms of this Scheme and relating to any Liabilities of the Petitioner Company shall, after the Effective Date, without any further act or deed, continue to relate or attach to such Assets or any part thereof but such Encumbrances shall not relate or attach to any of the assets and properties of the Transferee Company or any part thereof, save to the extent warranted by the terms of any existing security arrangements to

which both the Petitioner Company and the Transferee Company are party, and consistent with the joint obligations assumed by them under such arrangements or unless specifically agreed to by the Transferee Company with the concerned secured creditors of the Petitioner Company, subject to the consent of such of the secured creditors of the Transferee Company as are affected by such arrangements AND without prejudice to sub-clause (a) of Clause 6 of the Scheme, it is clarified that the transfer and vesting of the assets and properties of the Petitioner Company in terms of Clause 4 of the Scheme shall be subject to the existing Encumbrances thereon and with effect from the Effective Date, any reference in any security documents or arrangements (to which the Petitioner Company is a party) to the Petitioner Company and its assets and properties shall be construed as a reference to the Transferee Company and the assets and properties of the Transferee Company, provided always that any such Encumbrances shall extend only to and over the assets and properties of the Petitioner Company transferred to and vested in the Transferee company pursuant to this Scheme and not any other assets and properties of the Transferee Company unless agreed to by the Transferee Company with the concerned secured creditors of the Petitioner Company, subject to the consent of such of the secured creditors of the Transferee Company as are affected by such arrangements AND in so far as the existing securities, mortgages, charges, encumbrances or liens over the assets and properties of the Transferee Company or any part thereof and relating to liabilities of the Transferee Company are concerned, such securities, mortgages, charges, encumbrances or liens shall continue to relate or attach to such assets and properties of the Transferee Company or any part thereof but such securities, mortgages, charges, encumbrances or liens shall not extend to, or relate or attach to, any of the assets and properties of the Transferor Company or any part thereof transferred to the Transferee Company, save to the extent warranted by the terms of any existing security arrangements to which both the Petitioner Company and the Transferee Company are party, and consistent with the joint obligations assumed by them under such arrangements or unless specifically agreed to by the Transferee Company with the concerned secured creditors of the Transferee Company, subject to the consent of such of the secured creditors of the Petitioner Company as are affected by such arrangements AND THIS COURT DOTH FURTHER ORDER that with effect from Appointed Date and up to the Effective Date, the Petitioner Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Undertaking on account of, for the benefit of and in trust for, the Transferee Company, also all the profits or Incomes accruing or arising to the Petitioner Company, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Petitioner Company shall for all purposes, be treated and be deemed to be and accrue as the profits or incomes and expenditure or losses and taxes of the Transferee Company, as the case may be AND THIS COURT DOTH FURTHER ORDER that upon the coming into effect of this Scheme, all suits, actions and legal proceedings by or against the Petitioner Company pending and/or arising on or before the Effective Date shall be continued and/or enforced by or against the Transferee Company on and after the Effective Date, as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company AND the Transferee Company undertakes to have all legal or other proceedings initiated by or against the Petitioner Company referred to in above transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company AND THIS COURT DOTH FURTHER ORDER that upon the coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, guarantees, agreements including the Power Purchase Agreements with Government of Goa and all agreements subsequent thereto and all Power Supply Agreements with various consumers, arrangements and other instruments (including all tenancies, leases, licenses, permissions, easements, and other assurances in favour of the Petitioner Company or powers or authorities granted by or to it) of whatsoever nature to which the Petitioner Company is a party or to the benefit of which the Petitioner Company may be eligible, and which are subsisting or having effect on the Effective Date, shall, without any further act, instrument or deed, be in full force and effect in favour of or against the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or Transferee Company or oblige thereunder AND the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in

favour of any party to any contract or arrangement to which the Petitioner Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions AND the Transferee Company shall, be deemed to be authorised to execute any such writings on behalf of the Petitioner Company to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Petitioner Company AND THIS COURT FURTHER ORDER that upon the coming into effect of this Scheme, all the employees of the Petitioner Company in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or the files, documents and records relating to the Petitioner Company to the Registrar of Companies, Mumbai, the Registrar of Companies, Mumbai shall register with him all the files, documents and records relating to the Transferee Company on the files kept with him in relation to the Petitioner Company and shall consolidate all files, documents and records of the Petitioner Company with that of the Transferee Company AND THIS COURT DOTH FURTHER ORDER that liberty is reserved to the Petitioner Company and to all other persons interested in this Petition to apply to this Honourable Court herein as and when occasion may arise for any direction that may be necessary to ensure that the said Scheme of Amalgamation is fully and effectually carried out AND THIS COURT DOTH LASTLY ORDER the Petitioner Company do pay a sum of Rs. 1,000 (Rupees One thousand only) to the Regional Director and a sum of Rs. 1,000 (Rupees One thousand only) to the Liquidator towards the costs of the said Petition.

COMPANY JUDGE

Dated This 18th Day of December 2003

SCHEME OF AMALGAMATION OF
RELIANCE SALGOACAR POWER COMPANY LIMITED. THE TRANSFEROR COMPANY
WITH
BSES LIMITED... THE TRANSFEREE COMPANY

PART I –GENERAL

1. Reliance Salgoacar Power Company Limited (hereinafter referred to as 'RSPCL' or 'the Transferor Company') a wholly owned subsidiary of BSES Limited (hereinafter referred to as 'BSES' or 'the Transferee Company') is engaged in the business of generation and distribution of electricity in Goa. This Scheme of Amalgamation (hereinafter referred to as the 'Scheme') provides for the amalgamation of Reliance Salgoacar Power Company Limited with BSES Limited pursuant to the provisions of Section 391 to 394 and other relevant provisions of the Companies Act, 1956.

2. In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

“Act” means the Companies Act, 1956 including any statutory modifications(s) or re-enactment(s) thereof, for the time being in force.

“Appointed Date” means 1st ay of April 2003 or such other date as may be approved by the High Court.

“RSPCL” or “Transferor Company” means Reliance Salgaocar Power Company Limited, a company incorporated under the Companies Act, 1956, having its Registered Office at Sancole Industrial Estate, Zuari Nagar, Sancoale Village, Mormugao Taluka, Goa, India.

“BSES” or “Transferee Company” means BSES Limited, a company incorporated under the Indian Companies Act, 1913, having its Registered Office at BSES House, Santa Cruz(E) Mumbai 400 055, Maharashtra, India” .

'Effective Date' or 'Coming into effect of this Scheme or Effectiveness of this Scheme' means the date on which the certified copy of the order of the High Court sanctioning the Scheme is filed with the Registrar of Companies, Goa or as the case may be, the last of the dates on which such certified copy of the Order of the High Court sanctioning the Schemes is filed with the relevant Registrars of Companies having Jurisdiction over the Transferor Company and/or the Transferee Company.

'High Court' means the High Court of Judicature of Bombay, Panaji Bench or if the context so requires, the relevant High Courts before whom application and/or petitions for sanctioning of the Scheme are filed.

'Scheme' means this Scheme of Amalgamation with such modification(s), if any, therein, as approved by the High Court.

'Undertaking' means all the undertakings and the entire business of the Transferor Company comprising of:

- (a) all the assets and properties (whether movable or immovable, tangible or Intangible, real or personal, corporeal or Incorporeal, present, future or contingent) of the Transferor Company, including but without being limited to plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixtures, office equipment, appliances, accessories, power lines, depots, deposits, all stocks, stocks of fuel, assets, Investment of all kinds (including shares, scrips, stocks, bonds, debenture stock, units or pass through certificates), cash balances with banks, loans, advances, contingent rights or benefits, receivables, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including lease rights, prospecting leases and mining leases, If any), and hire purchase contracts and assets, lending contracts, rights under power purchase agreements, with Government of Goa (including all agreements supplemental thereto), power supply agreements with various consumers, persons and any other agreements in relation to generation, supply, distribution, fuel supply agreements, benefit of any security arrangements or under any guarantees, reversions, powers, authorities, allotments, approvals, permits and consents, quotas, rights, fuel linkages, entitlements, contracts, licenses (Industrial and otherwise), municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, leases, licenses, fixed and other assets, trade and service, name and marks, patents, copyrights, and other Intellectual property rights of any nature whatsoever, permits, approvals, authorisations, rights to use and avail of telephones, telexes, facsimile, email, Internet, leased line connections and Installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, paper, computer programme, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including sales tax deferrals, title, Interest, other benefits (Including tax benefits), easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or In the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company in connection with or relating to the Transferor Company and all other Interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad (hereinafter referred to as the 'Assets')
- (b) all secured and unsecured debts (whether in Indian rupees or foreign currency), liabilities (including contingent liabilities), duties, undertakings and obligations of the Transferor Company of every kind, nature and description whatsoever and howsoever arising (hereinafter referred to as the 'Liabilities'). All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations and bye-laws or any statutory modification or re-enactment thereof, from time to time.

PART II - SHARE CAPITAL

3. (a) The authorized share capital of the Transferor Company as at March 31, 2003 is as under:

Authorised	(Rupees in crores)
29,000,000 equity shares of Rs.10 each	290,000,000
29,000,000 Preference Shares of Rs. 10 each	
Total	290,000,000
Issued, subscribed and Paid up Share Capital	580,000,000
25,380,700 Equity Shares of Rs. 10 Each	253,807,000
28,200,000 Preference Shares of Rs. 10 each	282,000,000
Advance towards Share Capital	28,300,000
Total	564,107,000

As on date, the Transferor Company is a wholly owned subsidiary of the Transferee Company and the entire equity share capital of the Transferor Company is held by the Transferee Company and its nominees.

- (b) The share capital of the Transferee Company as at March 31, 2003 is as under:

Authorised	(Rupees in crores)
20,00,00,000 Equity Shares of Rs.10 each	200.00
1,50,00,000 14% Cumulative Redeemable Preference Shares of Rs.100 each	150.00
	350.00
Issued	
11,18,25,180 Equity Shares of Rs.10 each	111.83
2,60,41,650 Equity Shares of Rs.10 each represented by Global Depositary Receipts	26.04
	137.87
Subscribed	
13,77,25,666 Equity Shares of Rs.10 each Fully paid up	137.72
Add : Forfeited Shares – Amount originally paid-up	0.11
	137.83

PART III - TRANSFER AND VESTING

4. (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, all the Assets of the Transferor Company comprised in the Undertaking but excluding the properties and assets specified in sub-clause (b) of this Clause shall, pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to have been stand transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the undertakings, business, properties and assets of the Transferee Company.
- (b) In respect of such of the properties and assets of the Transferor Company as are movable in nature and capable of transfer by manual delivery or by endorsement or endorsement and delivery, the same may be so transferred by the Transferor Company to the Transferee Company to the end and intent that the property in such movable properties and assets shall, upon such manual delivery or endorsement or endorsement and delivery, as the case may be, pass to the Transferee Company and thereupon such movable properties and assets shall become the properties and assets of the Transferee Company.
- (c) With respect to book-debts, outstanding loans and advances, receivables, bank balances and deposits, if any, due to the Transferor Company by any person or authority, the Transferee Company and if so required, the Transferor Company shall give notice in such form as they may deem fit to each such debtor or depositor that pursuant to the sanction by the High Court of the Scheme under Sections 391 to 394 of the Act, the said debt, loan, advance or deposit be paid, made good or held on account of the Transferee Company as the person entitled thereto in place of the Transferor Company and that appropriate entry should be passed in its books to record the aforesaid change.
- (d) Without prejudice to the generality of sub-clause (a) of this clause 4, all assets, properties, estate, right, title, interest, licenses and authorities, permits, fuel linkages, quotas, approvals, permissions, incentives, sales tax deferrals, loans or benefits, subsidies, concessions, grants, claims, leases, tenancy rights, liberties and other assets, special status and other benefits or privileges (but excluding the properties and assets specified in sub-clause (b) of this clause (4) enjoyed or conferred upon or held or availed of by the Transferor Company and/or all rights and benefits that have been acquired or that have arisen or accrued or which may arise or accrue to the Transferor Company after the Appointed Date and prior to the Effective Date in connection or in relation to the operation of the Undertaking shall, pursuant to Section 394 (2) of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to have been and stand transferred to and vested in the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible under law.
5. Upon the coming into effect of this Scheme and with effect from the Appointed Date.
- (a) All Liabilities of the Transferor Company comprised in the Undertaking outstanding or subsisting on the Effective Date shall, pursuant to the provisions of Section 391 to 394 and other relevant provisions of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to have been and stand transferred to and vested in, so as to become, as and from the Appointed Date, the liabilities of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is party to any contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provision of this Clause.

- (b) Without prejudice to sub-clause (a) of this clause 5:
- (i) All debentures, bonds, notes or other debt securities of the Transferor Company, whether convertible into equity or otherwise, (hereinafter referred to as the 'Transferor Company's Securities') shall, pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Act, without any further act, instrument or deed become the securities of the Transferee Company on the same terms and conditions except to the extent modified under the provisions of this Scheme and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in and shall be exercised by or against the Transferee Company to the same extent as if it were the Transferor Company in respect of the Transferor Company's Securities so transferred.
 - (ii) Loans, advances and other obligations (including any guarantees, letters or credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall stand discharged and come to an end and there shall be no liability in that behalf on either party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any such Intercompany loans, advances and other obligations.
 - (iii) Any debentures or notes, or other debt securities, if any issued by the Transferee Company and held by the Transferee Company and vice-versa, shall, unless sold or transferred by the Transferor Company or the Transferee Company, as the case may be, at any time prior to the Effective Date, stand cancelled as on the Effective Date, and shall be of no effect and the Transferor Company or the Transferee Company, as the case may be, shall have no further obligation in that behalf.
- (c) (i) Where any of the Liabilities of the Transferor Company as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharged shall be deemed to have been for and on account of the Transferee Company.
- (ii) All loans raised and utilised and all debts, liabilities, duties, undertakings and obligations incurred or undertaken by the Transferor Company in relation to or in connection with the Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall upon the coming into effect of this Scheme, pursuant to the provisions of Section 394 (2) of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, liabilities, duties, undertakings and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
6. (a) In so far as the Assets of the Transferor Company are concerned, the existing securities, mortgages, charges, encumbrances or liens (hereinafter referred to as the 'Encumbrances') over the Assets or any part thereof transferred to the Transferee Company. In terms of this Scheme and relating to any Liabilities of the Transferor Company shall, after the Effective Date, Without any further act or deed, continue to relate or attach to such Assets or any part thereof but such Encumbrances shall not relate or attach to any to any of the assets and properties of the Transferee Company or any part thereof, save to the extent warranted by the term of any existing security arrangements to which both the Transferor Company and the Transferee Company are party, and consistent with the joint obligations assumed by them under such arrangements or unless specifically agreed to by the Transferee Company with the concerned secured creditors of

the Transferor Company, subject to the consent of such of the secured creditors of the Transferee Company as are affected by such arrangements.

- (b) Without prejudice to sub-clause (a) of this Clause 6, it is clarified that the transfer and vesting of the assets and properties of the Transferor Company in terms of Clause 4 above shall be subject to the existing Encumbrances thereon and with effect from the Effective Date, any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its assets and properties shall be construed as a reference to the Transferee Company and the assets and properties of the Transferee Company, provide always that any such Encumbrances shall extend only to and over the assets and properties of the Transferor Company transferred to and vested in the Transferee Company pursuant to this Scheme and not any other assets and properties of the Transferee Company unless agreed to by the Transferee Company with the concerned secured creditors of the Transferor Company, subject to the consent of such of the secured creditors of the Transferee Company as are affected by such arrangements.
 - (c) In so far as the existing securities, mortgages, charges, encumbrances or liens over the assets and properties of the Transferee Company or any part thereof and relating to liabilities of the Transferee Company are concerned, such securities, mortgages, charges, encumbrances or liens shall continue to relate or attach to such assets and properties of the Transferee Company or any part thereof but such securities, mortgages, charges, encumbrances or liens shall not extend to, or relate or attach to, any of the assets and properties of the Transferor Company or any part thereof transferred to the Transferee Company, save to the extent warranted by the terms of any existing security arrangements to which both the Transferor Company and the Transferee Company are party and consistent with the joint obligations assumed by them under such arrangements or unless specifically agreed to by the Transferee Company with the concerned secured creditors of the Transferee Company subject to the consent of such of the secured creditors of the Transferor Company as are affected by such arrangements.
7. Without prejudice to sub-clauses (b) (II) and (b) (III) of Clause 5, with effect from the Appointed Date, all Inter-party transactions between the Transferor Company and the Transferee Company shall be considered as Intra-party transactions for all purposes.
8. (a) With effect from Appointed Date and upto the Effective Date:
- (I) The Transferor Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Undertaking on account of, and for the benefit of and in trust for the Transferee Company.
 - (II) All the profits or incomes accruing or arising to the Transferor Company, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes and expenditures or losses and taxes of the Transferee Company, as the case may be.
- (b) With effect from the date of filling of the Scheme with the High Court and upto and including the Effective Date:
- (I) The Transferor Company shall carry on its business and activities with reasonable diligence and business prudence and shall not, undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, Indemnities, letters of comfort or commitments either for itself or on behalf of its subsidiaries or group companies or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking save and except in each case in the

following circumstances:

(la) If the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court. or

(lb) If the same is expressly permitted by this Scheme or

(lc) If written consent of the Transferee Company has been obtained.

- (II) The Transferee Company shall not make any charge in its capital structure either by any increase (by issue of equity or shares on a rights basis, bonus shares, convertible debentures or otherwise) decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner, except under all or any of the following circumstances:

(IIa) Upon conversion of any outstanding bonds, debentures or convertible securities or

(IIb) If the same is expressly permitted by this Scheme or

(IIc) If Written consent of the Transferee Company has been obtained.

- (III) The Transferor Company shall not vary or modify the terms and conditions of employment of any of its employees, except with the written consent of the Transferee Company.

9. (a) Upon the coming into effect of this Scheme, all suits, actions and legal proceedings by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and/or enforced by or against the Transferee Company on and after the Effective Date, as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.
- (b) The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in sub-clause (a) above transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company.
10. (a) Upon the coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Company or Powers or authorities granted by or to it) of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or having effect on the Effective Date, shall, without any further act, instrument or deed, be in full force and effect in favour of or against the Transferee Company and may be enforced as fully and effectually as if, Instead of the Transferor Company the Transferee Company had been a party or Transferee Company or obligee thereunder.
- (b) The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, be deemed to be authorised to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.
11. Upon the coming into effect of this Scheme:
- (a) All the employees of the Transferor Company in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or

interruption in service and on terms and conditions as to remuneration not less favourable than those subsisting with reference to the Transferor Company as on the said date, it is clarified that the employees of the Transferor Company who become employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies, and shall not be entitled to avail of any schemes and benefits that are applicable and available to any of the employees of the Transferee Company, unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into by the Transferor Company with any union/employees of the Transferor Company.

- (b) The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Company or any other special funds created or existing for the benefit of the employees of the Transferor Company shall at an appropriate stage be transferred to and form part of the relevant funds of the Transferee Company and till such time shall be maintained separately, and the Transferee Company shall be substituted for the Transferor Company in relation to the administration and operation of those funds. In the event that the Transferee Company does not have its own fund with respect to any such matters, the Transferee Company shall create its own fund to which the contributions pertaining to the employees of Transferor Company shall be transferred.

- 12. The transfer and vesting of the Undertaking of the Transferor Company and the continuance of proceedings by or against the Transferee Company shall not affect any transaction or proceeding already concluded by the Transferor Company prior to the Effective Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds, matters and things done and executed by the Transferor Company as done and executed on behalf of itself.

PART IV – ISSUE AND CANCELLATION OF SHARES

- 13 (a) Subject to Sub-clause (c) of this Clause 13, and subject to any of the 14% Cumulative Redeemable Preference Shares of Rs. 10 each fully paid up of the Transferor Company, or any other Preference Shares issued by the Transferor Company, being outstanding as on the Effective Date, upon the coming into effect of the Scheme, the Transferee Company shall, without any further application, act or deed, issue and allot to every person, other than the Transferee Company, holding Preference Shares in the Transferor Company on the record date (the "Record Date") as may be fixed by the Board of Directors of the Transferee Company or a Committee of Directors authorized by the Board of Directors of the Transferee Company in this behalf, Cumulative Redeemable Preference Shares of Rs. 10 each (the "New Preference Shares") credited as fully paid up, in the ratio of one Preference Share of Rs. 10 each of the Transferee Company for every one Preference Share of Rs. 10 each held in the Transferor Company on the Record Date. The New Preference Shares shall be subject to same terms and conditions as applicable to the Preference Shares issued and allotted by the Transferor Company.
- (b) Upon the Scheme becoming effective, no Preference Shares of the Transferee Company shall be issued and allotted in lieu or exchange of its holding in the Transferor Company and any Preference Shares issued by the Transferor Company and held by the Transferee Company shall, on the Record Date, stand cancelled and shall be deemed to have been cancelled without any further act or deed. Upon the coming into effect of this Scheme the share certificates, if any, and Preference Shares in electronic form representing the Preference Shares held by the Transferee Company in the Transferor Company shall be deemed to be cancelled without any further act or deed for cancellation thereof by the Transferee Company.
- (c) The Transferor Company shall have the power to redeem the Preference Shares prior to the Effective Date out of its profits or out of the proceeds of a fresh issue of shares made for the purposes of redemption.

14. The entire issued, subscribed and paid-up share capital of the Transferor Company is held by the Transferee Company and its nominees. Upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of its holding in the Transferor Company and the share capital of the Transferor Company shall stand cancelled. Upon the coming into effect of this Scheme, the Share Certificates, if any, as well as shares in electronic form representing the shares held by the Transferee Company in the Transferor Company shall be deemed to be cancelled without any further act or deed for cancellation thereof by the Transferee Company.

PART V - GENERAL TERMS AND CONDITIONS

15. Upon the completion of the transfer and vesting of the Undertaking of the Transferor Company as provided in this Scheme, the Transferor Company shall be dissolved without winding-up.
16. (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date, the assets and liabilities of the Transferor Company shall be accounted for and dealt with in the books of the Transferee Company, at the book values thereof as on the Appointed Date in the books of the Transferor Company.
- (b) The amount of excess of assets over liabilities as per sub-clause (a) above after making the adjustment referred to in Clause 13 consequent upon the cancellation of shares of the Transferor Company held by the Transferee Company and its nominees shall be credited by the Transferee Company to its General Reserve. The deficit if any, shall be debited by the Transferee Company to its General Reserve.
- (c) If considered appropriate for the purpose of application of uniform accounting methods and policies between the Transferor Company and the Transferee Company, the Transferee Company may make suitable adjustments and reflect the effect thereof in the General Reserve of the Transferee Company.
17. Upon the coming into effect of this Scheme the resolutions, if any of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added to, and shall constitute, the aggregate of the said limits in the Transferee Company.
18. The Transferor Company shall with all reasonable despatch, make and file all applications/petitions under Sections 391 and 394 and other applicable provision of the Act before the High Court for sanction of this Scheme and for the dissolution without winding up of the Transferor Company under the provisions of law, and shall obtain all approvals as may be required under law.
19. (a) The Transferor Company and the Transferee Company by their respective Boards of Directors or any committee thereof or any Director authorised in that behalf (hereinafter referred to as the 'Delegate') may assent to, or make, from time to time, any modifications or amendments or additions to this Scheme which the High Court or any authorities under law may deem fit to approve of or impose and which the Transferor Company and the Transferee Company may in their discretion accept or such modifications or amendments or additions as the Transferor Company and the Transferee Company or as the case may be, their respective Delegate may deem fit, or for the purpose of resolving any doubts or difficulties that may arise for carrying out this Scheme and the Transferor Company and the Transferee Company by their respective Boards of Directors or Delegate are authorised to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect. In the event that any conditions may be imposed by the High Court, which the Transferor Company or the Transferee Company find unacceptable for any reason, then the Transferor Company and the Transferee

Company shall be at liberty to withdraw the Scheme. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by the Delegate of the respective Companies.

- (b) For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Delegate of the Transferor Company and Transferee Company may determine and give and are authorized to determine and give all such directions as are necessary including directions for setting or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

20. (a) This Scheme is conditional upon and subject to :

- (i) The Scheme being agreed to by the requisite majority of the members and/or creditors of the Transferor Company and/or by such other persons as may be required under the Act and the requisite directions being issued by the High Court.
- (ii) The requisite sanctions and approvals including sanctions of any governmental or regulatory authority, lessors, or contracting party as may be required by law or contract in respect of the Scheme being obtained and
- (iii) The certified copies of the order of the High Court sanctioning the Scheme being filed with the relevant Registrar (s) of Companies.

- (b) In the event of this Scheme failing to take effect finally by 31st December 2004, or by such later date as may be agreed by the respective Boards of Directors of the Transferor Company and the Transferee Company, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any person. In such case, each company shall bear its own costs or as may be mutually agreed.

21. All costs, charges and expenses, taxes and duties of the Transferor Company and Transferee Company respectively in relation to or in connection with this Scheme and Incidental to the completion of the amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme shall be borne and paid by the Transferee Company.

HIGH COURT, BOMBAY
IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO.337 OF 2006

Reliance Energy Ventures Ltd. Petitioner

WITH

COMPANY PETITION NO.338 OF 2006

Reliance Energy Ltd. Petitioner

Mr I C Chagla, Senior Advocate with
Mr V.V.Tulzapurkar, Senior Advocate i/b. Rajesh
Shah and Co. for petitioners
Mr C J Joy i/b. Dr Kaushik for R.D.
Mr S C Gupta, O.L.

CORAM: S.C. DHARMADHIKARI, J
DATE: 23rd June, 2006

P.C.

1. These petitions seek sanction of this Court to the scheme of amalgamation and the only change with these petitions and the C.P.324 of 2006 in which an order is passed just now is that both, the transferor company and transferee companies are before this Court. The transferee company is M/s Reliance Energy Ltd. and the transferor company is Reliance Energy Ventures Ltd.
2. Mr Chagla, learned Senior Counsel appearing for petitioner states that the scheme is identical with that of the CP.324 of 2006 except the share ratio and here also compliance with all the provisions is made. The meeting was convened and the report of Chairman is filed which shows that the scheme has been approved by the requisite majority.
3. Report of the P.D. as also the D.L. are in identical terms. Consequently, for the reasons set out in the company petition No.324 of 2006 these petitions also deserve to succeed. Accordingly, Company Petition No.337 of 2006 is made absolute in terms of prayer clauses (a) to (n) and Company Petition No.338 of 2006 is made absolute in terms of prayer clauses (a) to (m).
4. Cost of R.D. and O.L. quantified at Rs.2500/- each to be paid.
5. All concerned including ROC and others to act on an ordinary copy of this order and the scheme annexed, authenticated by Company Registrar of this court.
6. Filing of drawn up order is dispensed with.

(S.C. Dharmadhikari)

SCHEME OF AMALGAMATION AND ARRANGEMENT
OF
RELIANCE ENERGY VENTURES LIMITED ... THE TRANSFEROR COMPANY
with
RELIANCE ENERGY LIMITED ... THE TRANSFEREE COMPANY
and
Their Respective Shareholders and Creditors

This Scheme of Amalgamation and Arrangement provides for the amalgamation of Reliance Energy Ventures Limited with Reliance Energy Limited, pursuant to Sections 391 to 394 read with Sections 100 to 103 and other relevant provisions of the Companies Act, 1956.

1. The Scheme is divided into following parts:
 - (a) Part 1 deals with the Definitions and Share Capital.
 - (b) Part 2 deals with the Amalgamation of Reliance Energy Ventures Limited with Reliance Energy Limited.
 - (c) Part 3 deals with the Reorganisation of Capital and Accounting Treatment.
 - (d) Part 4 deals with the General Terms and Conditions that will be applicable to Part 2 and Part 3 of the Scheme.
2. This Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

PART 1

DEFINITIONS

3. **DEFINITIONS**

In this Scheme, unless inconsistent with the subject or context, the following expression shall have the following meaning:

- 3.1 "The Effective Date" or "Coming into effect of this Scheme" means the date on which the certified copies of the Orders of the High Court of Judicature at Bombay sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra, Mumbai, being a date not later than 30 days from the date on which the last of the Certificate Copies of the High court Order is received;
- 3.2 "GDRs" means global depository receipts issued by a bank or a depository outside India representing underlying equity shares of an Indian company, pursuant to the issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 and other applicable laws;

- 3.3 “REL” or “the Transferee Company” means Reliance Energy Limited, a company incorporated under the Indian Companies Act, 1913, and having its registered office at Reliance Energy Centre, Santa Cruz (East), Mumbai 400 055;
- 3.4 “REVL” or “the Transferor Company” means Reliance Energy Ventures Limited, a company incorporated under the Companies Act, 1956, and having its registered office at 'H' Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710;
- 3.5 “Record Date” means the date to be fixed by the Board of Directors of REVL and REL for the purpose of issue of shares of REL to the shareholders of REVL.
- 3.6 “The Act” means the Companies Act, 1956, or any statutory modification or re-enactment thereof for the time being in force;
- 3.7 “Appointed Date” means the Effective Date; and
- 3.8 “The Scheme” or “This Scheme” means this Scheme of Amalgamation and Arrangement in its present form with or without any modifications or amendments thereto.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contract Regulation Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

4. SHARE CAPITAL

4.1 Transferor Company

The Share Capital of the Transferor Company as on December 31, 2005 was as under:

	Amount Rs. in Crore
Authorised	
125,00,00,000 Equity Shares of Rs.10 each	1,250.00
TOTAL	1,250.00
<u>Issued, Subscribed & Paid-up</u>	
50,000 Equity Shares of Rs.10 each fully paid up	0.05
TOTAL	0.05
Shares Pending Allotment	
122,31,30,422 Equity Shares of Rs.10 each	1,223.13
TOTAL	1,223.13

Subsequently, the Transferor Company has allotted 122,31,30,422 Equity Shares of Rs.10 each fully paid up to the shareholders of Reliance Industries Limited and existing 50,000 Equity Shares of Rs.10 each fully paid have been cancelled.

The Equity Shares of the Transferor Company are listed on The Bombay Stock Exchange Limited and The National Stock Exchange of India Limited.

4.2 Transferee Company

The Share Capital of the Transferee Company as on March 31, 2005 was as under:

	Amount Rs in crore
Authorised	
25,00,00,000 Equity Shares of Rs.10 each	250.00
80,00,000 Equity Shares of Rs.10 each with differential rights	8.00
1,55,00,00,000 Cumulative Redeemable Preference Shares of Rs.10 each	1,550.00
4,20,00,000 Unclassified shares of Rs.10 each	42.00
TOTAL	1,850.00
Issued	
15,08,87,630 Equity Shares of Rs.10 each	150.89
4,74,37,052 Equity Shares of Rs.10 each by way of Global Depositary Receipts	47.44
TOTAL	198.33
Subscribed	
18,55,72,799 Equity Shares of Rs.10 each	185.57
Add: Forfeited Shares – Amounts originally paid-up	0.04
TOTAL	185.61

The Transferee Company has issued 2,58,16,000 warrants, entitling the holders thereof to subscribe for equal number of Equity Shares of Rs.10 each at an issue price of Rs.573 per share, at any time on or before 1st February, 2007

The Company has also issued Zero Coupon Foreign Currency Convertible Bonds ("FCCB") aggregating US\$ 178,058 million. Conversion of these FCCBs would result in issue of further 79,99,984 equity shares. These FCCBs are listed on the Singapore Stock Exchange.

The Equity Shares of the Transferee Company are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. The GDRs representing the underlying equity shares of the Transferee Company are listed on the London Stock Exchange.

PART 2

AMALGAMATION OF RELIANCE ENERGY VENTURES LIMITED WITH RELIANCE ENERGY LIMITED

5. DATE WHEN THE SCHEME COMES INTO OPERATION

This Scheme shall become effective from the Effective Date.

6. AMALGAMATION

Upon the scheme becoming effective and upon the High Court of Judicature at Bombay giving under Section 394 of the Act an Order for dissolution without winding up of the Transferor Company, the Transferor Company shall be amalgamated into and form part of the Transferee Company.

7. TRANSFER OF UNDERTAKING

7.1 The entire business and undertakings of Transferor Company including all its assets and properties of whatsoever nature shall be transferred to the Transferee Company so as to become the business, assets and properties of the Transferee Company as a part of the amalgamation as under:

7.1.1 The immovable properties, shall be transferred to the Transferee Company by a duly stamped deed of conveyance after the Scheme is sanctioned by the High Court of Judicature at Bombay but before the Effective Date however not later than 7 days from the date on which the Scheme is sanctioned by the High Courts.

7.1.2 The movable assets of the Transferor Company and the assets (other than the shares of the Transferee Company for which separate provision is made in Clause 7.2 below), which are otherwise capable of transfer by physical delivery or endorsement and delivery, including cash on hand, shall be so transferred to the Transferee Company and be physically handed over or be deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, to the Transferee Company to the end and intent that the property and benefit therein passes to the Transferee Company. Such delivery and transfer shall be made on a date mutually agreed upon between the respective Boards of Directors of the Transferor Company and the Transferee Company being a Date after the sanction of the Scheme by the High Court of Judicature at Bombay but before the Effective Date however not later than 7 days from the date on which the Scheme is sanctioned by the High Courts. Particularly, the Investments if any, held by the Transferor Company in physical certificate form will be transferred by duly executed transfer deeds. The Investments held in dematerialised form will be transferred to the Transferee Company by issuing appropriate delivery instructions to the depository participant with which the Transferor Company has an account.

7.1.3 With respect to any intangible moveable assets of the Transferor Companies other than those mentioned above, including actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with the Government, semi-Government, local and other authorities and bodies and customers, the transfer shall be carried out after the date of sanction of the Scheme by the High Courts but before the Effective Date however not later than 7 days from the date on which the Scheme is sanctioned by the High Courts, by the Transferor Company issuing if so required by the Transferee Company, and/or the Transferee Company issuing joint and/or

several notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the High Court of Judicature at Bombay having sanctioned this Scheme between the Transferor Company and the Transferee Company and having made an Order under Section 394 of the Act, the relevant debt, loan, advance or other asset, be paid or made good or held on account of the Transferee Company, as the person entitled thereto, to the end and intent that the right of the Transferor Company to recover or realize the same stands transferred to the Transferee Company and that appropriate entries should be passed in the books of the Transferee Company to record the aforesaid changes.

- 7.2 On the scheme becoming effective, the investments in the equity share capital of the Transferee Company as appearing in the books of accounts of the Transferor Company shall stand cancelled. The cancellation which amounts to reduction of share capital of the Transferee Company, shall be effected as an integral part of the Scheme itself as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital and the order of the High court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction.
- 7.3 All debts, liabilities, duties and obligations of whatsoever nature of the Transferor Company shall under the provisions of Sections 391 and 394 and all other applicable provisions, if any, of the Act, and without any further act or deed be also transferred or be deemed to be transferred to and vest in and be assumed by the Transferee Company so as to become as from the effective Date the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company.

8. CONDUCT OF BUSINESS

- 8.1 With effect from the date of filing of this Scheme with the High Court of Judicature at Bombay and upto and including the Effective Date:
- (a) The Transferor Company shall carry on its business and activities with reasonable diligence and business prudence and shall not, undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its subsidiaries or group companies or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking save and except in each case in the following circumstances:
- i. if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court of Judicature at Bombay; or
 - ii. if the same is expressly permitted by this Scheme; or
 - iii. if written consent of the Transferee Company has been obtained.
- (b) The Transferee Company shall carry on its business and activities with reasonable diligence and business prudence and shall not, undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its subsidiaries or group companies or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking save and except in each case in the following circumstances:
- i. if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court of Judicature at Bombay; or
 - ii. if the same is expressly permitted by this Scheme; or
 - iii. if written consent of the Transferor Company has been obtained.

- (c) The Transferor Company and the Transferee Company shall not make any change in their respective capital structure either by any increase, (by issue of equity or shares on a rights basis, bonus shares, convertible debentures or otherwise) decrease, reduction, reclassification, sub-division or consolidation re-organisation or in any other manner which may, in any way, affect the Share Exchange Ratio (as defined in Clause 12.1 below), except by mutual consent of the respective Boards of Directors of the Transferor Company and the Transferee Company or except as may be expressly permitted under this Scheme.

9. LEGAL PROCEEDINGS

- 9.1 Upon the coming into effect of this Scheme, all suits, actions and proceedings by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.
- 9.2 The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in sub-clause (9.1) above transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company.

10. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 10.1 Upon the coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Company or powers of authorities granted by or to it) of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, without any further act, instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. The Transferee Company shall, at any time prior to the Effective Date, wherever necessary, enter into, and/or issue and/or execute deeds, writings, confirmations, any tripartite arrangements or novations to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Clause.
- 10.2 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.

11. STAFF, WORKMEN & EMPLOYEES

Upon the coming into effect of this Scheme:

- 11.1 All the employees of the Transferor Company in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration not less favourable than those subsisting with reference to the Transferor Company as on the said date. It is clarified that the employees of the Transferor Company who become employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies, and shall not be entitled to avail of any schemes and benefits that are applicable and available to any of the employees of the Transferee Company, unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement / settlement, if any, entered into by the Transferor Company with any union / employee of the Transferor Company.
- 11.2 The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Company or any other special funds created or existing for the benefit of the employees of the Transferor Company shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time shall be maintained separately. In the event that the Transferee Company does not have its own fund with respect to any such matters, the Transferee company shall create its own funds to which the contributions pertaining to the employees of Transferor Company shall be transferred.

PART 3

REORGANISATION OF CAPITAL AND ACCOUNTING TREATMENT

12. ISSUE OF SHARES

- 12.1 Upon the coming into effect of this Scheme and in consideration of the shareholders of the Transferor Company agreeing to the extinguishment of the shares of the Transferor Company, consequent upon the amalgamation of the Transferor Company in the Transferee Company and the dissolution without winding up of the Transferor Company in terms of the Scheme, the Transferee Company shall without any further application, act, instrument or deed, issue and allot to the equity shareholders of the Transferor Company, whose names are recorded in the Register of Members (the "Members"), on the Record Date, equity shares of Rs.10 (Rupees ten only) each, credited as fully paid up, in the ratio of 7.5 (seven and half) equity shares of the face value of Rs.10 (Rupees ten only) each in the Transferee Company for every 100 (One Hundred) equity shares of the face value of Rs.10 (Rupees ten only) each held in the Transferor Company. The above ratio in which the shares of the Transferee Company are to be allotted to the shareholders of the Transferor Company by the Transferee Company is hereinafter referred to as the "Share Exchange Ratio").
- 12.2 The shares or the share certificates of the Transferor Company in relation to the shares held by its Members shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled and be of no effect on and from the Record Date. The equity shares to be issued by the Transferee Company pursuant to Clause 12.1 above shall be issued in dematerialized form by the Transferee Company, unless otherwise notified in writing by the shareholders of the Transferor Company to the Transferee Company on or before such date as may be determined by the Board of Directors of the Transferor Company or a committee thereof, In the event that such notice has not been received by the

Transferee Company in respect of any of the members of the Transferor Company, the equity shares shall be issued to such members in dematerialised form provided that the members of the Transferee Company shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event that the Transferee Company has received notice from any member that equity shares are to be issued in physical form or if any member has not provided the requisite details relating to his/her /its account with a depository participant or other confirmations as may be required or if the details furnished by any member do not permit electronic credit of the shares of the Transferee Company, then the Transferee Company shall issue equity shares in physical form to such member or members.

- 12.3 In the event of there being any pending share transfers with respect to any application lodged for transfer by any shareholder of the Transferor Company, the Board of Directors or any committee thereof of the Transferor Company if in existence, or failing which the Board of Directors or any committee thereof of the Transferee Company shall be empowered in appropriate cases, even subsequent to the Record Date to effectuate such a transfer in the Transferor Company 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 the transferee of the share(s) in the Transferee Company and in relation to the new shares after the Scheme becomes effective.
- 12.4. No certificate(s) shall be issued in respect of fractional entitlements, if any, by the Transferee Company, to which the Members may be entitled on issue and allotment of shares of the Transferee Company as aforesaid in Clause 12.1. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to a director or an officer of the Transferee Company or such other person as the Board of Directors of the Transferee Company shall appoint in this behalf who shall hold the shares in trust on behalf of the Members entitled to fractional entitlements with the express understanding that such director(s) or officer(s) or person(s) shall sell the same in the market at such time or times and at such price or prices in the market and to such person or persons, as it/he/they deem fit, and pay to the Transferee Company, the net sale proceeds thereof, whereupon the Transferee Company shall distribute such net sale proceeds to the Members in proportion to their respective fractional entitlements.
- 12.5 Equity Shares issued and allotted by the Transferee Company in terms of this Scheme shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank *pari passu* in all respects with the then existing equity shares of the Transferee Company, including in respect of dividends, if any, that may be declared by the Transferee Company, on or after the Effective Date.
- 12.6 Equity Shares of the Transferee Company issued in terms of this Scheme shall be listed on the stock exchange/s in India, where the existing equity shares of the Transferee Company are presently listed.
- 12.7 The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment of Equity Shares to the members of the Transferor Company under the Scheme.
- 12.8 The Equity Shares to be issued by the Transferee Company in respect of any Equity Shares of the Transferor Company which are held in abeyance under the provisions of Section 206A of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Transferee Company.

13. ISSUE OF GDRs

- 13.1 (a) The Bank of New York acting as the Depository representing the holders of GDRs of Reliance Industries Limited (RIL GDRs) holds Equity Shares of the Transferor Company on behalf of the said GDR holders, in terms of the Scheme of Arrangement sanctioned by the Hon'ble High Court of Judicature at Bombay vide order dated 9 December, 2005.
- (b) Pursuant to provisions of Clause 12.1 above, the Transferee Company shall issue to Bank of New York, Equity Shares of the Transferee Company against the extinguishment of the Equity Shareholding in the Transferor Company in the Transferor Company, if any, in accordance with the relevant Share Exchange Ratio. Subject to Clause (c) below, the Bank of New York shall hold such shares of the Transferee Company on behalf of the said holders of GDRs.
- (c) The Transferee Company may, on or before expiry of 150 (One hundred and fifty) days from the Record Date, in consultation with the Bank of New York as Depository for the holders of RIL GDRs by entering into appropriate agreements with the said Depository or any other Depository (appointed by the Transferee Company) for the issuance of GDRs, (whether listed or otherwise), instruct such Depository to issue GDRs of the Transferee Company, to the holders of RIL GDRs. Subject to sub-clause (d) below, if the Transferee Company has not had such GDRs issued as aforesaid, the Bank of New York as the Depository for RIL GDRs shall, in consultation with the Transferee Company, sell the shares of the Transferee Company in the open domestic market and distribute the net sale proceeds to such GDR holders on a proportionate basis.
- (d) Notwithstanding anything contained in sub-clause (c) of Clause 13.1 above, any holder of RIL GDRs may at anytime after the Record Date, but prior to the issuance of GDRs by the Transferee Company, instruct the Depository to transfer the underlying shares of the Transferee Company to such RIL GDR holders. In such case, the Transferee Company shall obtain such permissions as may be necessary.
- (e) The holders of GDRs of RIL who wish to directly receive shares of the Transferee Company may surrender the GDRs of RIL held by them before the Record Date in exchange for shares of the Transferor Company. Such GDR holders holding shares of the Transferor Company on the Record Date shall then be entitled to receive shares of the Transferee Company in accordance with the Share Exchange Ratio under Clause 12.1 above.
- 13.2 The Transferee Company may take all such steps and do all such acts, deeds and things as may be necessary for the issue of GDRs pursuant to sub-clause (c) of Clause 13.1 for listing the GDRs on one or more overseas Stock Exchange(s) and if deemed necessary for the registration of the GDRs under the appropriate provisions of the Securities Act of 1933, as amended, of the United States of America (the "Securities Act").
- 13.3 The equity shares underlying the GDRs issued, if any, will not be registered under the Securities Act in reliance upon the exemption from registration contained in Section 3(a) (10) of the Securities Act. To obtain this exemption, the Transferee Company will rely on the approval of the Scheme by the High Court of Judicature at Bombay following the hearing by the court. However the GDRs to be issued will be, if deemed necessary, registered in terms of the appropriate provisions of the Securities Act.
- 13.4 If, on account of the Share Exchange Ratio, fractional GDRs of the Transferee Company have to be issued, then, in accordance with the terms and conditions

of the Deposit Agreement, in lieu of delivering receipts for fractional GDRs the Depositary may, in its discretion, sell the shares represented by the aggregate of such fractions, at public or private sale, at such place or places and at such price or prices as it may deem proper, and distribute the net proceeds of any such sale in accordance with the terms of the Deposit Agreement.

- 13.5 The GDRs issued, if any, by the Transferee Company pursuant to sub-clause (c) of Clause 12.1 shall be similar in all material respects with the existing GDRs of the Transferee Company.

14. ACCOUNTING TREATMENT

- 14.1 On the Scheme becoming effective, the Transferee Company shall provide for the following accounting treatment in its books of accounts as under:

- (a) The investments in the equity share capital of the Transferee Company as appearing in the books of accounts of the Transferor Company, shall stand cancelled. The cancellation which amounts to reduction of share capital of the Transferee Company, shall be effected as an integral part of the Scheme itself as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital and the order of the High Court of Judicature at Bombay sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction.
- (b) All the assets (other than shares of Transferee Company which would be cancelled pursuant to sub-clause 7.2 hereof) recorded in the books of Transferor Company shall be recorded by the Transferee Company at their respective book value as appearing in the books of the Transferor Company. All the liabilities recorded in the books of Transferor Company shall upon becoming the liabilities of the Transferee Company be recorded by the Transferee Company at their respective book values as appearing in the books of the Transferor Company.
- (c) Inter-company balances if any, will stand cancelled.
- (d) The excess or shortfall of the Net Assets Value transferred to the Transferee Company would be credited to the 'General Reserve Account' or Goodwill or as the case may be.

Explanation:

"Net Assets Value" shall be computed as the value of the Assets transferred to the Transferee Company less the value of the liabilities becoming liability of the Transferee Company and the difference if positive shall be considered to be an 'excess' and if negative shall be considered to be a shortfall".

- (e) If considered appropriate for the purpose of application of uniform accounting methods and policies between the Transferor Company and the Transferee Company, the Transferee Company may make suitable adjustments and reflect the effect thereof in the General Reserve of the Transferee Company.

PART 4

GENERAL TERMS AND CONDITIONS

15. DIVIDENDS, PROFITS, BONUS/ RIGHTS SHARES

- 15.1. With effect from the date of filing of this Scheme with the High Court of Judicature at Bombay and upto and including the Effective Date, the Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective equity shareholders in respect of the accounting period prior to the Effective Date, provided that the Transferor Company shall not make any such declaration, except with the prior approval of the Board of Directors of the Transferee Company.
- 15.2 Until the coming into effect of this Scheme, the holder of equity shares of the Transferor Company and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
- 15.3 It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Transferor Company and the Transferee Company and subject, wherever necessary, to the approval of the shareholders of the Transferor Company and the Transferee Company, respectively.

16. WINDING UP OF THE TRANSFEROR COMPANY

- 16.1 On the Scheme becoming effective the Transferor Company shall be dissolved without being wound up.
- 16.2 The Board of Directors, (or any committee thereof) of the Transferor Company shall without any further act, instrument or deed be and stand dissolved.

17. APPLICATION TO THE HIGH COURT

- 17.1 The Transferor Company shall with all reasonable despatch, make all applications/petitions under Sections 391 and 394 and other applicable provisions of the Act to the High Court of Judicature at Bombay for sanctioning of this Scheme and for dissolution of the Transferor Company without winding up under the provisions of law, and obtain all approvals as may be required under law.
- 17.2 The Transferee Company shall with all reasonable despatch, make all applications/petitions under Sections 391 and 394 read with Sections 100-103 and other applicable provisions of the Act to the High Court of Judicature at Bombay for sanctioning of this Scheme under the provisions of law, and obtain all approvals as may be required under law.

18. MODIFICATION I AMENDMENT TO THE SCHEME

- 18.1 The Transferor Company and the Transferee Company may assent from time to time on behalf of all persons concerned to any modifications or amendments or additions to this Scheme or to any conditions or limitations which either the Boards of Directors or a committee or committees of the concerned Board or any Director authorised in that behalf by the concerned Board of Directors (hereinafter referred

to as the "Delegates) of the Transferor Company and the Transferee Company deem fit, or which the High Court of Judicature at Bombay or any other authorities under law may deem fit to approve of or impose and which the Transferor Company and the Transferee Company may in their discretion deem fit and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or to review the position relating to the satisfaction of the conditions to this Scheme and if necessary, to waive any of those (to the extent permissible under law) for bringing this Scheme into effect. (In the event that any of the conditions may be imposed by the Courts or other authorities which the Transferor Company or the Transferee Company may find unacceptable for any reason, then the Transferor Company and the Transferee Company are at liberty to withdraw the Scheme). The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by the Delegates of the respective Companies. In particular and without prejudice to the generality of the foregoing the modifications and amendments referred to in this sub-clause may include modifications and amendments relating to the mode by which the business undertaking assets and properties of the Transferor Company are transferred to the Transferee Company.

- 18.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Delegate of the Transferor Company and Transferee Company may give and are authorised to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

19. CONDITIONS

19.1 The Scheme is conditional upon and subject to the following

- (a) The Scheme being agreed to by the requisite majority of the members of the Transferor Company and the Transferee Company as required under the Act and the requisite orders of the High Court of Judicature at Bombay being obtained;
- (b) Such other sanctions and approvals including sanctions of any governmental or regulatory authority, creditor, lessor or contracting party as may be required by law or contract in respect of the Scheme being obtained; and
- (c) The certified copies of the order of the High Court of Judicature at Bombay referred to in this Scheme being filed with the Registrar of Companies, Maharashtra, Mumbai.

19.2 The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if is approved in its entirety unless specifically agreed otherwise by the Transferor Company and the Transferee Company by their respective Board of Directors or any Committee constituted by them.

20. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of this Scheme falling to take effect within 12 months of the first filing with the High Court of Judicature at Bombay, or by such later date as may be agreed by the respective Board of Directors of the Transferor Company and the Transferee Company, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such case each Company shall bear its own costs or as may be mutually agreed.

21. COSTS

The Order of the High Courts u/s 391-394 of the Act not being a conveyance as understood under the Bombay Stamp Act, 1958, stamp duty would only be payable on the conveyance referred to in Clause 7.1.1 of this Scheme, which stamp duty shall be payable by the Transferor Company. All other costs, charges and expenses, including any taxes and duties of the Transferor Company and Transferee Company respectively in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Company in pursuance of this Scheme shall be borne and paid by the Transferee Company.

Advocates for the Petitioner / Applicant

IN THE HIGH COURT OF JUDICATURE AT BOMBAY ORDINARY ORIGINAL CIVIL
JURISDICTION COMPANY PETITION NO 338 OF 2006
CONNECTED WITH COMPANY APPLICATION NO. 429 OF 2006

AND

In the matter of Sections 391 to 394 read with Sections 100 to 103 of the Companies Act. 1956:

AND

In the matter of the Scheme of Amalgamation and Arrangement of Reliance Energy Ventures Limited with Reliance Energy Limited and the respective shareholders and creditors

RELIANCE ENERGY LIMITED Petitioner Company

Authenticated copy of the Minutes of the Order dated 23 June, 2006 along with Scheme dated this day of June, 2006

M/S RAJESH SHAH & CO
Advocates for the Petitioner Company
16, Oriental Building
30, Nagindas Master Road,
Flora Fountain, Mumbai - 400 001

**HIGH COURT BOMBAY
IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION**

**COMPANY PETITIONS NO. 305 OF 2008
WITH**

COMPANY APPLICATION NO. 411 OF 2008

**In the matter of the companies
Act, 1956 (1 of 1956);**

And

**In the matter of Sections 391 to 394 of the
Companies Act, 1956;**

And

**In the matter of Scheme of
Amalgamation of Reliance Project
Finance Pvt. Ltd and Reliance Power
Infrastructures Private Ltd. with
Reliance Infrastructure Ltd. and their
respective share holders and creditors.**

Reliance Project Finance Pvt Ltd Petitioner

Mr Virag Tulzapurkar, Sr Counsel with Mr Shyam Mehta and Ms Alpana Ghone Mr Rajesh Shah & Co. for the petitioner.

Mr C J Joy i/by S K Mohapatra for Regional Director

Mr S Ramakantha, Dy. O. L. present

**CORAM: S C DHARMADHIKARI J.
DATE: 20TH JUNE, 2008**

P.C.

1. Mr Tulzapulkar, learned senior counsel appearing for the petitioner tenders further affidavit of the authorised signatory which is taken on record.
2. After inviting my attention to the order dated 10th June, 2008 it is contended by Mr Tulzapurkar that now one of the transferor company will go out of scheme. That company petition has been allowed to be withdrawn by this Court. Therefore, any reference to the petitioner in company Petition No. 306 of 2008 in the scheme does not survive. He submits that both transferors are wholly owned subsidiaries of the transferee company. Further, the meetings have been dispensed with pursuant to orders dated 28th March, 2008 and 4th April, 2008. He submits that the companies are financially sound and no creditors are going to be affected. He submits that in the light of the law laid down by this Court filing of petition by Transferee company is not necessary.

3. He submits that there is no alteration to the scheme. The scheme remains the same. However, in the scheme there is reference to two companies and that is how the definition clause and other clauses are worded. When, one of the transferor company is out of the scheme, then, the deletion from the scheme of that company is the only modification. There is no variation of the scheme, save and except, deletion of the other transferors name therefrom. In such circumstances and when both Regional Director and official Liquidator have stated on oath that the scheme is not prejudicial to the interest of the creditors, share-holders and public this Court should exercise its powers under section 391 to 394 of the Companies Act and grant the reliefs as prayed for.
4. He submits that the scheme now in force would be the one which is annexed as annexure 'C' to the affidavit of one Sankaran Srinivasan affirmed on 11th June, 2008. He submits that with reference to this scheme this Court should grant the reliefs prayed in the petition.
5. The only contention raised by the Regional Director is that the scheme has been modified. One of the transferor company goes out of the scheme and deletion of its name is a variation which must be made known to the public. He submits that even if this Court is inclined to sanction the scheme, after the same is sanctioned, the parties must notify the changed/varied scheme so that there is no misleading statement or that the public is unaware of the changes or modification.
6. A company application was moved being Company Application No. 824 of 2008. That company application was placed before me on 10th June, 2008 and I had permitted withdrawal of Company Petition No. 306 of 2008. That petition was filed by "Reliance Power Infrastructure Pvt. Ltd. "The transferee company's name has undergone a change and the transferee company is known as "Reliance Infrastructure Ltd." That amendment had been carried out. I had clarified that the consequences of deletion of one of the transferor company and withdrawal of its petition, if entails, any variation of modification of the scheme, then, that work would be considered at the hearing of the petition.
7. At the hearing of this petition neither the official Liquidator nor the Regional director raised any objection to the scheme. They confirmed the statements in earlier affidavit. The schemes have been perused by them so also the petitions. It is not their case that the statutory compliance have not been made. Further, it is not their case that the earlier position as emerging from the record is altered and that any variation or modification would entail in the petitioner being required to go through the process all over again. All that is requested is that wide publicity should be given to the fact that one of the transferor had gone out of the scheme and the scheme stands altered to that extent.
8. In my view, in the peculiar facts of this case this is not something which would justify directing issuance of advertisements before the matter is taken up. Further, the scheme has been perused by me. The affidavit which has been tendered today has annexed to it the modified scheme after deletion of one of the transferor companies. That scheme and the clauses therein are identical to the scheme annexed to the petition. The scheme that has been annexed to the petition has been perused by me. Save and except references to the other transferor company therein no change is sought. There are no financial and other implications. The creditors or share holders are not going to be adversely effected. In such circumstances and when due publicity would be given to the order passed by the Court itself after the same is filed with the Registrar of Companies and Regional Director, it is not necessary to issue any further directions. More so, with regard to publication. Having satisfied myself that the modification or variation is on account of withdrawal of Company Petition No.306 of 2008 and is technical in nature so also not affecting the scheme, there is no impediment in sanctioning of the scheme of amalgamation of Reliance Project Finance Pvt Ltd and Reliance Infrastructure Ltd.

9. Company petition is therefore made absolute in terms of prayers (a) to (d). However, the scheme which is sanctioned is the one which is annexed as annexure 'C' to the affidavit dated 11th June, 2008 of Mr Sankaran Srinivasan.
10. Petitioner company to lodge a copy of this order and the scheme with the concerned superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 30 days of obtaining the certified copy and/or an authenticated copy of the order.
11. Petitioner to pay cost of Rs.5,000/- to the Regional Director & O.L. each costs to be paid within four weeks from today.
12. Filing and issuance of the drawn up order is dispensed with.
13. All authorized concerned to act on a copy of this order along with scheme to be authenticated by the Company Registry.

(S.C. Dharmadhikari)

SCHEME OF AMALGAMATION
OF
RELIANCE PROJECTS FINANCE PRIVATE LIMITED
WITH
RELIANCE INFRASTRUCTURE LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

The Scheme of Amalgamation is presented under section 391 and other applicable provision of the Companies Act, 1956 for amalgamations of Reliance Finance Private Limited with Reliance Infrastructure limited.

The Purpose and Rationale of this Scheme is as under.

- * Reducing the multiple layer inefficiencies
- * Administrative convenience
- * Reduction in administrative cost and overheads.

1. DEFINITIONS

In this scheme, unless inconsistent with the subject, the following expression shall have the meaning respectively assigned against them.

- 1.1 "Act" means the companies Act 1956 and shall include any statutory modification, re-enactment or amendment thereof for the time being in force.
- 1.2 "Appointment Date" means the 1st day of April, 2007 or such other date as may be approved by the High court of Judicature at Bombay of any other appropriate authority.
- 1.3 "Effective Date" means the later of the dates on which the certified or authenticated copy of the orders of High court of Judicature at Bombay or any other appropriate authority under Sections 391 and 394 of the Act sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra at Mumbai by the Transferor company and the Transferee company.
- 1.4 "REL" or the Transferee Company" means Reliance Infrastructure Limited a company incorporated under the Act and having its registered office at 3rd Floor, Reliance Energy Center, Santa Cruz (E), Mumbai 400 055.
- 1.5 "RPFPL" means Reliance Projects Finance Limited, a company incorporated under the Act and having its registered office at 3rd Floor, Reliance Energy Center, Santacruz (E), Mumbai 400 055.
- 1.6 "Scheme" or "the Scheme" or "this scheme" means this Scheme of amalgamation in its present form or with any modification(s) made under clause 14 of the scheme as approved or directed by the High court of Judicature at Bombay.
- 1.7 "Transferor company" means RPFPL.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out here in its present form or with any modification(s) approved or direct by the High Court of Judicature at Bombay; shall be effective from the Appointed Date but shall be operative from the Effective Date.

3. SHARE CAPITAL

3.1 The share capital of RPFPL as at March 31, 2007 is as under:

	Rupees in Lacs
Authorised Capital	
22,00,000, Equity share of Rs 10 each	220.00
Total	220.00
Issued, Subscribed and Paid-up	
21,10,000 Equity shares of Rs. 10 each fully paid-up	211.00
Total	211.00

Subsequent to March 31, 2007, the capital structure has changed as under:

	Rupees in Lacs
Authorised Capital	
22,00,000, Equity share of Rs 10 each	220.00
1,25,00,000 10% Non Convertible Non cumulative Redeemable Preference shares of Rs.1 each	125.00
Total	345.00
Issued, subscribed and Paid-up	
21,10,000 Equity Shares of Rs. 10 each	211.00
1,20,00,000 10% Non Convertible Non cumulative Redeemable Preference shares of Rs. 1 each	120.00
Total	331.00

RPFPL is a wholly owned subsidiary of the Transferee Company and the entire paid-up share capital of the RPFPL is held by the Transferee Company.

3.2 The share capital of REL as at March 31, 2007 is as under

	Rupees in Lacs
Authorised Capital	
25,00,00,000 Equity Shares of Rs. 10 each	25,000.00
80,00,000 Preference Shares of Rs. 10 each with differential rights	800.00
1,55,00,00,000 Cumulative Redeemable Preferences shares of Rs. 10 each	1,55,000.00
4,20,00,000 unclassified shares of Rs. 10 each	4,200.00
Total	1,85,000.00
Issued Capital	
23,01,22,316 Equity of Rs 10 each	23,012.23
Add : 9,17,34,781 Shares issued and allotted pursuant to the Scheme of Amalgamation	9,173.48
Less : 9,09,24,724 Shares cancelled as per the scheme of Amalgamation as approved by the Hon'ble High Court	9,092.47
Total	23,093.24
Subscribed Capital	
22,77,20,251 Equity shares of Rs. 10 each	22,772.03
Add : 9,17,34,781 Shares issued and allotted pursuant to the Scheme of Amalgamation.	9,173.48
Less : 9,09,24,724 Shares cancelled as per the scheme or amalgamation as approved by the Hon'ble High Court	9,092.47
Add : Forfeited Shares - Amounts Originally paid up	4.00
Total	22,857.04

Subsequent to March 31, 2007 the issued and Subscribed Share Capital of Rel has been changed as under

	Rupees in Lacs
Authorised Capital	
35,00,00,000 Equity Shares of Rs. 10 each	35,000.00
80,00,000 Preference Shares of Rs. 10 each with differential rights	800.00
1,55,00,00,000 Cumulative Redeemable Preference Shares of Rs. 10 each	1,55,000.00
4,20,00,000 unclassified shares of Rs. 10 each	4,200.00
Total	1,95,000.00
Issued & Subscribed Capital	
23,65,30,262 Equity Shares of Rs. 10 each	23,653.02
Total	23,653.02

PART A -MERGER OF RPFPL, INTO REL

4. TRANSFER AND VESTING OF UNDERTAKING

4.1 With effect from the opening of the business as on the appointed date, the entire business and whole of the undertaking of the Transferor company including all its properties and assets (whether movable or immovable, tangible or Intangible) of whatsoever nature such as licenses, permits, quotas, approvals, lease, tenancy rights, permission, incentives if any, and all other rights, title, interest, contracts, consents, approvals or power of every kind, nature and descriptions whatsoever shall under the provisions of Section 391 to 394 of the Act and pursuant to the orders of the High Court of Judicature at Bombay or any other appropriate authority sanctioning this Scheme and without further act, instrument of deed, but subject to the charges if any, affecting the same as on the Effective Date shall stand transferred and/or deemed to be transferred and vested in REL so as to become the properties and assets of REL.

4.2 The transfer and vesting as aforesaid shall be subject to the existing charges/ hypothecation/ mortgages, if any as may be subsisting and agreed to be created over or in respect of the said assets or any part thereof, provided however, any references in any security documents or arrangements to which the Transferor company are party wherein the assets of the Transferor company have been or are offered or agreed to be offered as security for any financial assistance or obligations shall be construed as reference only to the assets pertaining to the Transferor company and vested in REL by virtue of this Scheme to the end and intent that the charges shall not extend or deemed to extend to any assets of REL.

Provided that the Scheme shall not operate to enlarge the security for the said liabilities of the Transferor company which shall vest in REL by virtue of the Scheme and REL shall not be obliged to create any further, or additional security thereof after the merger has become effective or otherwise.

4.3 The liabilities shall also, without any further act, instrument or deed be transferred to and vested in and assumed by and/or deemed to be transferred to and assumed by REL pursuant to the provisions of Sections 391 to 394 of the Act, so as to become the liabilities of REL and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen, in order to give effect to the provisions of this clause.

4.4 REL may at any time after the coming into effect of the Scheme in accordance with the provisions of the Scheme, if so required, under any law or otherwise, execute Deeds of Confirmation, in favour of the secured creditors of the transferor company or in favour of any other party to any contract or arrangement to which the transferor company are party or any writings as may be necessary or required to be executed in order to give, formal effect to the above provisions. REL shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor company and to implement or carry out all such formalities or compliance referred to above on the part of REL to be carried out or performed.

5 CANCELLATION OF SHARE CAPITAL OF THE TRANSFEROR COMPANY

5.1 The entire issued, subscribed and paid-up share capital of the Transferor company is held by the Transferee Company. Upon the Scheme becoming effective no shares of the Transferee Company shall be allotted in lieu or exchange of its holdings in the Transferor company and the share capital of the Transferor company shall stand cancelled. Upon the coming into effect of this Scheme the share certificates, if any and / or the shares in electronic form representing the shares held by the Transferee Company in the Transferor company shall be deemed to be cancelled without any further act or deed for cancellation thereof by the Transferee Company.

6 ACCOUNTING TREATMENT

- 6.1 On the scheme becoming effective, the transferee Company shall account for the merger in its books of accounts as under:
- (a) The investments in the equity share capital of the Transferor company as appearing in the books of accounts of the Transferee Company, shall stand cancelled.
 - (b) All the assets and liabilities recorded in the books of the Transferor company shall be transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their respective book values as appearing in the books of the Transferor company.
 - (c) Intercompany balance if any, will stand cancelled.
 - (d) The excess of the net assets value of the Transferor company transferred to the Transferee Company, after making the adjustment as mentioned in sub-clauses (a) and (c) above, would be credited to the General Reserve. In case of there being a deficit, the same shall be debited by the Transferee Company to its General Reserve.
 - (e) If considered appropriate for the purpose of application of uniform accounting methods and policies between the Transferor company and the Transferee Company, the Transferee Company may make suitable adjustments and reflect the effected thereof in the General Reserve of the Transferee Company.

7. BUSINESS AND PROPERTY IN TRUST FOR REL

- 7.1 During the period between the Appointed Date and the Effective Date.
- (a) RPFPL shall carry on and deemed to have carried on their business and activities and shall stand possessed of their entire business and undertakings in trust for REL and shall account for the same to REL.
 - (b) All the income or profits accruing of arising to RPFPL and all costs, charges, expenses of losses incurred by RPFPL shall for all purpose be treated the income, profits, costs charges, expenses and losses as the case may be of REL
 - (c) RPFPL shall carry on their business and activities with reasonable diligence and business prudence and shall not alter or diversity their respective businesses nor venture into any new businesses nor alienate charge, mortgage encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of REL or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the respective Boards of directors of RPFPL and REL.
- 7.2 RPFPL shall not utilize the profits or income for the purpose of declaring or paying any dividend or any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of REL.
- 7.3 REL shall be entitled pending the sanction of the Scheme to apply to the Central/State Government(s) and all other agencies, departments and authorized concerned as are necessary under any law for such consents, approvals and sanctions which REL may require to carry in the business of RPFPL.

8. PENDING SUITS, ETC.

If any suit appeal or other proceeding of whatever nature by or against RPFPL and/or be pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reasons of the amalgamation by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against REL in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against RPFPL and/or as if this Scheme had not been made.

9. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

Subject to the other provisions contains in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatever nature to which RPFPL to which RPFPL and/or is a party subsisting or having effect immediately before the Scheme coming into effect shall be in full force and effect against or in favor of REL and may be enforced by or against REL as fully and effectually as if, instead of RPFPL and/or REL had been a party thereto.

10. SAYING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities under clause 4 above and the continuance of proceedings by or against REL under clause 8 above shall not affect any transaction or proceedings already concluded by RPFPL on or after the Appointed Date till the Effective Date to the end and intent that REL accepts and adopts all acts, deeds and things done and executed by RPFPL in respect thereto as done and executed on behalf of itself.

11. STAFF, WORKMEN & EMPLOYEES

On the Scheme becoming operative, all staff, workmen and employees of RPFPL in service on the Effective date shall be deemed to have become staff, workman and employees of REL without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with REL shall not be less favourable than those applicable to them with reference to RPFPL respectively on the Effective date.

- 11.1 It is expressly provided that on the scheme becoming effective the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff, workmen and employees of RPFPL shall become the trusts/funds of REL for all purpose whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contribution to the said Fund or Funds in accordance with the provisions thereof as per the terms provided and obligations of RPFPL in relation to such Fund or Funds shall become those of REL. It is clarified that the services to the staff, workman and employees of RPFPL will be treated as having been continuous for the purpose of the said Fund or Funds.

12. WINDING UP

On the Scheme becoming effective RPFPL, shall stand dissolved without being wound up.

PART B- GENERAL TERMS & CONDITIONS

13. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- (a) The Scheme being sanctioned by the Bombay High Court or any other authority under Section 391 to 394 and other applicable provisions of the Act.
- (b) The certified copies of the Orders of High Court of Judicature at Bombay under Section 391 and 394 of the Act sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra at Mumbai.

14. MODIFICATION OR AMENDMENTS TO THE SCHEME

RPFPL and REL by their respective Board of Directors or any duly authorised committee may make or consent to any modifications or amendments to the Scheme or to any conditions or limitations that the Court or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them and solve all difficulties that may arise for carrying out the Scheme and do all acts, deed and things necessary for putting the Scheme into effect.

15. EFFECT OF NON-RECIEPT OF APPROVAL

In the event of any of the approvals or conditions enumerated in the Scheme not being obtained or complied or for any other reason, this Scheme cannot be implemented then the Board of directors of the Transferor company and the Transferee Company shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement the Scheme shall become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with this Scheme.

16. COSTS, CHARGES AND EXPENSES

REL shall bear and pay all costs, charges, expenses, taxes including duties levied in connection with the Scheme.

Advocate for the Petitioner / applicant

IN THE HIGH COURT OF JUDICATURE AT

BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 305 OF 2008

CONNECTED WITH

COMPANY APPLICATION NO. 411 OF 2008

In the matter of Companies Act, 1956 (1 of 1956)

AND

In the matter of Section 391 to 394 of the Companies Act, 1956.

AND

In the matter of Scheme of Amalgamation of Reliance Project Finance Private Limited with Reliance Infrastructure Limited and their respective Shareholders and Creditors

RELIANCE PROJECT FINANCE PRIVATE LIMITED

Petitioner Company

Authenticated copy of Minutes of Order dated June 20, 2008 along with the Scheme of Amalgamation

M/S RAJESH SHAH & CO.
Advocates for the petitioner
16, Oriental Building
30, Nagindas Master Road
Flora Fountain
Mumbai 400 001

**HIGH COURT, BOMBAY IN THE HIGH COURT OF JUDICATURE AT
BOMBAY O.O.C.J.**

**COMPANY SCHEME PETITION NO. 764 OF 2010
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 811 OF 2010**

RELIANCE INFRAPROJECTS LIMITED

.....Petitioner / Transferor
Company In the matter of Sections
391 to 394 of the Companies Act,
1956;

AND

In the matter of Scheme of
Amalgamation of Reliance
Infraprojects Limited (“the
Transferor Company” or “RIPL”)

WITH

Reliance Infrastructure Limited (“the
Transferee Company” or “RIInfra”)

AND

their respective shareholders and
creditors

Mr. Janak Dwarkadas, Senior Counsel with Ms. Alpana Ghone i/b
M/s. Rajesh Shah & Co., for the Petitioners.
Dr. T. Pandian, Official Liquidator

Ms. Soma Singh, i/b Mr. H.P. Chaturvedi for Regional Director.

CORAM: S.J. VAZIFDAR, J.
DATE: 30TH MARCH, 2011.

P.C.:-

1. Heard learned counsels for the parties.
2. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956, to the Scheme of Amalgamation of Reliance Infraprojects Limited, the Petitioner Company with Reliance Infrastructure Limited, the Transferee Company and their respective shareholders and creditors.
3. The learned counsel for Petitioner submits that the Petitioner is wholly owned subsidiary of the Transferee Company and that by an order passed by this Hon'ble Court on 10th December, 2010 in Company Summons for Direction No.811 of 2010, the filing of a separate Company Summons for Direction and Company Scheme Petition and a separate process in relation the Scheme by Reliance Infrastructure Limited, the Transferee Company, was dispensed with.
4. Learned counsel appearing on behalf of the Petitioner Company has stated that it has complied with all requirements as per directions of this Hon'ble Court and it has filed necessary affidavits of compliance in the Hon'ble Court. Moreover, Petitioner Company undertakes to comply with all statutory requirements, if any, as required under the Companies Act, 1956 and the Rules made there under. The said undertaking is accepted.
5. The Regional Director has filed an affidavit stating that save and except as stated in paragraph 6 of the said affidavit, it appears that Scheme is not prejudicial to the interest of shareholders and public.

6. The Counsel appearing for the Regional Director has drawn my attention to paragraph 6(a) to (c) of the affidavit of the Regional Director in which it is stated that :-

- (a) The present scheme is not only for merger of wholly owned subsidiary company with the transferee company, it also proposes for restructuring of the financial operation of the transferee company. The merger of the transferee company may not involve any change in the shareholding pattern of the transferee company, as it relates to merger of wholly owned subsidiary with its holding company. Further, exemption from filing petition by transferee company was granted by this Hon'ble High Court. In this regard, it is submitted that Para 2 of 'Preamble' of the scheme inter alia provides that "for various other matter consequential or otherwise connected therewith including in particular certain accounting policies to be followed by RInfra and to be applied on and from the appointed date". Although the Preamble of the scheme is exclusive with reference to the transferor company alone it is brought to the notice of this Hon'ble High Court that the scheme also includes a proposal for adjustment of the general reserve for the purpose of restructuring financial statement of the transferee company.
- (b) Clause No. 2.3.6, 2.3.7, 2.3.8 of the scheme indicate that Rs. 3000 crores will be utilized for various purposes explained in the clauses from the existing General Reserves. In this connection the adjustment of extraordinary/exceptional items pursuant to clause 2.3.8 may be restricted to the financial year ending 31/03/2013 and thereafter any balance in the Extraordinary/exceptional items after the said adjustment if any, shall be carried back to General Reserve.

Accordingly, clause 2.3.8 of the scheme may be modified as under":

"An amount as may be determined by the Board of Directors of RInfra but not exceeding Rs. 3000 crores, out of the existing General Reserves including General Reserve arising pursuant to clause 2.3.2 may be reorganized and held as provision for Extraordinary and exceptional items to meet any extraordinary and exceptional items for financial years ending on or before 31/03/2013. Any balance in the provision for extraordinary and exceptional items after aforesaid adjustment shall be credited back to General Reserve".

- (c) Clause 1.1.6(b) also deals with any of the subsidiaries of transferee company. In this connection it is suggested that the word "or any of its subsidiaries" appearing in clause 1.1.6(b) may be deleted."

7. In response to above observations of the Regional Director, the Transferor Company has filed / tendered its affidavit in reply which are taken on record. So far as paragraph 6(a) to (c) of the Affidavit of Regional Director is concerned, the counsel for the Transferor Company states that the rights of members of the Transferee Company are not affected since there will be no issue of shares pursuant to the Scheme and there would be absolutely no reorganisation / change in the share capital of the Transferee Company. The rights of the unsecured creditors of the Transferee Company are not affected since there will be no reduction in their claims pursuant to the Scheme and the assets of the Transferee Company, post amalgamation, will be more than sufficient to discharge their claims. Further, the utilisation of General Reserve as envisaged under the Scheme is only with a view to present true & fair view of state of affairs of the Company and does not in any way adversely affect the rights of members or creditors of the Transferee Company. The adjustments for utilising general reserve under a scheme of arrangement / amalgamation have been approved in the past in case of Hikal Limited and Morarjee Textiles Limited. The submissions made by the Petitioner are accepted.

8. In response to the concern raised by the Regional Director in paragraph 6(b) and 6(c) of

his affidavit, the Counsel further seeks leave of this Court to modify Clauses 2.3.8 and 1.1.6(b) of the Scheme in terms of the Schedule handed which is taken on record and is marked 'X' for identification. Leave to amend is granted. Amendment to be carried out within two weeks from today.

9. The Regional Director has expressed concern about the scheme permitting the transferee company utilizing the amount as may be determined by the Board of Directors of the transferee company not exceeding Rs.3000 crores out of the existing general reserves for extraordinary and exceptional items. This is provided for in clause 2.3.2 of the scheme. To consider this aspect, I had adjourned the matter to today. My attention has not been invited to any bar in law against the company utilizing the general reserves in the manner provided for in clause 2 and in particular clause 2.3. Nor was my attention invited to any accounting practice that prevents or controls the same. Extraordinary and/or exceptional items are defined in clause 1.1.6 in the scheme. As my attention has not been invited to any bar in law against the operation of such a provision, I do not intend rejecting the application. Further none of the creditors or shareholders have objected to the scheme in any manner. The entire procedure has been followed. Moreover, in the event of there being any irregularity or unacceptable accounting practice or adjustment pursuant to the scheme and in particular clause 2.3 thereof, the auditors can always take care of the same. They shall not be prevented from discharging their duties in this regard merely by virtue of this order. Further as noted above, pursuant to the affidavit of the Regional Director, the Petitioners have modified clauses 1.1.6(b) and 2.3.8 of the scheme in terms of the draft amendment referred to earlier, which was taken on record and marked "X".
10. The Official Liquidator has filed his report in Company Scheme Petition No. 764 of 2010 stating therein that the affairs of the Transferor Company have been conducted in a proper manner and that the Transferor Company may be ordered to be dissolved.
11. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. None of the parties concerned has come forward to oppose the Scheme.
12. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 764 of 2010 filed by the Transferor Company is made absolute in terms of prayer clauses (a) to (d).
13. The Petitioner Companies to lodge a copy of this order and the Scheme, duly authenticated by the Company Registrar, High Court (O.S.), Bombay with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of this Order.
14. The Petitioner to pay costs of Rs.10,000/- each to the Regional Director, Western Region, Mumbai and to the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from today.
15. Filing and issuance of the drawn up order is dispensed with.
16. All concerned authorities to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court, Bombay.

**SCHEME OF AMALGAMATION
OF
RELIANCE INFRAPROJECTS LIMITED: TRANSFEROR COMPANY
WITH
RELIANCE INFRASTRUCTURE LIMITED: TRANSFEREE COMPANY
AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

PREAMBLE

(A) Purpose of the Scheme

1. This Scheme of Amalgamation is presented under Sections 391 to 394 of the Companies Act, 1956 for merger of Reliance Infraprojects Limited ("RIPL" or "the Transferor Company") a wholly owned subsidiary of Reliance Infrastructure Limited ("the Transferee Company or RInfra") into RInfra, the Transferee Company.
2. This Scheme also provides for various other matters consequential or otherwise connected therewith including in particular certain Accounting Policies to be followed by RInfra and to be applied on and from the Appointed Date.

(B) Rationale for the Scheme

1. RInfra and RIPL are part of Reliance - Anil Dhirubhai Ambani Group ("the Group").
2. RInfra is India's largest private sector enterprise in power utility. In the power sector it is involved directly or through its subsidiaries and associates in generation, transmission, distribution and trading of electricity. Further RInfra also carries on the business of Engineering, Procurement and Contracting ("EPC"). It is also involved in developing Infrastructure Projects including roads, metros, sea links and urban infrastructure. RIPL is a wholly owned subsidiary of RInfra.
3. The merger of RIPL with RInfra is with a view to :
 - a. Reducing administrative cost;
 - b. Removing multiple layer inefficiencies; and
 - c. Achieving operational and management efficiency

(C) Parts of the Scheme

The Scheme is divided into the following parts:

- (A) **PART 1** deals with the Definitions and Share Capital;
- (B) **PART 2** deals with the merger of RIPL into RInfra;
- (C) **PART 3** deals with Other Terms and Conditions.

PART 1

DEFINITIONS AND SHARE CAPITAL

1.1. DEFINITIONS

In this Scheme of Amalgamation, unless inconsistent with the subject or context, the following expressions shall have the following meaning:

- 1.1.1. **“Act” or “the Act”** means the Companies Act, 1956, or any statutory modification or re-enactment thereof for the time being in force;
- 1.1.2. **“Board of Directors”** means the Board of Directors of Rlnfra or RIPL or both as the context may require and includes a committee thereof.
- 1.1.3. **“Appointed Date”** means April 1, 2010 or such other date as may be decided by the High Court;
- 1.1.4. **“Court” or “High Court”** means the High Court of Judicature at Bombay and shall include the National Company Law Tribunal, if applicable;
- 1.1.5. **“Effective Date”** means the last of the dates on which the certified copies of the Order of the High Court of Judicature at Bombay sanctioning the Scheme of Amalgamation is filed with the Registrar of Companies, Maharashtra, Mumbai by RIPL and Rlnfra;
- 1.1.6. **“Extraordinary and / or Exceptional items”** means and without limiting the generality of the foregoing, includes inter-alia the following:
 - (a) Impairment, amortization and / or write off / diminution in value of investments and other assets, both tangible and intangible including goodwill, if any,
 - (b) Costs/ expenses / charge / losses on account of write down of assets or contingent liabilities or deferred tax liabilities which may be suffered by or be required to be accounted by Rlnfra, pursuant to this Scheme or otherwise in the course of its business or in carrying out such restructuring of the operations of Rlnfra as the Board of Directors of Rlnfra consider necessary or proper;
 - (c) Interest/ financial charges/ professional fees/ costs paid/payable for existing projects / divisions, setting up of new projects, acquisition of companies/ projects including costs associated with delay in projects and interest / financial charges/ professional fees paid/ payable upon refinancing of borrowings;
 - (d) Any costs/ expenses / charge / losses which in the opinion of the Board of Directors are extraordinary and exceptional.
- 1.1.7. **“General Reserves”** means uncommitted reserves, not being capital reserves, available without limitation for all purposes including but not limited to declaration of dividends and bonus shares;
- 1.1.8. **“Rlnfra” or “the Transferee Company”** means Reliance Infrastructure Limited, a company incorporated under the Companies Act, 1956, and having its registered office at Reliance Energy Centre, Santa Cruz (E), Mumbai – 400 055;

- 1.1.9. **“RIPL” or “the Transferor Company”** means Reliance Infraprojects Limited, a company incorporated under the Companies Act, 1956, and having its registered office at Reliance Energy Centre, Santa Cruz (E), Mumbai – 400 055;
- 1.1.10. **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Amalgamation in its present form as submitted to the Honorable High Court of Judicature at Bombay or this Scheme with such modification(s), if any made;

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contract Regulation Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

1.2 SHARE CAPITAL

- 1.2.1. The authorized, issued, subscribed and paid-up share capital of RIPL as on March 31, 2010 was as under:

	Rupees in Crore
Authorised Capital	
90,00,00,000 equity shares of 10 each	900
100,00,00,000 preference shares of Rs 1 each	100
Total	1,000
Issued, Subscribed & Paid Up Capital	
50,21,00,000 equity shares of Rs 10 each fully paid up	502.10
Total	502.10

The capital structure of RIPL post the above Balance Sheet Date has not undergone any change. The entire share capital of RIPL is held by RInfra and its nominees.

- 1.2.2. The authorized, issued, subscribed and paid-up share capital of Rlnfra as on March 31, 2010 was as under:

Rupees in Crore

Authorised Capital	
35,00,00,000 Equity Shares of Rs 10 each	350.00
80,00,000 Equity Shares of Rs. 10 each with differential right	8.00
1,55,00,00,000 Cumulative Redeemable Preference Shares of Rs. 10 each	1,550.00
4,20,00,000 unclassified shares of Rs. 10 each	42.00
Total	1950.00
Issued Capital	
22,84,25,832 Equity Shares of Rs 10 each	228.43
Add : 1,96,00,000 Equity Shares on conversion of warrants	19.60
Less : 7,53,505 shares bought back	(0.75)
Total	247.28
Subscribed Capital & Paid Up	
22,60,23,767 Equity Shares of Rs 10 each fully paid up	226.03
Add : 1,96,00,000 Equity Shares on conversion of warrants	19.60
Add : Forfeited Shares - Amounts Originally paid up	0.04
Less : 7,53,505 shares bought back	(0.75)
Total	244.92

The capital structure of Rlnfra post the above Balance Sheet Date has not undergone any change.

1.3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme, set out herein in its present form or with any modifications(s) shall be effective from the Appointed Date.

PART 2

MERGER OF RIPL INTO RINFRA

2.1. TRANSFER AND VESTING OF UNDERTAKING

- 2.1.1. With effect from the opening of the business as on the Appointed Date, the entire business and whole of the undertakings of RIPL including all its properties and assets (whether movable or immovable, tangible or intangible) of whatsoever nature such as investments, licenses, permits, quotas, approvals, lease, tenancy rights, permissions, incentives if any, and all other rights, title, interest, contracts, consents, approvals or powers of every kind, nature and descriptions whatsoever shall under the provisions of Sections 391 to 394 of the Act and pursuant to the orders of the High Court of Judicature at Bombay or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges if any, affecting the same as on the Effective Date shall stand transferred and/or deemed to be transferred to and vested in Rlnfra so as to become the properties and assets of Rlnfra.
- 2.1.2. The transfer and vesting as aforesaid shall be subject to the existing charges / hypothecation / mortgages, if any, as may be subsisting and agreed to be created over or in respect of the said assets or any part thereof, provided however, any reference in any security documents or arrangements to which RIPL are party wherein the assets of RIPL have been or are offered or agreed to be offered as security for any financial assistance or obligations shall be construed as reference only to the assets pertaining to RIPL and vested in Rlnfra by virtue of this Scheme to the end and intent that the charges shall not extend or deemed to extend to any assets of Rlnfra.

Provided that the Scheme shall not operate to enlarge the security for the said liabilities of RIPL which shall vest in Rlnfra by virtue of the Scheme and Rlnfra shall not be obliged to create any further, or additional security thereof after the merger has become effective or otherwise.

- 2.1.3. The liabilities shall also, without any further act, instrument or deed be transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by Rlnfra pursuant to the provisions of Sections 391 to 394 of the Act, so as to become the liabilities of Rlnfra and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen, in order to give effect to the provisions of this Clause.

2.2. CANCELLATION OF SHARE CAPITAL OF RIPL

- 2.2.1. The entire issued, subscribed and paid-up share capital of RIPL is held by Rlnfra. Upon the Scheme becoming effective, no shares of Rlnfra shall be allotted in lieu or exchange of its holding in RIPL and the share capital of RIPL shall stand cancelled.
- 2.2.2. Upon the coming into effect of this Scheme, the share certificates, if any, and/or the shares in electronic form representing the shares held by Rlnfra in RIPL shall be deemed to be cancelled without any further act or deed for cancellation thereof by Rlnfra.

2.3. ACCOUNTING TREATMENT

- 2.3.1. All assets and liabilities of RIPL shall be recorded in the books of Rlnfra at their respective book values as appearing in the books of RIPL;

- 2.3.2. The excess arising on transfer of assets and liabilities as per clause 2.3.1 above would be credited to the 'General Reserve'. In case of there being a deficit, the same shall be debited by RInfra to its General Reserve. Such General Reserve shall be a reserve which arises pursuant to this Scheme and shall not be and shall not for any purpose be considered to be a reserve created by RInfra.
- 2.3.3. The investments in the equity share capital of RIPL and loans / advances / deposits given to RIPL as appearing in the books of accounts of RInfra, shall be written off by RInfra in its Profit & Loss Account;
- 2.3.4. RInfra shall withdraw from its General Reserve, to the extent available, an amount to offset the write off referred to in clause 2.3.3 and credit the same to its profit and loss account.
- 2.3.5. If considered appropriate for the purpose of application of uniform accounting methods and policies between RIPL and RInfra, RInfra may make suitable adjustments and reflect the effect thereof in the General Reserve of RInfra.
- 2.3.6. With effect from Appointed Date and for any of the financial years beginning on or after the Appointed Date, the Board of Directors of RInfra, may accumulate any unrealized losses / expenses or unrealized gains on account of derivative / hedging contracts whether the contracts were entered into by RIPL or by RInfra under the head "Unrealized Derivative Losses / Gains" to be reflected as a miscellaneous expenditure and / or as the case may be as a Reserve. On a transaction relating to a derivative or a hedge coming to an end and gain / loss becoming realized, the realized gain or loss shall be credited to or charged to the Profit and Loss Account or if considered more appropriate by the Board of Directors of RInfra to the relevant asset or liability and the corresponding amount, if any, in the "Unrealized Derivative Losses / gains" Account shall also be similarly transferred to the Profit and Loss Account or to the relevant Asset / Liability.
- 2.3.7. With effect from Appointed Date and for any of the financial years beginning on or after the Appointed Date, the Board of Directors of RInfra may offset any realized / unrealized, losses / expenses/ charges on account of foreign exchange / derivative / hedging contracts whether pertaining to RIPL or RInfra by a corresponding withdrawal from General Reserve and may similarly transfer to the General Reserve any realized / unrealized gains relating to such contracts.
- 2.3.8. An amount as may be determined by the Board of Directors of RInfra but not exceeding Rs. 3,000 crores, out of the existing General Reserve (including General Reserve arising pursuant to clause 2.3.2) may be recognized and held as Provision for Extraordinary & Exceptional Items to meet any extraordinary and exceptional items for financial years ending on or before 31/03/2013. Any balance in the provision for extraordinary and exceptional items after aforesaid adjustment shall be credited back to General Reserve.
- 2.3.9. It is clarified that, as may be determined by the Board of Directors of RInfra, the utilization of Provision for Extraordinary & Exceptional Items for meeting any costs/ expenses / charge / losses as above shall be either by way of withdrawal from the Provision for Extraordinary & Exceptional Items and credit to profit & loss account or by way of direct charge of the said costs/ expenses / charge / losses to the Provision for Extraordinary & Exceptional Items.
- 2.3.10. If thought fit by the Board of Directors of RInfra, the aforesaid accounting treatment may be followed in respect of any accounts prepared by RInfra under any law or regulation in force on or after the Appointed Date including consolidated accounts.

2.4. BUSINESS AND PROPERTY IN TRUST FOR RINFRA

2.4.1. During the period between the Appointed Date and the Effective Date

- (a) RIPL shall carry on and deemed to have carried on its business and activities and shall stand possessed of their entire business and undertakings, in trust for RInfra and shall account for the same to RInfra.
- (b) All the income or profits accruing or arising to RIPL and all costs, charges, expenses or losses incurred by RIPL shall for all purposes be treated the income, profits, costs, charges, expenses and losses as the case may be of RInfra.
- (c) RIPL shall carry on their business and activities with reasonable diligence and business prudence and shall not alter or diversify their respective businesses nor venture into any new businesses, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of RInfra or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the respective Boards of Directors of RIPL and RInfra.

2.4.2. RIPL shall not utilise the profits or income for the purpose of declaring or paying any dividend or for any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of RInfra.

2.4.3. RInfra shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government(s) and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which RInfra may require to carry on the business of RIPL.

2.5. PENDING SUITS, ETC.

2.5.1. If any suit, appeal or other proceeding of whatever nature by or against RIPL is pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the amalgamation by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against RInfra in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against RIPL as if this Scheme had not been made.

2.6. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

2.6.1. Subject to the other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatever nature to which, RIPL is a party subsisting or having effect immediately before the Scheme coming into effect shall be in full force and effect against or in favour of RInfra, and may be enforced by or against RInfra as fully and effectually as if, instead of RIPL, RInfra had been a party thereto.

2.7. SAVING OF CONCLUDED TRANSACTIONS

2.7.1. The transfer of properties and liabilities under Clause 2.1 above and the continuance of proceedings by or against RInfra under Clause 2.5 above shall not affect any transaction or proceedings already concluded by RIPL on or after the Appointed Date till the Effective Date, to the end and intent that RInfra accepts and adopts all acts, deeds and things done and executed by RIPL in respect thereto as done and executed on behalf of itself.

2.8. STAFF, WORKMEN & EMPLOYEES

- 2.8.1. On the Scheme becoming operative, all staff, workmen and employees of RIPL in service on the Effective Date shall be deemed to have become staff, workmen and employees of RInfra without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with RInfra shall not be less favourable than those applicable to them with reference to RIPL on the Effective Date.
- 2.8.2. It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff, workmen and employees of RIPL shall become the trusts/ funds of RInfra 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, if any, to the end and intent that all rights, duties, powers and obligations of RIPL in relation to such Fund or Funds shall become those of RInfra. It is clarified that the services of the staff, workmen and employees of RIPL will be treated as having been continuous for the purpose of the said Fund or Funds.

2.9. WINDING UP

- 2.9.1. On the Scheme becoming effective, RIPL shall stand dissolved without being wound up.

PART 3

OTHER TERMS AND CONDITIONS

3.1. APPLICATION TO HIGH COURT

- 3.1.1. RIPL and Rlnfra shall as may be required make applications and/or petitions under Sections 391 to 394 of the Act and other applicable provisions of the Act to the High Court of Judicature at Bombay for sanction of this Scheme and all matters ancillary or incidental thereto.

3.2. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 3.2.1. RIPL and Rlnfra by their respective Board of Directors may assent to any modifications/amendments to the Scheme or to any conditions or limitations that the Court and/or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors). RIPL and Rlnfra by their respective Board of Directors be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

3.3. CONDITIONALITY OF THE SCHEME

- 3.3.1. This Scheme is and shall be conditional upon and subject to:
- 3.3.2. The Scheme being approved by the requisite majorities in number and value of such classes of persons including the members and / or creditors of RIPL as may be directed by the Hon'ble High Court of Judicature at Bombay or any other competent authority, as may be applicable.
- 3.3.3. The Scheme being sanctioned by the High Court of Judicature at Bombay or any other authority under Sections 391 to 394 of the Act.
- 3.3.4. Certified copies of the Orders of the High Court of Judicature at Bombay sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra, at Mumbai by RIPL and Rlnfra.

3.4. EFFECT OF NON-RECEIPT OF APPROVALS

- 3.4.1. In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/ or the Scheme not being sanctioned by the Bombay High Court or such other competent authority and / or the Order not being passed as aforesaid before March 31, 2012 or within such further period or periods as may be agreed upon between RIPL and Rlnfra by their Boards of Directors (and which the Boards of Directors of the companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

3.5. COSTS, CHARGES & EXPENSES

- 3.5.1. All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of, or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by Rlnfra.

High Court, Bombay
IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO 147 OF 2012
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO 103 OF 2012

RELIANCE ENERGY LIMITED

.....Petitioner / the Transferor Company No.1
AND

COMPANY SCHEME PETITION NO 148 OF 2012
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO 104 OF 2012

RELIANCE ENERGY GENERATION LIMITED

..... Petitioner /the Transferor Company No.2
AND

COMPANY SCHEME PETITION NO 149 OF 2012
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO 105 OF 2012

RELIANCE GOA AND SAMALKOT POWER LIMITED

.....Petitioner /the Transferor Company No.3
AND COMPANY SCHEME PETITION NO 150 OF 2012
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO 106 OF 2012

RELIANCE INFRAVENRURES LIMITED

.....Petitioner / the Transferor Company No.4
ANDCOMPANY SCHEME PETITION NO 151 OF 2012

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO 107 OF 2012

RELIANCE PROPERTY DEVELOPERS LIMITED

.....Petitioner / the Transferor Company No.5
AND

COMPANY SCHEME PETITION NO 152 OF 2012
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO 108 OF 2012

RELIANCE INFRASTRUCTURE ENGINEERS PRIVATE LIMITED

..... Petitioner / the Demerged Company

In the matter of the Companies Act, 1956 (1 of 1956)

AND

In the matter of Sections 391 to 394 read with Sections
100 to 103 of the Companies Act, 1956;

AND

In the matter of Scheme of Arrangement
between

Reliance Energy Limited ("the Transferor Company
No.1")

AND

Reliance Energy Generation Limited ("the Transferor
Company No.2")

AND

Reliance Goa and Samalkot Power Limited ("the

Transferor Company No.3")

AND

Reliance Infraventures Limited ("the Transferor Company No.4")

AND

Reliance Property Developers Limited ("the Transferor Company No.5")

AND

Reliance Infrastructure Engineers Private Limited ("the Demerged Company")

AND

Reliance Infrastructure Limited ("the Transferee Company" / "Resulting Company")

AND

their respective Shareholders and Creditors.

Ms. Alpana Ghone, Counsel with Mr. Rajesh Shah i/b Rajesh Shah & Co., Advocates for the Petitioners in all the Petitions.

Mrs. R.N. Sutar, Asst. Official Liquidator Present in CSP No.147 of 2012 to 151 of 2012

Mr. D. A. Athawale i/b Dr. T.C. Chaturvedi for Regional Director in all the Petitions.

CORAM: S.J. Kathawalla, J.

DATE: 20th April, 2012

1. Heard Counsel for the Parties
2. The sanction of the Court is sought under Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956, to the Scheme of Arrangement between Reliance Energy Limited, the Transferor Company No.1 and Reliance Energy Generation Limited, the Transferor Company No.2 and Reliance Goa and Samalkot Power Limited, the Transferor Company No.3 and Reliance Infraventures Limited, the Transferor Company No.4 and Reliance Property Developers Limited, the Transferor Company No.5 and Reliance Infrastructure Engineers Private Limited, the Demerged Company and Reliance Infrastructure Limited, the Transferee / Resulting Company and their Respective shareholders and creditors.
3. The learned Counsel appearing on behalf of the petitioners submits that by an order passed by this court on 3rd February, 2012 in Company Summons for Direction No. 103 Of 2012 to 108 of 2012, the filing of a separate Company Summons for Direction and Company Scheme Petition in relation of the proposed Scheme by the Transferee Company / The Resulting Company was dispensed with.
4. The learned counsel appearing on behalf of the Petitioners has stated that the petitioners have complied with all requirements as per directions of this court and they have filed necessary affidavits of compliance in the Court. Moreover, Petitioner Companies undertake to comply with all statutory requirements, if any, as required under the Companies Act, 1956 and the Rules made there under. The said undertaking is accepted.
5. The Regional Director has filed an affidavit wherein that save and except as stated in paragraph 6 of the said affidavit, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph 6 of the said affidavit it is stated that:

"That the Deponent further submits that the Advocate for the Petitioner Company has submitted letter dated 10/04/2012 which is annexed hereto and marked as Exhibit 'D'. In the said letter it is Submitted that:

1. *Clause 2.3.1 of the Scheme may be read as under instead of Existing clause:*

"All assets and liabilities of the Transferor Company shall be recorded in the books of the Transferee Company at their Respective book value"

2. *Clause 2.3.2 of the Scheme may be read as under instead of Existing clause:*

"The excess arising on transfer of assets and liabilities as per Clause 2.3.1 above would be treated as Capital Reserve. Such Capital Reserve shall be a reserve which arises pursuant to this Scheme and not be, for any purpose be considered to be a reserve created by the Transferee Company."

3. *It has been clarified in Para 3 of Exhibit 'D' that, 'We also confirm That the accounting treatment would be as per the generally accepted Accounting principles and standards consistently followed by the Company and applicable provisions of the Companies Act, 1956"*

In view of the above the petitioner Company may be directed to Suitably correct / modify Clause No.2.3.1, 2.3.2 as also in clause 2.14.2 Of the Scheme."

6. In response to the concern raised by the Regional Director in Paragraph 6 of his Affidavit, the Counsel seeks leave of this Court to modify Clauses 2.3.1, 2.3.2 and 2.14.2 of the Scheme in terms of the Schedule handed which is taken on Record and is marked 'X' for identification Leave to amend is Granted Amendment to be carried out within two weeks from Today.

7. The Official Liquidator has filed his report in Company Scheme petition Nos.147 of 2012 to 151 of 2012 Stating Therein that the affairs of the Transferor Companies have Been conducted in a proper manner and that the Transferor Companies may be ordered to be dissolved by this Court.
8. From the material on record, the Scheme appears to be fair and reasonable and is nor violative of any provisions of law and is not contrary to public policy. None of the parties Concerned has come forward to oppose the Scheme.
9. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition Nos.147 of 2012 to 151 of 2012 filed by the Transferor Companies are made absolute in terms of prayer clauses (a) to (d) and Company Scheme Petition No.152 of 2012 filed by the Demerged Company is made absolute in terms of prayer clauses (a) to (c).
10. The learned Counsel appearing for the Petitioners tenders further affidavit of Mr. Abhijit Banerjee, Authorised Representative of Reliance Infrastructure Engineers Private Limited, the petitioner / Demerged Company thereby Submitting the Form of Minutes for reduction of Share Capital For approval of this High Court. The said affidavit is taken on record and the Form of Minutes for reduction of Share capital being Exhibit '1' to the affidavit is hereby approved.
11. The Petitioner Companies to lodge a copy of this order and the Scheme, duly authenticated by the Company Registrar, High Court (O.S), Bombay with the concerned Superintendent of Stamps, for the Purpose of adjudication of stamp duty Payable, if any, on the same within 60 days from the date of The Order.
12. Petitioners are directed to file a copy of this order along with a Copy of the Scheme of Arrangement with the concerned Registrar of Companies, electronically, along with E-Form 21 In addition to physical copy within 30 days from the date of issuance of the order by the Registry.
13. The petitioner Companies in all the Company Scheme Petitions to pay costs of Rs, 10,000/- each to the Regional Director, Western Region, Mumbai and the Petitioner Companies in Company Scheme Petition Nos.147 of 2012 to 151 of 2012 to pay cost of Rs. 10,000/- each to the Official Liquidator, High Court, Bombay Costs to be paid within four Weeks from the date of the order.
14. Filing and issuance of the drawn up order is dispensed with.
15. All concerned authorities to act on a copy of this order along With Scheme duly authenticated by the Company Registrar, High Court (O.S), Bombay.

(S.J.Kathawalla J)

COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

Section Officer
High Court, Appellate Side
Bombay

**SCHEME OF ARRANGEMENT
BETWEEN
RELIANCE ENERGY LIMITED
AND
RELIANCE ENERGY GENERATION LIMITED
AND
RELIANCE GOA AND SAMALKOT POWER LIMITED
AND
RELIANCE INFRAVENTURES LIMITED
AND
RELIANCE PROPERTY DEVELOPERS LIMITED
AND
RELIANCE INFRASTRUCTURE ENGINEERS PRIVATE LIMITED
AND
RELIANCE INFRASTRUCTURE LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

PREAMBLE

(A) Purpose of the Scheme

This Scheme of Arrangement is presented under Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 for:

- Merger of Reliance Energy Limited (“REL”) and Reliance Energy Generation Limited (“REGL”) and Reliance Goa and Samalkot Power Limited (“RGSPL”) and Reliance Infraventures Limited (“RIVL”) and Reliance Property Developers Limited (“RPDL”) with Reliance Infrastructure Limited (“RInfra”); and
- Demerger of container business undertaking of Reliance Infrastructure Engineers Private Limited (“RIEPL”) into RInfra.
- This Scheme also provides for various other matters consequential or otherwise integrally connected therewith.

(B) Rationale

1. RInfra is India's largest private sector enterprise in power utility. In the power sector it is involved in generation, transmission, distribution and trading of electricity. Further RInfra also carries on the business of Engineering, Procurement and Contracting. It has also bagged contracts with respect to toll roads across India.
2. REL, REGL, RGSPL, RIVL, RPDL and RIEPL are wholly owned subsidiaries of RInfra.
3. The Proposed Scheme of Arrangement is with a view to:
 - a. Reducing administrative cost;
 - b. Removing multiple layer inefficiencies; and
 - c. Achieving operational and management efficiency.

(C) Parts of the Scheme

The Scheme is divided into the following parts:

- (A) PART 1 deals with the Definitions and Share Capital;
- (B) PART 2 deals with the merger of REL, REGL, RIVL, RGSPL, RPDL into RInfra;
- (C) PART 3 deals with the demerger of Demerged Undertaking of RIEPL into RInfra;
- (D) PART 4 deals with Other Terms and Conditions.

PART 1
DEFINITIONS AND SHARE CAPITAL

1.1. DEFINITIONS

In this Scheme of Arrangement, unless inconsistent with the subject or context, the following expressions shall have the following meaning:

- 1.1.1. “Act” or “the Act” means the Companies Act, 1956, or any statutory modification or re-enactment thereof for the time being in force;
- 1.1.2. “Merger Appointed Date” means February 1, 2012 or such other date as may be decided by the High Court;
- 1.1.3. “Board of Directors” means the Board of Directors of the Transferee Company or the Transferor Companies or the Demerged Company or all as the context may require and includes a committee thereof.
- 1.1.4. “Court” or “High Court” means the High Court of Judicature at Bombay and shall include the National Company Law Tribunal, if applicable;
- 1.1.5. “Demerged Undertaking” means the entire business of the Demerged Company relating to Container business along with all related assets, liabilities, employees including specifically the following:
 - 1.1.5.1. all assets wherever situated, whether movable or immovable, leasehold or freehold, tangible or intangible, including all capital work in progress, plant & machinery, equipment, trademarks, trade names, brands, investments and other IP rights, vehicles, furniture, fixtures, office equipment, computer installations, electrical appliances, accessories pertaining to the Demerged Undertaking;
 - 1.1.5.2. all liabilities present and future (including contingent liabilities pertaining to or relating to the Demerged Undertaking), as may be determined by the Board of the Demerged Company ;
 - 1.1.5.3. all rights and licenses (including container license), all assignments and grants thereof, all permits, registrations, rights (including rights under any agreement, contracts, applications, letters of intent etc), approvals, regulatory approvals entitlements, goodwill, cash balances, bank balances, bank accounts, receivables, loans and advances, privileges, all other claims, rights and benefits, powers and facilities of every kind, nature and description whatsoever, inventory, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Demerged Undertaking;
 - 1.1.5.4. all employees of the Demerged Company substantially engaged in the Demerged Undertaking as determined by the Board of the Demerged Company;
 - 1.1.5.5. all deposits and balances with Government, Semi-Government, local and other authorities and bodies, customers and other persons, earnest moneys and/ or security deposits paid or received by the Demerged Company, directly or indirectly in connection with or in relation to the Demerged Undertaking;
 - 1.1.5.6. all books, records, files, papers, directly or indirectly relating to the Demerged Undertaking; but shall not include any portion of the Remaining Business of the Demerged Company and
 - 1.1.5.7. any other asset / liability which is deemed to be pertaining to the Demerged

Undertaking by the Board of the Demerged Company.

Explanation: In case of any doubt regarding whether any particular asset or liability forms part of the Demerged Undertaking or otherwise, the same shall be resolved mutually by the Board of the Demerged Company and Resulting Company;

- 1.1.6. "Demerger Appointed Date" means April 1, 2011 or such other date as may be decided by the High Court;
- 1.1.7. "Effective Date" means the last of the dates on which the certified copies of the Order of the High Court of Judicature at Bombay sanctioning the Scheme of Arrangement is filed with the Registrar of Companies, Maharashtra, Mumbai by the Transferor Companies, the Demerged Company and the Transferee Company;
- 1.1.8. "Remaining Business of the Demerged Company" means all the undertakings, businesses, activities and operations of the Demerged Company other than the Demerged Undertaking;
- 1.1.9. "REL" or "the Transferor Company No. 1" means Reliance Energy Limited, a company incorporated under the Companies Act, 1956, and having its registered office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400710;
- 1.1.10. "REGL" or "the Transferor Company No. 2" means Reliance Energy Generation Limited, a company incorporated under the Companies Act, 1956, and having its registered office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400710;
- 1.1.11. "RGSPL" or "the Transferor Company No. 3" means Reliance Goa and Samalkot Power Limited, a company incorporated under the Companies Act, 1956, and having its registered office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400710;
- 1.1.12. "RIEPL" or "the Demerged Company" means Reliance Infrastructure Engineers Private Limited, a company incorporated under the Companies Act, 1956, and having its registered office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400710;
- 1.1.13. "RIVL" or "the Transferor Company No. 4" means Reliance Infraventures Limited, a company incorporated under the Companies Act, 1956, and having its registered office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400710;
- 1.1.14. "RInfra" or "the Transferee Company" or "the Resulting Company" means Reliance Infrastructure Limited, a company incorporated under the Indian Companies Act, 1913, and having its registered office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400710;
- 1.1.15. "RPDL" or "the Transferor Company No. 5" means Reliance Property Developers Limited, a company incorporated under the Companies Act, 1956, and having its registered office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400710;
- 1.1.16. "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Arrangement in its present form as submitted to the Honorable High Court of Judicature at Bombay or this Scheme with such modification(s), if any made;
- 1.1.17. "Transferor Companies" means REL, REGL, RIVL, RGSPL and RPDL collectively.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contract Regulation Act, 1956, the Depositories Act, 1996 and other

applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

1.2. SHARE CAPITAL

- 1.2.1. The authorized, issued, subscribed and paid-up share capital of REL as on March 31, 2011 was as under:

	Rupees in Crores
Authorised Capital	
5,00,000 equity shares of Rs 10 each	0.50
Total	0.50
Issued, Subscribed & Paid Up Capital	
5,00,000 equity shares of Rs 10 each fully paid up	0.50
Total	0.50

The capital structure of REL post the above Balance Sheet Date has changed as under

	Rupees in Crores
Authorised Capital	
11,00,000 equity shares of Rs 10 each	1.10
Total	1.10
Issued, Subscribed & Paid Up Capital	
10,35,000 equity shares of Rs 10 each	1.04
Total	1.04

The entire share capital of REL is held by Rlnfra and its nominees.

- 1.2.2. The authorized, issued, subscribed and paid-up share capital of REGL as on March 31, 2011 was as under:

	Rupees in Crores
Authorised Capital	
50,000 Equity Shares of Rs. 10 each	0.05
Total	0.05
Issued and Subscribed	
50,000 Equity Shares of Rs. 10 each	0.05
Total	0.05

The capital structure of REGL post the above Balance Sheet Date has changed as under:

	Rupees in Crores
Authorised Capital	
5,00,000 equity shares of Rs 10 each	0.50
Total	0.50
Issued, Subscribed & Paid Up Capital	
4,77,500 equity shares of Rs 10 each	0.48
Total	0.48

The entire share capital of REGL is held by Rlnfra and its nominees.

- 1.2.3. The authorized, issued, subscribed and paid-up share capital of RGSPL as on March 31, 2011 was as under:

Authorised Capital	Rupees in Crores
50,000 Equity Shares of Rs. 10 each	0.05
Total	0.05
Issued and Subscribed	
50,000 Equity Shares of Rs. 10 each	0.05
Total	0.05

The capital structure of RGSPL post the above Balance Sheet Date has changed as under:

	Rupees in Crores
Authorised Capital	
2,50,000 equity shares of Rs 10 each	0.25
Total	0.25
Issued, Subscribed & Paid Up Capital	
2,37,500 equity shares of Rs 10 each	0.24
Total	0.24

The entire share capital of RGSPL is held by Rlnfra, REGL and its nominees.

- 1.2.4. The authorized, issued, subscribed and paid-up share capital of RIVL as on March 31, 2011 was as under:

Authorised Capital	Rupees in Crores
100,00,00,000 Equity Shares of Rs. 10 each	1000
Total	1000
Issued and Subscribed	
50,87,56,000 Equity Shares of Rs. 10 each	508.75
Total	508.75

The capital structure of RIVL post the above Balance Sheet Date has changed as under:

	Rupees in Crores
Authorised Capital	
100,00,00,000 Equity Shares of Rs. 10 each	1000
Total	1000
Issued, Subscribed & Paid Up Capital	
51,17,56,000 equity shares of Rs 10 each	511.76
Total	511.76

The entire share capital of RIVL is held by Rlnfra and its nominees.

- 1.2.5. The authorized, issued, subscribed and paid-up share capital of RPD L as on March 31, 2011 was as under:

Authorised Capital	Rupees in Crores
50,000 Equity Shares of Rs. 10 each	0.05
Total	0.05
Issued and Subscribed	
50,000 Equity Shares of Rs. 10 each	0.05
Total	0.05

There has been no change in the capital structure subsequent to March 31, 2011. The entire share capital of RPD L is held by Rlnfra and its nominees.

- 1.2.6. The authorized, issued, subscribed and paid-up share capital of RIEPL as on March 31, 2011 was as under:

Authorised Capital	Rupees in Crores
10,00,00,000 Equity Shares of Rs. 10 each	100.00
Total	100.00
Issued and Subscribed	
5,43,55,000 Equity Shares of Rs. 10 each	54.35
Total	54.35

There has been no change in the capital structure subsequent to March 31, 2011. The entire share capital of RIEPL is held by Rlnfra and its nominees.

- 1.2.7. The authorized, issued, subscribed and paid-up share capital of Rlnfra as on March 31, 2011 was as under:

	Rupees in Crores
Authorised Capital	
35,00,00,000 Equity Shares of Rs 10 each	350.00
80,00,000 Equity Shares of Rs. 10 each with differential rights	8.00
1,55,00,00,000 Cumulative Redeemable Preference Shares of	1,550.00
4,20,00,000 unclassified shares of Rs. 10 each	42.00
Total	1950.00
Issued Capital	
24,72,72,327 Equity Shares of Rs 10 each	247.28
Add: 2,25,50,000 Equity Shares on conversion of warrants	22.55
Less: Shares bought back	
Total	269.83
Subscribed Capital & Paid Up	
24,48,70,262 Equity Shares of Rs 10 each fully paid up	244.88
Add: 2,25,50,000 Equity Shares on conversion of warrants	22.55
Add: Forfeited Shares – Amounts Originally paid up	0.04
Less: Shares bought back	
Total	267.47

The capital structure of RInfra post the above Balance Sheet Date has changed as under:

	Rupees in Crores
Authorised Capital	
35,00,00,000 Equity Shares of Rs 10 each	350.00
80,00,000 Equity Shares of Rs. 10 each with differential rights	8.00
1,55,00,00,000 Cumulative Redeemable Preference Shares of	1,550.00
4,20,00,000 unclassified shares of Rs. 10 each	42.00
Total	1950.00
Issued Capital	
24,72,72,327 Equity Shares of Rs 10 each	247.28
Add: 2,25,50,000 Equity Shares on conversion of warrants	22.55
Less: 43,95,000 Equity shares bought- back and extinguished	4.39
Total	265.44
Subscribed Capital & Paid Up	
24,48,70,262 Equity Shares of Rs 10 each fully paid up	244.88
Add: 2,25,50,000 Equity Shares on conversion of warrants	22.55
Add: Forfeited Shares – Amounts Originally paid up	0.04
Less: 43,95,000 Equity shares bought - back and extinguished	4.39
Total	263.08

1.3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme, set out herein in its present form or with any modifications(s) shall, unless the context requires otherwise be effective from the Merger Appointed Date in respect of merger of the Transferor Companies with the Transferee Company and with effect from Demerger Appointed Date in respect for demerger of Demerged Undertaking of the Demerged Company into the Resulting Company.

PART 2

MERGER OF THE TRANSFEROR COMPANIES INTO RINFRA

2.1. TRANSFER AND VESTING OF UNDERTAKING

- 2.1.1. With effect from the opening of the business as on the Merger Appointed Date, the entire business and whole of the undertakings of the Transferor Companies including all its properties and assets (whether movable or immovable, tangible or intangible) of whatsoever nature such as investments, licenses, permits, quotas, approvals, lease, tenancy rights, permissions, incentives if any, and all other rights, title, interest, contracts, consents, approvals or powers of every kind, nature and descriptions whatsoever shall under the provisions of Sections 391 to 394 of the Act and pursuant to the orders of the High Court of Judicature at Bombay or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges if any, affecting the same as on the Effective Date shall stand transferred and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and assets of the Transferee Company.
- 2.1.2. The liabilities shall also, without any further act, instrument or deed be transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by the Transferee Company pursuant to the provisions of Sections 391 to 394 of the Act, so as to become the liabilities of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen, in order to give effect to the provisions of this Clause.

2.2. CANCELLATION OF SHARE CAPITAL OF TRANSFEROR COMPANIES

- 2.2.1. The entire issued, subscribed and paid-up share capital of the Transferor Companies is held by the Transferee Company and / or its wholly owned subsidiaries. Upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of its holding in the Transferor Companies and the share capital of the Transferor Companies shall stand cancelled.
- 2.2.2. Upon the coming into effect of this Scheme, the share certificates, if any, and/or the shares in electronic form representing the shares held by the Transferee Company in the Transferor Companies shall be deemed to be cancelled without any further act or deed for cancellation thereof by the Transferee Company.

2.3. ACCOUNTING TREATMENT

- 2.3.1. All assets and liabilities of the Transferor Company shall be recorded in the books of the Transferee Company at their respective book values.
- 2.3.2. The excess arising on transfer of assets and liabilities as per clause 2.3.1 above would be treated as Capital Reserve. Such Capital Reserve shall be a reserve which arises pursuant to this Scheme and shall not be for any purpose, be considered to be a reserve created by the Transferee Company.
- 2.3.3. The investments in the equity share capital of the Transferor Companies held by the Transferee Company shall be written off by the Transferee Company in its Profit & Loss Account and the Transferee Company shall withdraw from its General Reserve, to the extent available, an amount to offset the said write off and credit the same to its profit and loss account.
- 2.3.4. If considered appropriate for the purpose of application of uniform accounting methods and policies between the Transferor Companies and the Transferee Company, the Transferee Company may make suitable adjustments and reflect the effect thereof in its General Reserve.

2.4. BUSINESS AND PROPERTY IN TRUST FOR THE TRANSFeree COMPANY

2.4.1. During the period between the Merger Appointed Date and the Effective Date,

- (a) The Transferor Companies shall carry on and deemed to have carried on its business and activities and shall stand possessed of their entire business and undertakings, in trust for the Transferee Company and shall account for the same to the Transferee Company.
- (b) All the income or profits accruing or arising to the Transferor Companies and all costs, charges, expenses or losses incurred by the Transferor Companies shall for all purposes be treated the income, profits, costs, charges, expenses and losses as the case may be of the Transferee Company.
- (c) The Transferor Companies shall carry on their business and activities with reasonable diligence and business prudence and shall not alter or diversify their respective businesses nor venture into any new businesses, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the respective Boards of Directors of the Transferor Companies and the Transferee Company.

2.4.2. The Transferor Companies shall not utilise the profits or income for the purpose of declaring or paying any dividend or for any other purpose in respect of the period falling on and after the Merger Appointed Date, without the prior written consent of the Transferee Company.

2.4.3. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government(s) and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Companies.

2.5. PENDING SUITS, ETC.

2.5.1. If any suit, appeal or other proceeding of whatever nature by or against the Transferor Companies is pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the amalgamation by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Companies as if this Scheme had not been made.

2.6. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

2.6.1. Subject to the other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatever nature to which, the Transferor Companies is a party subsisting or having effect immediately before the Scheme coming into effect shall be in full force and effect against or in favour of the Transferee Company, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party thereto.

2.7. SAVING OF CONCLUDED TRANSACTIONS

2.7.1. The transfer of properties and liabilities under Clause 2.1 above and the continuance of proceedings by or against the Transferee Company under Clause 2.5 above shall not affect any transaction or proceedings already concluded by the Transferor Companies on or after the Merger Appointed Date till the Effective Date, to

the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of itself.

2.8. STAFF, WORKMEN & EMPLOYEES

- 2.8.1. On the Scheme becoming operative, all staff, workmen and employees of the Transferor Companies in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Companies on the Effective Date.
- 2.8.2. It is expressly provided that, on the Scheme becoming effective, the provident fund, gratuity fund, superannuation fund or any other special fund or trusts created or existing for the benefit of the staff, workmen and employees of the Transferor Companies shall become the trusts/ funds of the Transferee Company 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, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Companies in relation to such fund or funds shall become those of the Transferee Company. It is clarified that the services of the staff, workmen and employees of the Transferor Companies will be treated as having been continuous for the purpose of the said fund or funds.

2.9. WINDING UP

- 2.9.1. On the Scheme becoming effective, the Transferor Companies shall stand dissolved without being wound up.

PART 3

DEMERGER OF DEMERGED UNDERTAKING OF RIEPL INTO RINFRA

2.10. TRANSFER AND VESTING OF DEMERGED UNDERTAKING OF THE DEMERGED COMPANY INTO RESULTING COMPANY

- 2.10.1. The Demerged Undertaking of the Demerged Company shall stand transferred to and vested in or deemed to be transferred to and vested in the Resulting Company, as a going concern, in accordance with Section 2(19AA) of the Income Tax Act, 1961 and in the following manner:
- (a) With effect from the Demerger Appointed Date, the whole of the undertaking and properties of the Demerged Undertaking, shall pursuant to the provisions contained in Sections 391 to 394 and all other applicable provisions, if any, of the Act and without any further act, deed, matter or thing, stand transferred to and vested in and / or be deemed to be transferred to and vested in the Resulting Company so as to vest in the Resulting Company all rights, title and interest pertaining to the Demerged Undertaking free from any charges and encumbrances.
 - (b) At the option of the Demerged Company, the movable assets pertaining to the Demerged Undertaking and the assets which are capable of transfer by physical delivery or endorsement or novation or endorsement and delivery, including cash on hand, shall be so transferred to the Resulting Company and be physically handed over or be deemed to have been physically handed over by physical delivery or transferred by novation or endorsement and / or delivery, as the case may be, to the Resulting Company to the end and intent that the property and benefit therein passes to the Resulting Company.

- (c) With effect from the Demerger Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of the Demerged Company pertaining to Demerged Undertaking shall also, under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to the Resulting Company, so as to become from the Demerger Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Resulting Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.
- (d) With effect from the Demerger Appointed Date and upon the Scheme becoming effective, any statutory licenses (including container license), permissions or approvals or consents held by the Demerged Company required to carry on operations of Demerged Undertaking shall stand vested in or transferred to the Resulting Company without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Resulting Company and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents shall vest in and become available to the Resulting Company as if they were originally obtained by the Resulting Company. In so far as the various incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Demerged Company relating to the Demerged Undertaking, are concerned, the same shall vest with and be available to the Resulting Company on the same terms and conditions as applicable to the Demerged Company, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Resulting Company.
- (e) This Scheme has been drawn up to comply with the conditions relating to “Demerger” as specified under Section 2(19AA) of the Income-tax Act, 1961. If any terms or provisions of the Scheme is/are inconsistent with the provisions of Section 2(19AA) of the Income-tax Act, 1961, the provisions of Section 2(19AA) of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(19AA) of the Income-Tax Act, 1961; such modification to not affect other parts of the Scheme.

For the purpose of this Scheme, it is clarified that liabilities pertaining to the Demerged Undertaking of the Demerged Company include:

- (i) The liabilities, which arise out of the activities or operations of Demerged Undertaking of the Demerged Company.
- (ii) Specific loans and borrowings raised, incurred and utilized solely for the activities or operation of the Demerged Undertaking of the Demerged Company.
- (iii) Liabilities other than those referred to in Sub-Clauses (i) and (ii) above and not directly relatable to the Remaining Business of the Demerged Company, being the amounts of general or multipurpose borrowings of the Demerged Company shall be allocated to the Demerged Undertaking of the Demerged Company in the same proportion in which the value of the assets transferred under this Clause bears to the total value of the assets of the Demerged Company immediately before giving effect to this Scheme. The parties shall mutually agree upon the identification of the liabilities to be transferred to the Resulting Company as liabilities pertaining to the Demerged Undertaking.
- (iv) Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Demerged Undertaking of the Demerged Company or whether it arises out of the activities or operations of Demerged Undertaking of

the Demerged Company shall be decided by mutual agreement between the Board of Directors of the Demerged Company and the Resulting Company or any Committee appointed by such Board of Directors.

2.11. CONSIDERATION

- 2.11.1. The Demerged Company is a wholly owned subsidiary of the Resulting Company. The Scheme is intended to transfer the Demerged Undertaking to the Resulting Company to meet the diverse needs of business and does not involve any movement of assets or liabilities to any company outside the group controlled by the Resulting Company. Hence, the Resulting Company shall not be required to issue any shares or pay any consideration to either the Demerged Company or to its shareholders.

2.12. REORGANISATION OF EQUITY SHARE CAPITAL OF THE DEMERGED COMPANY

- 2.12.1. The Issued, subscribed and paid up equity share capital of the Demerged Company consisting of Rs.54,35,50,000/- divided into 5,43,55,000 equity shares of Rs. 10/- fully paid each shall, upon the Scheme coming into effect stand reduced on proportionate basis of the existing shareholding to Rs.5,00,000/- divided into 50,000 equity shares of Rs. 10/- each by cancellation of 5,43,05,000 equity shares aggregating to Rs.54,30,50,000/- paid up equity share capital of the Demerged Company.
- 2.12.2. Consequent to such reduction, the 5,43,05,000 equity shares aggregating to Rs. 54,30,50,000/- held by the equity shareholders shall in proportion to their holdings stand cancelled as on the effective date.
- 2.12.3. The Demerged Company shall obtain the necessary approval from its shareholders and creditors, as required, in terms of this Scheme only, under and pursuant to provisions of Section 391-394 of the Act.
- 2.12.4. Notwithstanding the reduction of subscribed and paid up equity share capital of the Demerged Company, the Demerged Company shall not be required to add "And Reduced" as suffix to its name.

2.13. ACCOUNTING TREATMENT IN THE BOOKS OF THE DEMERGED COMPANY

- 2.13.1. Upon the Scheme becoming effective, the Demerged Company shall reduce in its books of account the assets & liabilities pertaining to the Demerged Undertaking at their respective book values.
- 2.13.2. The difference that is the excess of the book value of assets pertaining to the Demerged Undertaking and demerged from the Demerged Company pursuant to this Scheme over the book value of the liabilities pertaining to the Demerged Undertaking and demerged from the Demerged Company pursuant to this Scheme shall be treated as Goodwill.
- 2.13.3. The amount arising on cancellation of the issued, subscribed and paid up equity share capital as above shall be treated by the Demerged Company as Capital Reserve.
- 2.13.4. The Goodwill arising pursuant to Clause 2.13.2 hereof shall be adjusted by the Demerged Company against such Capital Reserve to the extent such balances are available.
- 2.13.5. The reduction of the share capital of RIEPL as mentioned above shall be effected as an integral part of this Scheme without having to follow the process under Sections 100 to 103 of the Act separately. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital and the provisions of Section 101 of the Act will not be applicable and accordingly the Order under Section 102 of the Act shall not be required.

2.14. ACCOUNTING TREATMENT IN THE BOOKS OF RESULTING COMPANY

- 2.14.1. The Resulting Company shall record the assets and liabilities pertaining to Demerged Undertaking, at the respective book values as appearing in the books of the Demerged Company as on the Demerger Appointed Date;
- 2.14.2. The difference being excess of assets over liabilities recorded by the Resulting Company, will be treated as Capital Reserve. Such Capital Reserve shall be a reserve which arises pursuant to this Scheme and shall not be and shall not for any purpose be considered to be a reserve created by the Resulting Company.

2.15. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

- 2.15.1. With effect from the date of filing the Scheme in the High Court and up to and including the Effective Date, except in the ordinary course of business, the Demerged Company shall not without the prior written consent of the Board of the Resulting Company or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage or encumber or otherwise deal with or dispose of the Demerged Undertaking or any part thereof.
- 2.15.2. The Demerged Company, in relation to the Demerged Undertaking shall carry on and deemed to have carried on its business and activities and shall stand possessed of its entire business and undertakings, in trust for the Resulting Company and shall account for the same to the Resulting Company.
- 2.15.3. With effect from the Demerger Appointed date, all the income or profits accruing or arising to the Demerged Company, in relation to the Demerged Undertaking and all costs, charges, expenses or losses incurred by the Demerged Company, in relation to the Demerged Undertaking Business shall for all purposes be treated the income, profits, costs, charges, expenses and losses as the case may be of the Resulting Company.
- 2.15.4. The Demerged Company shall not utilise the profits or income pertaining to the Demerged Undertaking for the purpose of declaring or paying any dividend or for any other purpose in respect of the period falling on and after the Demerger Appointed Date, without the prior written consent of the Resulting Company.

2.16. LEGAL PROCEEDINGS

- 2.16.1. All legal proceedings of whatsoever nature by or against the Demerged Company pending and/or arising before the Effective Date and relating to the Demerged Undertaking, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Resulting Company, as the case may be in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. Any cost pertaining to the said proceedings between the Demerger Appointed Date and the Effective date incurred by the Demerged Company shall be reimbursed by the Resulting Company.
- 2.16.2. After the Effective Date, if any proceedings are taken against the Demerged Company in respect of the matters referred to in the sub-clause 2.16.1 above, they shall defend the same at the cost of the Resulting Company, and the Resulting Company shall reimburse and indemnify the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.
- 2.16.3. The Resulting Company undertakes to have all legal or other proceedings initiated by or against the Demerged Company referred to in Clauses 2.16.1 or 2.16.2 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company as the case may be, to the exclusion of the

Demerged Company.

2.17. CONTRACTS, DEEDS, ETC.

- 2.17.1. Notwithstanding anything to the contrary contained in the contract, deed, bond, agreement or any other instrument, but subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and subsisting or having effect on the Effective Date and relating to the Demerged Undertaking of the Demerged Company, shall continue in full force and effect against or in favour of the Resulting Company and may be enforced effectively by or against Resulting Company as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party thereto.
- 2.17.2. The Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Resulting Company shall, be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Demerged Company.

2.18. SAVING OF CONCLUDED TRANSACTIONS

- 2.18.1. The transfer of properties and liabilities under Clause 2.10 above and the continuance of proceedings by or against the Resulting Company under Clause 2.16 above shall not affect any transaction or proceedings already concluded by the Demerged Company on or after the Demerger Appointed Date till the Effective Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company in relation to the Demerged Undertaking in respect thereto as done and executed on behalf of itself.

2.19. STAFF, WORKMEN & EMPLOYEES

- 2.19.1. Upon the coming into effect of this Scheme, all employees of the Demerged Company engaged in or in relation to the Demerged Undertaking of the Demerged Company and who are in such employment as on the Effective Date shall become the employees of the Resulting Company and, subject to the provisions of this Scheme, on terms and conditions not less favorable than those on which they are engaged by the Demerged Company and without any interruption of or break in service as a result of the transfer of the Demerged Undertaking.
- 2.19.2. In so far as the existing provident fund, gratuity fund and pension and/or superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by the Demerged Company for the employees related to the Demerged Undertaking (collectively referred to as the "Funds"), the Funds and such of the investments made by the Funds which are preferable to the employees related to the Demerged Undertaking being transferred to Resulting Company, in terms of Clause 2.19.1 above shall be transferred to Resulting Company and shall be held for their benefit pursuant to this Scheme in the manner provided hereinafter. The Funds shall, subject to the necessary approvals and permissions and at the discretion of Resulting Company, either be continued as separate funds of Resulting Company for the benefit of the employees related to Demerged Undertaking or be transferred to and merged with other similar funds of Resulting Company. In the event that the Resulting Company do not have their own funds in respect of any of the above, the Resulting Company may, subject to necessary approvals and permissions, continue to contribute to the relevant Funds of the Demerged Company, until such time that the Resulting Company create their own fund, at which time the Funds and the investments and contributions pertaining to the

employees related to Demerged Undertaking shall be transferred to the funds created by the Resulting Company.

2.20. REMAINING BUSINESS OF THE DEMERGED COMPANY

- 2.20.1. It is clarified that, the Remaining Business of the Demerged Company shall continue with Demerged Company as follows:
- 2.20.1.1. The Remaining Business of the Demerged Company and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company.
- 2.20.1.2. All legal and other proceedings by or against the Demerged Company under any statute, whether pending on the Demerger Appointed Date or which may be initiated in future, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business of the Demerged Company (including those relating to any property, right, power, liability, obligation or duty, of the Demerged Company in respect of the Remaining Business of the Demerged Company) shall be continued and enforced by or against the Demerged Company .
- 2.20.1.3. With effect from the Demerger Appointed Date and including the Effective Date –
- a. the Demerged Company shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Remaining Business of the Demerged Company for and on its own behalf;
 - b. all profit accruing to the Demerged Company thereon or losses arising or incurred by it relating to the Remaining Business of the Demerged Company shall, for all purposes, be treated as the profit, or losses, as the case may be, of the Demerged Company.

PART 4

OTHER TERMS AND CONDITIONS

3.1. APPLICATION TO HIGH COURT

- 3.1.1. The Transferor Companies, the Demerged Company and the Transferee Company shall as may be required make applications and/or petitions under Sections 391 to 394 read with Sections 100 to 103 of the Act and other applicable provisions of the Act to the High Court of Judicature at Bombay for sanction of this Scheme and all matters ancillary or incidental thereto.

3.2. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 3.2.1. The Transferor Companies, the Demerged Company and the Transferee Company by their respective Board of Directors (which term shall include any duly constituted Committee thereof) may assent to any modifications/amendments to the Scheme or to any conditions or limitations that the Court and/or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors). The Transferor Companies, the Demerged Company and the Transferee Company by their respective Board of Directors be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

3.3. CONDITIONALITY OF THE SCHEME

- 3.3.1. This Scheme is and shall be conditional upon and subject to:

- 3.3.2. The Scheme being approved by the requisite majorities in number and value of such classes of persons including the members and / or creditors of the Transferor Companies and the Demerged Company as may be directed by the Hon'ble High Court of Judicature at Bombay or any other competent authority, as may be applicable.
- 3.3.3. The Scheme being sanctioned by the High Court of Judicature at Bombay or any other authority under Sections 391 to 394 read with Sections 100 to 103 of the Act.
- 3.3.4. Certified copies of the Orders of the High Court of Judicature at Bombay sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra, at Mumbai by the Transferor Companies, the Demerged Company and the Transferee Company.

3.4. EFFECT OF NON-RECEIPT OF APPROVALS

- 3.4.1. In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/ or the Scheme not being sanctioned by the Bombay High Court or such other competent authority and / or the Order not being passed as aforesaid before December 31, 2012 or within such further period or periods as may be agreed upon amongst the Transferor Companies, the Demerged Company and the Transferee Company by their Boards of Directors (and which the Boards of Directors of the companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

3.5. COSTS, CHARGES & EXPENSES

- 3.5.1. All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of, or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by the Transferee Company.

High Court, Bombay

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO 844 OF 2012
CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO 825 OF 2012

RELIANCE BHAVNAGAR POWER PRIVATE LIMITED

..... Petitioner/ the Transferor Company No. 1

AND

COMPANY SCHEME PETITION NO 845 OF 2012

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO 826 OF 2012

RELIANCE INFRASTRUCTURE ENGINEERS PRIVATE LIMITED

.....Petitioner/ the Transferor Company No. 2

AND

COMPANY SCHEME PETITION NO 846 OF 2012

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO 827 OF 2012

RELIANCE JAMNAGAR POWER PRIVATE LIMITED

.....Petitioner/ the Transferor Company No.3

In the matter of the Companies Act, 1956
(1 of 1956)

AND

In the matter of Section 391 to 394 of
The Companies Act, 1956;

AND

In the matter of Scheme of Amalgamation
of Reliance Bhavnagar Private Limited
("the Transferor Company No. 1")

And

Reliance Infrastructure Engineers Private
Limited ("the Transferor Company No. 2")

And

Reliance Jamnagar Power Private Limited
("the Transferor Company No. 3")

With

Reliance Infrastructure Limited ("the
Transferee Company")

And

Their respective shareholders and creditors

Called for Hearing

Mr. Rajesh Shah with Mr. Chandrakant Mhadeshwar i/b Rajesh Shah and Co. Advocates for the
Petitioners in all the Petitions

Ms. R N Sutar, Asstt. Official Liquidator present in all the Company Scheme Petitions

Ms. S V Bharucha /b Dr. T C Kaushik for Regional Director in all the Company Scheme Petitions.

CORAM N M Jamdar. J
Date: 22nd February, 2013

1. Heard counsel for the parties, none appeared before the court to oppose the Scheme and nor any party has contravened any averments made in the Petition.
2. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956, to the Scheme of Amalgamation of Reliance Bhavnagar Power Private Limited and Reliance Infrastructure Engineers Private Limited and Reliance Jamnagar Power Private Limited with Reliance Infrastructure Limited and their respective shareholders and creditors.
3. Learned advocate for the Petitioners states that the Petitioner in Company Scheme Petition No. 844 of 2012 was incorporated with the object of carrying on business of power and generating electricity, Petitioner in Company Scheme Petition No. 845 of 2012 was incorporated with the object of carrying on the business of electrical and mechanical engineers and providing engineering, procurement, commissioning and related services and Petitioner in Company Scheme Petition No. 846 of 2012 was incorporated with the object of carrying on the business of power and generating electricity and setting up power project in Jamnagar. Further the learned advocate states that the Transferee Company is in the business of generation, transmission, distribution, trading of electricity and also it carries on the business of engineering, procurement and contracting and engaged in the businesses of infrastructure sectors such as highways, roads, metro, rail, real estate, airports, cement, etc. He further states that all the Petitioner Companies are wholly owned subsidiaries of Reliance Infrastructure Limited, the Transferee Company. The rationale for the Scheme is to reduce administrative cost, remove multiple layer inefficiencies and achieve operational and management efficiency. The Petitioner Companies approved the said Scheme by passing the Board Resolution which are annexed to the respective Company Scheme Petitions. In terms of clause 2.9 of the scheme, the Petitioner Companies shall be dissolved without being wound up. The learned Advocate for the Petitioner further states that Petitioners Companies have complied with all the directions passed in Company Summons for Directions and that the Company Scheme Petition have been filed in consonance with the orders passed in respective Summons for Directions and seeks sanction to the proposed Scheme.
4. The learned counsel appearing on behalf of the Petitioner companies submits that by an order passed by this court on 30th November 2012 in Company Summons for Direction No. 825 of 2012 to 827 of 2012, the filing of a separate Company Summons for Direction and Company Scheme Petition in relation to the proposed Scheme by the Transferee Company, Reliance Infrastructure Limited was dispensed with, in view of judgement passed by this Court in Mahaamba Investments Limited Versus IDI Limited (2001) 105 Company Cases (Pages 16 to 18).
5. The learned counsel appearing on behalf of the Petitioners has stated that the Petitioners have complied with all requirements as per directions of this Court and they have filed necessary affidavits of compliance in the Court. Moreover, Petitioner Companies undertake to comply with all statutory requirements, if any, as required under the Companies Act, 1956 and the Rules made thereunder. The said undertaking is accepted.
6. The Regional Director has filed an affidavit dated 08/02/2013 stating therein that save and except as stated in paragraph 6 of the said affidavit, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph 6 of the said affidavit, it is stated that :

'That the Deponent further submits that: -

In clause 2.3.2 of the scheme it is stated that 'the excess arising on transfer and liabilities as per clause 2.3.1 of the scheme would be treated as 'General Reserve'. In this regard, it is suggested

that reserve arising out of this scheme is not a free reserve, as per proviso to section 2 (29A) of the Companies Act, 1956. Hence such reserve shall not be transferred to General Reserve and the same shall be transferred to 'Capital Reserve Account' of the Transferee Company.”

7. In reply to the aforesaid observations raised by the Regional Director, the Petitioner Companies through their Counsel undertakes that Reserve arising out of the Scheme shall be transferred to the Capital Reserve Account.
8. The Learned Counsel for Regional Director on instructions of Mr. M Chandramuthu, Joint Director in the office of the Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai states that they are satisfied with the undertaking given by the Advocate for the Petitioner Companies. The said undertaking is accepted.
9. The Official Liquidator has filed his report dated 15/02/2013 in all the Company Scheme Petitions stating therein that the affairs of the Petitioner Companies have been conducted in a proper manner and that the Petitioner Companies may be ordered to be dissolved by this Court.
10. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. None of the parties concerned has come forward to oppose the Scheme.
11. Since all the requisite statutory compliances have been fulfilled, all the Company Scheme Petitions filed by the Transferor Companies are made absolute in terms of prayer clauses (a) to (d).
12. The Petitioner Companies to lodge a copy of this order and the Scheme, duly authenticated by the Company Registrar, High Court (O.S.).Bombay with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of the Order.
13. Petitioner is directed to file a copy of this order along with a copy of the Scheme with the concerned Registrar of Companies, electronically, along with E-Form 21 in addition to physical copy within 30 days from the date of issuance of the order by the Registry.
14. The Petitioner Companies in all the Company Scheme Petitions to pay costs of Rs. 10,000 each to the Regional Director, Western Region, Mumbai and the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from today.
15. Filing and issuance of the drawn up order is dispensed with.
16. All concerned authorities to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay.

(N M Jamdar)

**SCHEME OF AMALGAMATION
OF
RELIANCE BHAVNAGAR POWER PRIVATE LIMITED
AND
RELIANCE INFRASTRUCTURE ENGINEERS PRIVATE LIMITED
AND
RELIANCE JAMNAGAR POWER PRIVATE LIMITED
WITH
RELIANCE INFRASTRUCTURE LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

PREAMBLE

(A) Purpose of the Scheme

This Scheme of Amalgamation is presented under Sections 391 to 394 of the Companies Act, 1956 for merger of Reliance Bhavnagar Power Private Limited ("RBPPL") and Reliance Infrastructure Engineers Private Limited ("RIEPL") and Reliance Jamnagar Power Private Limited ("RJPPPL") with Reliance Infrastructure Limited ("RInfra")

This Scheme also provides for various other matters consequential or otherwise integrally connected therewith.

(B) Rationale

1. RInfra is India's largest private sector enterprise in power utility. In the power sector it is involved in generation, transmission, distribution and trading of electricity. Further RInfra also carries on the business of Engineering, Procurement and Contracting. It is also engaged in the businesses of infrastructure sector such as highways, roads, metro rail, real estate, airports, cement, etc.
2. RBPPL, RIEPL and RJPPPL are wholly owned subsidiaries of RInfra.
3. RBPPL was incorporated with the object of carrying on the business of power and generating electricity. RIEPL was incorporated with the object of carrying on the business of electrical and mechanical engineers and providing engineering, procurement, commissioning and related services. RJPPPL was incorporated with the object of carrying on the business of power and generating electricity and setting up power project in Jamnagar.
4. The Proposed Scheme of Amalgamation is with a view to:
 - a. Reducing administrative cost;
 - b. Removing multiple layer inefficiencies; and
 - c. Achieving operational and management efficiency

(C) Parts of the Scheme

The Scheme is divided into the following parts:

- (A) PART 1 deals with the Definitions and Share Capital;
- (B) PART 2 deals with the merger of the Transferor Companies into RInfra;
- (C) PART 3 deals with Other Terms and Conditions.

PART 1

DEFINITIONS AND SHARE CAPITAL

1.1. DEFINITIONS

In this Scheme of Amalgamation, unless inconsistent with the subject or context, the following expressions shall have the following meaning:

- 1.1.1. "Act" or "the Act" means the Companies Act, 1956, or any statutory modification or re-enactment thereof for the time being in force;
- 1.1.2. "Appointed Date" means February 1, 2013 or such other date as may be decided by the High Court;
- 1.1.3. "Board of Directors" means the Board of Directors of the Transferee Company or the Transferor Companies or all as the context may require and includes a committee thereof.
- 1.1.4. "Court" or "High Court" means the High Court of Judicature at Bombay and shall include the National Company Law Tribunal, if applicable;
- 1.1.5. "Effective Date" means the last of the dates on which the certified copies of the Order of the High Court of Judicature at Bombay sanctioning the Scheme of Amalgamation is filed with the Registrar of Companies, Maharashtra, Mumbai by the Transferor Companies and the Transferee Company;
- 1.1.6. "RBPPL" or "the Transferor Company No. 1" means Reliance Bhavnagar Power Private Limited, a company incorporated under the Companies Act, 1956, and having its registered office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400710;
- 1.1.7. "RIEPL" or "the Transferor Company No. 2" means Reliance Infrastructure Engineers Private Limited, a company incorporated under the Companies Act, 1956, and having its registered office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400710;
- 1.1.8. "RJPPL" or "the Transferor Company No. 3" means Reliance Jamnagar Power Private Limited, a company incorporated under the Companies Act, 1956, and having its registered office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400710;
- 1.1.9. "RInfra" or "the Transferee Company" means Reliance Infrastructure Limited, a company incorporated under the Indian Companies Act, 1913, and having its registered office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400710;
- 1.1.10. "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation in its present form as submitted to the Honorable High Court of Judicature at Bombay or this Scheme with such modification(s), if any made;
- 1.1.11. "The Transferor Companies" means RBPPL, RIEPL and RJPPL collectively. All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contract Regulation Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

1.2. SHARE CAPITAL

- 1.2.1. The authorized, issued, subscribed and paid-up share capital of RBPPL as on March 31, 2012 was as under:

Authorised Capital	Rupees in Crores
10,000 Equity Shares of Rs. 10 each	0.01
Total	0.01
Issued and Subscribed	
10,000 Equity Shares of Rs. 10 each	0.01
Total	0.01

There has been no change in the capital structure of RBPPL subsequent to March 31, 2012. The entire share capital of RBPPL is held by RInfra and its nominees

- 1.2.2. The authorized, issued, subscribed and paid-up share capital of RIEPL as on March 31, 2012 was as under:

Authorised Capital	Rupees in Crores
10,00,00,000 Equity Shares of Rs. 10 each	100.00
Total	100.00
Issued and Subscribed	
50,000 Equity Shares of Rs. 10 each	0.05
Total	0.05

Subsequent to March 31, 2012, the capital structure of RIEPL has changed as under:

Authorised Capital	Rupees in Crores
10,00,00,000 Equity Shares of Rs. 10 each	100.00
Total	100.00
Issued and Subscribed	
10,000 Equity Shares of Rs. 10 each	60.05
Total	60.05

- 1.2.3. The authorized, issued, subscribed and paid-up share capital of RJPPL as on March 31, 2012 was as under:

Authorised Capital	Rupees in Crores
50,000 Equity Shares of Rs. 10 each	0.05
Total	0.05
Issued and Subscribed	
10,000 Equity Shares of Rs. 10 each	0.01
Total	0.01

There has been no change in the capital structure of RJPPL subsequent to March 31, 2012. The entire share capital of RJPPL is held by RInfra and its nominees.

- 1.2.4. The authorized, issued, subscribed and paid-up share capital of RInfra as on March 31, 2012 was as under:

	Rupees in Crores
Authorised Capital	
35,00,00,000 Equity Shares of Rs 10 each	350.00
80,00,000 Equity Shares of Rs. 10 each with	8.00
1,55,00,00,000 Redeemable Preference Shares of	1,550.00
4,20,00,000 unclassified shares of Rs. 10 each	42.00
Total	1950.00
Issued Capital	
26,98,22,327 Equity Shares of Rs 10 each	269.82
Less: 44,30,262 Equity shares bought - back and	4.43
Total	265.39
Subscribed Capital & Paid Up	
26,74,20,262 Equity Shares of Rs 10 each fully	267.42
Less: 44,30,262 Equity shares bought - back and	4.43
Add: Forfeited Shares – Amounts Originally paid	0.04
Total	263.03

There has been no change in the capital structure of Rlnfra subsequent to March 31, 2012.

1.3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court or made as per Clause 3.4 of the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

PART 2

MERGER OF THE TRANSFEROR COMPANIES INTO RINFRA

2.1. TRANSFER AND VESTING OF UNDERTAKING

2.1.1. With effect from the opening of the business as on the Appointed Date, the entire business and whole of the undertakings of the Transferor Companies including all its properties and assets (whether movable or immovable, tangible or intangible) of whatsoever nature such as investments, licenses, permits, quotas, approvals, lease, tenancy rights, permissions, incentives if any, and all other rights, title, interest, contracts, consents, approvals or powers of every kind, nature and descriptions whatsoever shall under the provisions of Sections 391 to 394 of the Act and pursuant to the orders of the High Court of Judicature at Bombay or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges if any, affecting the same as on the Effective Date shall stand transferred and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and assets of the Transferee Company.

2.1.1.1. The liabilities shall also, without any further act, instrument or deed be transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by the Transferee Company pursuant to the provisions of Sections 391 to 394 of the Act, so as to become the liabilities of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen, in order to give effect to the provisions of this clause.

2.2. CANCELLATION OF SHARE CAPITAL OF THE TRANSFEROR COMPANIES

- 2.2.1. The entire issued, subscribed and paid-up share capital of the Transferor Companies is held by the Transferee Company. Upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of its holding in the Transferor Companies and the share capital of the Transferor Companies shall stand cancelled.
- 2.2.2. Upon the coming into effect of this Scheme, the share certificates, if any, and/or the shares in electronic form representing the shares held by the Transferee Company in the Transferor Companies shall be deemed to be cancelled without any further act or deed for cancellation thereof by the Transferee Company.

2.3. ACCOUNTING TREATMENT

- 2.3.1. All assets and liabilities of the Transferor Companies shall be recorded in the books of the Transferee Company at their respective fair values;
- 2.3.2. The excess arising on transfer of assets and liabilities as per Clause 2.3.1 above would be treated as 'Capital Reserve'. Such Capital Reserve shall be a reserve which arises pursuant to this Scheme and shall not be, for any purpose, be considered to be a reserve created by the Transferee Company.
- 2.3.3. The investments in the equity share capital of the Transferor Companies held by the Transferee Company shall be written off by the Transferee Company in its Profit & Loss Account and the Transferee Company shall withdraw from its General Reserve, to the extent available, an amount to offset the said write off and credit the same to its profit and loss account.
- 2.3.4. If considered appropriate for the purpose of application of uniform accounting methods and policies between the Transferor Companies and the Transferee Company, the Transferee Company may make suitable adjustments and reflect the effect thereof in its General Reserve.

2.4. BUSINESS AND PROPERTY IN TRUST FOR THE TRANSFEE COMPANY

- 2.4.1. During the period between the Appointed Date and the Effective Date,
 - (a) The Transferor Companies shall carry on and deemed to have carried on its business and activities and shall stand possessed of their entire business and undertakings, in trust for the Transferee Company and shall account for the same to the Transferee Company.
 - (b) All the income or profits accruing or arising to the Transferor Companies and all costs, charges, expenses or losses incurred by the Transferor Companies shall for all purposes be treated the income, profits, costs, charges, expenses and losses as the case may be of the Transferee Company.
 - (c) The Transferor Companies shall carry on their business and activities with reasonable diligence and business prudence and shall not alter or diversify their respective businesses nor venture into any new businesses, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the respective Boards of Directors of the Transferor Companies and the Transferee Company.
- 2.4.2. The Transferor Companies shall not utilise the profits or income for the purpose of declaring or paying any dividend or for any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of the Transferee Company.

- 2.4.3. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government(s) and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Companies.

2.5. PENDING SUITS, ETC.

- 2.5.1. If any suit, appeal or other proceeding of whatever nature by or against the Transferor Companies is pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the arrangement by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Companies as if this Scheme had not been made.

2.6. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 2.6.1. Subject to the other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatever nature to which, any of the Transferor Companies is a party subsisting or having effect immediately before the Scheme coming into effect shall be in full force and effect against or in favour of the Transferee Company, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party thereto.

2.7. SAVING OF CONCLUDED TRANSACTIONS

- 2.7.1. The transfer of properties and liabilities under Clause 2.1 above and the continuance of proceedings by or against the Transferee Company under Clause 2.5 above shall not affect any transaction or proceedings already concluded by the Transferor Companies on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of itself.

2.8. STAFF, WORKMEN & EMPLOYEES

- 2.8.1. On the Scheme becoming operative, all staff, workmen and employees of the Transferor Companies in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Companies on the Effective Date.
- 2.8.2. It is expressly provided that, on the Scheme becoming effective, the provident fund, gratuity fund, superannuation fund or any other special fund or trusts created or existing for the benefit of the staff, workmen and employees of the Transferor Companies shall become the trusts/ funds of the Transferee Company 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, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Companies in relation to such fund or funds shall become those of the Transferee Company. It is clarified that the services of the staff, workmen and employees of the Transferor Companies will be treated as having been continuous for the purpose of the said fund or funds.

2.9. WINDING UP

- 2.9.1. On the Scheme becoming effective, the Transferor Companies shall stand dissolved without being wound up.

PART 3

OTHER TERMS AND CONDITIONS

- 3.1 Upon sanction of this Scheme, the authorised share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to Registrar of Companies, by the authorised share capital of Transferor Companies amounting to Rs.100,06,00,000 (Rupees One Hundred Crores Six Lacs Only) comprising of 10,00,60,000 (Ten Crores Sixty Thousand) equity shares of Rs. 10 each and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 16, 31, 94 and 394 and other applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duties and fees paid on the authorized capital of the Transferor Companies shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for increase in the authorised share capital to that extent.
- 3.2 Consequent upon the amalgamation, the authorised share capital of the Transferee Company will be as under:

Authorised Capital	Amount in Rupees
45,00,60,000 Equity Shares of Rs 10 each	4,50,06,00,000
80,00,000 Equity Shares of Rs. 10 each with differential rights	8,00,00,000
1,55,00,00,000 Cumulative Redeemable Preference Shares of Rs. 10 each	15,50,00,00,000
4,20,00,000 unclassified shares of Rs. 10 each	42,00,00,000
Total	20,50,06,00,000

It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act, and Clause V of the Memorandum of Association and Article 309 of the Articles of Association of the Transferee Company shall respectively stand substituted by virtue of the Scheme to read as follows:

Clause V of the Memorandum of Association of the Transferee Company:
The Authorised Share Capital of the Company is Rs. 20,50,06,00,000 (Rupees Two Thousand Fifty Crores Six Lacs) comprising 45,00,60,000 Equity Shares of Rs.10 each, 155,00,00,000 Redeemable Preference Shares of Rs. 10 each, 80,00,000 Equity Shares of Rs.10 each, with differential rights (differential rights as to dividend, voting or otherwise) and 4,20,00,000 Unclassified Shares of Rs. 10 each; with power to increase or reduce the capital of the Company and/or the nominal value of the shares and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions with or without voting rights as may be determined by or in accordance with the Articles of Association of the Company or as may be decided by the Board of

Directors or by the Company in General Meeting, as applicable, in conformity with the provisions of the Act and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions and to consolidate or sub-divide the shares and issue shares of higher or lower denominations in such manner as may for the time being be provided by the Articles of Association of the Company. Article 3 of the Articles of Association:

- “3. The Authorised Share Capital of the Company is Rs.2,050,06,00,000 (Rupees Two thousand fifty crores six lacs) comprising 45,00,60,000 equity shares of Rs. 10 each, 155,00,00,000 Redeemable Preference Shares of Rs. 10 each, 80,00,000 equity shares of Rs. 10 each, with differential rights (differential rights as to dividend, voting or otherwise) and 4,20,00,000 Unclassified shares of Rs. 10 each; with power to the Board to decide on the extent of variation in such rights and to classify and re-classify from time to time, such shares into any class of shares.”
- 3.3 The Transferor Companies and the Transferee Company shall as may be required make applications and/or petitions under Sections 391 to 394 of the Act and other applicable provisions of the Act to the High Court of Judicature at Bombay for sanction of this Scheme and all matters ancillary or incidental thereto.
- 3.4 The Transferor Companies and the Transferee Company by their respective Board of Directors (which term shall include any duly constituted Committee thereof) may assent to any modifications/amendments to the Scheme or to any conditions or limitations that the Court and/or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors) subject to the approval of the Hon'ble High Court or any other authorities under applicable law. The Transferor Companies and the Transferee Company by their respective Board of Directors be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.
- 3.5 This Scheme is and shall be conditional upon and subject to:
- 3.5.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the members and / or creditors of the Transferor Companies as may be directed by the Hon'ble High Court of Judicature at Bombay or any other competent authority, as may be applicable.
- 3.5.2 The Scheme being sanctioned by the High Court of Judicature at Bombay or any other authority under Sections 391 to 394 of the Act.
- 3.5.3 Certified copies of the Orders of the High Court of Judicature at Bombay sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra, at Mumbai by the Transferor Companies and the Transferee Company.
- 3.6 All the profit or loss on all the transactions particularly relating to the Engineering Procurement & Construction contracts entered into by the Transferor Companies or the Transferee Company with their respective associate companies and / or subsidiaries of such associate companies will be accounted following the same accounting principles as would be applicable if these transactions were with third parties while preparing the consolidated financial statements of the Transferee Company for any of the financial years ending on or after the Appointed Date.

- 3.7 In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/ or the Scheme not being sanctioned by the Bombay High Court or such other competent authority and / or the Order not being passed as aforesaid before March 31, 2013 or within such further period or periods as may be agreed upon amongst the Transferor Companies and the Transferee Company by their Boards of Directors (and which the Boards of Directors of the companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.
- 3.8 All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of, or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by the Transferee Company.

HIGH COURT, BOMBAY
IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 108 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 105 OF 2014
WESTERN REGION TRANSMISSION (GUJARAT) PRIVATE LIMITED
... Petitioner/ the Transferor Company 1
AND
COMPANY SCHEME PETITION NO.109 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO.106 OF 2014
WESTERN REGION TRANSMISSION (MAHARASHTRA) PRIVATE LIMITED
... Petitioner / the Transferor Company 2

In the matter of the Companies Act, 1956 (1 of 1956);

AND

In the matter of Sections 391 to 394 of the Companies Act, 1956;

AND

In the matter of Scheme of Amalgamation
of
Western Region Transmission (Gujarat) Private Limited

with

Western Region Transmission (Maharashtra) Private Limited

with

Reliance Infrastructure Limited

and

their respective shareholders

Called for hearing

Mr. Janak Dwarkadas and Mr. Shyam Mehta, Senior Counsels along with Mr. Rajesh Shah and Mr. Chandrakant Mhadeshwar i/b Rajesh Shah & Co., Advocates for the Petitioners in both the Petitions.

Ms. Ankita Singhania, Counsel i/b Trilegal, Advocates for the Objectors / Lenders

Mr. S. Ramakantha, Official Liquidator present in both the Company Scheme Petitions.

Mr. Parag Vyas along with P. Khosla i/b Mr. H.P. Chaturvedi for Regional Director in both the Company Scheme Petitions.

CORAM: S.J. Kathaalla J.

DATE: 15th July, 2014

1. Heard counsel for all the parties. Learned counsel for the Petitioner companies states that the Secured Creditor of the Transferor Company 1, i.e. Consortium of Lenders comprising Credit Agricole Corporate and Investment Bank and Mizuho Bank Limited, has filed their objection to the Scheme pursuant to the Creditor Agreement arose between them in respect of not taking prior approval of the lenders before filing the Scheme of Amalgamation. Learned counsel for the Petitioner / Transferor Company 1, tenders an affidavit dated 03/07/2014 dealing with the objection as mentioned hereinabove, in paragraph 2 of the said affidavit inter alia stating that the merger of the Petitioner Company into RInfra shall not become effective until and unless there are written consents obtained from the Petitioner Company's ECB lenders viz. Credit Agricole Corporate & Investment Bank and Mizuho Bank Ltd. as required under the Credit Agreement dated 29th June 2011 entered into between, inter alias, the Petitioner Company and the ECB lenders. In the event that the ECB lenders do not provide the

aforementioned written consents, the merger of the Petitioner in Company into Rlnfra shall not become effective. Learned advocate also tenders an affidavit dated 03/07/2014, of the Petitioner/ Transferor Company 2 stating that the merger of the Petitioner Company into Rlnfra shall be effective subject to obtaining approval of the Project lenders. Learned Counsel for the Petitioners requested the Court to accept the aforesaid undertaking. Learned counsel for the objector has also agreed with the undertaking given by the Petitioner / Transferor Company 1. In view of above, undertaking given by the Petitioner Companies are accepted.

2. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956, to the Scheme of Amalgamation of Western Region Transmission (Gujarat) Private Limited and Western Region Transmission (Maharashtra) Private Limited with Reliance Infrastructure Limited and their respective shareholders.
3. Learned Counsel for the Petitioner states that the Petitioner in Company Scheme Petition No.108 of 2014 is engaged in the development of Transmission Lines viz. Western Region System Strengthening Scheme-II Project C (Gujarat) covering 483 km in Gujarat under Built, Own, Operate (BOO) pursuant to a letter of selection issued to the Holding Company Reliance Power Transmission Limited by Power Grid Corporation of India on 22nd November 2007 and Petitioner in Company Scheme Petition No. 109 of 2014 is engaged in construction, maintenance and operation of six transmission lines in the state of Maharashtra. Further, the learned advocate states that the Transferee Company in the business of generation, transmission, distribution and trading of electricity. It carries on the business of Engineering, Procurement and Contracting. It is also engaged in the businesses of infrastructure sector such as highways, roads, metro rail, real estate, airports, cement, etc. Learned counsel for the petitioner companies further states that the rationale for the Scheme is to consolidate power transmission business which will lead to synergies of operations and integrate business functions, reduce managerial overlaps, which are necessarily involved in running multiple entities, reduce administrative cost, remove multiple layer inefficiencies and achieving management efficiency. The Petitioner Companies and the Transferee Company approved the said Scheme by passing Board Resolutions which are annexed to the Company Scheme Petitions.
4. Learned Counsel for the Petitioners further states that since the entire share capital of the Petitioner Company is presently held by the Transferee Company viz; Reliance Infrastructure Limited, through its wholly owned subsidiary i.e. Reliance Power Transmission Limited and after the Scheme being sanctioned, no new shares are required to be issued to the members of the Petitioner Company by the Transferee Company and there would be no reorganization of the Share Capital in the Transferee Company and also in view of the judgment of this Court in Mahaamba Investments Limited Versus IDI Limited [(2001) 105 Company cases] filing of a separate Company Summons for Direction and Company Scheme Petition by Reliance Infrastructure Limited, the Transferee Company was dispensed with, by an order dated 21st February, 2014 passed in Company Summons for Direction No. 108 and 109 of 2014.
5. The learned Counsel for the Petitioners further states that, Petitioner company have complied with all the directions passed in Company Summons for Direction and that the Company Scheme Petition have been filed in consonance with the orders passed in respective Company Summons for Direction.
6. The learned counsel appearing on behalf of the Petitioners has stated that the Petitioners have complied with all requirements as per directions of this Court and they have filed necessary affidavits of compliance in the Court. Moreover, Petitioner Companies undertake to comply with all statutory requirements, if any, as required under the Companies Act, 1956 / 2013 and the Rules made there under whichever applicable. The said undertaking is accepted.
7. The Regional Director has filed an affidavit on 09/07/2014 stating therein that save and except as stated in paragraph 6 (a), (b), (c) and (d) of the said affidavit, it appears that

the Scheme is not prejudicial to the interest of shareholders and public. In paragraph 6 of the said affidavit it is stated that:

- "a) Clause 2.1 and 3.1 of the scheme provides for appointed date for the purpose of amalgamation of First Transferor Company and Second Transferor Company as 01/01/2011. The Board of Directors of transferor Companies / Transferee Company have approved the scheme on 11th November, 2013. At the point of time the financial statement of the company as at 31/03/2013 was very much available for consideration. There is no justification for fixing retrospective date of 01/01/2011 as appointed date. Besides, it is further observed that another scheme petition bearing CSP No. 13 & 14 of 2014 in respect of amalgamation of M/s. Reliance Cement Works Private Limited with M/s. Western Region Transmission (Maharashtra) Private Limited were filed before this Hon'ble High Court and the same were approved vide order dated 25/04/2014. The Second Transferor Company in this scheme was the Transferee Company in the previous scheme referred to hereinabove where in the appointed date was given as 01/04/2013. In view of the above the appointed date given in the scheme is not feasible for consideration. The appointed date can be any date on or after 01/04/2013 provided in the previous scheme. The Petitioner Company may be directed to change the appointed date accordingly.
 - b) Clause 2.3 and 3.3 of the scheme provides for cancellation of equity share capital of both the Transferor Companies. In this regard, it is submitted that both the Transferor Companies are not a direct subsidiary of Transferee Company. Hence, the impact of transfer of these two Transferor Companies be suitably given effect to in their holding company viz M/s. Reliance Power Transmission Limited, which is not forming part of the scheme. Transferee Company shall undertake to comply with the same in as much as Transferee Company is the holding company of the said Reliance Power Transmission Limited.
 - c) Clause 2.4 and 3.4 of the scheme provides for accounting adjustment. In this regard, it is submitted that in addition to compliance of AS 14 Transferee Company shall pass such accounting entries as may be necessary in connection with the scheme to comply with other applicable accounting standards such as AS-5 etc.
 - d) That the Deponent further submits that the Tax issue if any arising out of this scheme shall be subject to final decision of Income Tax Authority and approval of the scheme by Hon'ble High Court may not deter the Income Tax Authority to scrutinize the tax returns filed by the Demerged company after giving effect to the amalgamation, The decision of the Income Tax Authority is binding on the Demerged company."
8. As far as observation made in paragraph 6(a) of the Affidavit of the Regional Director is concerned, the objection raised by the Regional Director in respect of the Appointed date mentioned in Scheme is required to be considered and to be changed. Hence the Petitioner Companies through their counsel undertakes that Appointed Date i.e. "Appointed Date 1" in clause 2.1 and "Appointed Date 2" as referred in clause 3.1 to be amended as April 1, 2013 instead of January 1, 2011 and seeks leave of this court to amend the same.
9. In so far as observations made in paragraph 6(b) of the Affidavit of the Regional Director, the Petitioner Companies on behalf of the Transferee Company through their counsel undertakes that the Transferee Company shall comply with the impact of transfer of the said Petitioner Companies and will suitably give effect to in their holding Company viz. M/s. Reliance Power Transmission Limited.
10. As far as the observations in paragraph 6(c) of the Affidavit of the Regional Director is concerned, the Petitioner Companies/ Transferee Company through their counsel undertakes to follow the accounting treatment provided in the Scheme and to comply

with the requirements of the relevant applicable accounting standards.

11. With reference to the observation of the Regional Director in paragraph 6(d) is concerned, the learned Counsel for the Petitioners states that the Regional Director must have erroneously mentioned the word "Demerged Company" instead of "Transferee Company". The counsel of the petitioners further states that the Petitioner Companies on behalf of the Transferee Company undertakes that they are bound to comply with all applicable provisions of the Income Tax Act and all tax issues arising out of the Scheme will be met and answered in accordance with law.
12. The Learned Counsel for Regional Director on instructions of Mr. M. Chandanamuthu, Joint Director (Legal) in the office of the Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai states that they are satisfied with the submissions/ undertaking given by the Petitioner Companies and also agree with the amendment sought by the Petitioners in clause 2.1 and 3.1 of the Scheme. The undertakings given by the Petitioner Companies are accepted and leave to amend clause 2.1 and 3.1 of the Scheme as mentioned in para 8 is granted. Amendments to be carried out within two weeks from the date of the order.
13. The Official Liquidator has filed his report on 02/05/2014 in the Company Scheme Petitions stating therein that the affairs of the Petitioner Companies have been conducted in a proper manner and that the Petitioner Companies may be ordered to be dissolved by this Court.
14. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
15. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petition Nos. 108 of 2014 filed by the Petitioner Company are made absolute in terms of prayer clauses (a), (c) and (d) and the Company Scheme Petition No.109 of 2014 filed by the Petitioner Company is made absolute in terms of prayer clauses (a), (c) and (d) subject to undertakings given hereinabove in para 1, 8 and 9 and compliance thereof.
16. The Petitioner Company to lodge a copy of this order and the amended Scheme, duly authenticated by the Company Registrar, High Court (O.S.), Bombay with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of the Order.
17. Petitioner is directed to file a copy of this order along with a copy of the amended Scheme with the concerned Registrar of Companies, electronically, along with E-Form INC 28 in addition to physical copy as per the relevant provisions of the Companies Act, 1956 / 2013.
18. The Petitioner Companies in both the Company Scheme Petitions to pay costs of Rs.10,000/- each to the Regional Director, Western Region, Mumbai and the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from the date of the order.
19. Filing and issuance of the drawn up order is dispensed with.
20. All concerned authorities to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court (O.S.) Bombay.

(S.J. Kathawalla, J)

**SCHEME OF AMALGAMATION
OF
WESTERN REGION TRANSMISSION (GUJARAT) PRIVATE LIMITED
AND
WESTERN REGION TRANSMISSION (MAHARASHTRA) PRIVATE LIMITED
WITH
RELIANCE INFRASTRUCTURE LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS**

PREAMBLE

(A) Purpose of the Scheme

This Scheme of Amalgamation is presented under Sections 391 to 394 of the Companies Act, 1956 as amended and the corresponding provisions of the Companies Act, 2013 upon their notification (including any statutory modifications(s) or re-enactment(s) thereof for the time being in force for merger of Western Region Transmission (Gujarat) Private Limited ("WRTGL" or "the Transferor Company No.1") and Western Region Transmission (Maharashtra) Private Limited ("WRTML" or "the Transferor Company No.2") into Reliance Infrastructure Limited ("RInfra" or "the Transferee Company").

Rationale

1. RInfra is India's largest private sector enterprise in power utility. In the power sector it is engaged in generation, transmission, distribution and trading of electricity. Further RInfra also carries on the business of Engineering, Procurement and Contracting. RInfra through its special purpose vehicles is also engaged in the businesses of infrastructure sector such as highways, roads, metro rail, real estate, airports, cement etc.
2. WRTGL and WRTML are step-down wholly owned subsidiaries or RInfra held through Reliance Power Transmission Limited ("RPTL").
3. The merger of WRTGL and WRTML with RInfra seeks to achieve the following objectives:
 - a) The consolidation of the power transmission businesses by amalgamating WRTGL & WRTML into RInfra will lead to synergies of operations and integrate business functions;
 - b) As RInfra holds the entire share capital of WRTGL and WRTML, it would be in order to consolidate the business of the entities in the manner proposed in this Scheme;
 - c) Reduce managerial overlaps, which are necessarily involved in running multiple entities;
 - d) Reduce administrative cost;
 - e) Remove multiple layer inefficiencies, and
 - f) Achieving management efficiency.

(B) Parts of the Scheme

The Scheme is divided into the following parts:

- (a) PART 1 deals with the Definitions and Share Capital;
- (b) PART 2 deals with the merger of WRTGL into RInfra;
- (c) PART 3 deals with the merger of WRTML into RInfra;
- (d) PART 4 deals with Other Terms and Conditions.

PART 1

DEFINITIONS AND SHARE CAPITAL

1.1 DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meaning:

- 1.1.1 **“Act” or “the Act”** means the Companies Act, 1956 as amended and the corresponding provisions of the Companies Act, 2013 upon their notification (including any statutory modifications(s) or re-enactment(s) thereof), for the time being in force;
- 1.1.2 **“Appointed Date”** shall have the meaning ascribed to the term under respective Parts of the Scheme;
- 1.1.3 **“Board of Directors”** means the Board of Directors of the Transferee Company or the Transferor Companies or all as the context may require and includes a committee thereof;
- 1.1.4 **“Court” or “High Court”** means the High Court of Judicature at Bombay and shall include the National Company Law Tribunal, if applicable;
- 1.1.5 **“Effective Date”** means the, last of the dates on which the certified copies of the Order of the High Court of Judicature at Bombay sanctioning the Scheme is filed with the Registrar of Companies, Maharashtra, Mumbai by the Transferor Companies and the Transferee Company. References in this Scheme to date of “coming into effect of this Scheme” or “upon the scheme becoming effective” and other similar expressions shall mean the Effective Date;
- 1.1.6 **“General Reserves”** means uncommitted reserves, not being capital reserves, available without limitation for all purposes including but not limited to meeting Extraordinary and / or Exceptional items, declaration of dividends and bonus shares;
- 1.1.7 **“Rlnfra” or “the Transferee Company”** means Reliance Infrastructure Limited, a company incorporated under the Indian Companies Act, 1913, and having its registered office at H Block, 1st floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710;
- 1.1.8 **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Amalgamation in its present form as submitted to the Honorable High Court of Judicature at Bombay or this Scheme with such modification(s), if any made;
- 1.1.9 **“WRTGL” or “the Transferor Company No.1”** means Western Region Transmission (Gujarat) Private Limited, a company incorporated under the Companies Act, 1956, and having its registered office at H. Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710;
- 1.1.10 **“WRTML” or “the Transferor Company No.2”** means Western Region Transmission (Maharashtra) Private Limited, a company incorporated under the Companies Act, 1956, and having its registered office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400710;
- 1.1.11 **“Transferor Companies”** means WRTGL and WRTML collectively.
All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

1.2 SHARE CAPITAL

1.2.1 The authorized, issued, subscribed and paid-up share capital of WRTGL is as under:

	Rupees in Crore
Authorised Capital	
14,00,00,000 Equity Shares of Rs.10 each	140.00
Total	140.00
Issued, Subscribed and Paid up Capital	
1,42,56,891 Equity shares of Rs.10 each fully paid-up	14.26
Total	14.26

The entire share capital of WRTGL is held by RPTL, a wholly owned subsidiary of the Transferee Company.

1.2.2. The authorized, issued, subscribed and paid-up share capital of WRTML is as under:

	Rupees in Crore
Authorised Capital	
26,00,00,000 Equity Shares of Rs.10 each	260.00
Total	260.00
Issued, Subscribed and Paid up Capital	
1,80,07,086 Equity shares of Rs.10 each fully paid-up	18.01
Total	18.01

The entire share capital of WRTML is held by RPTL, a wholly owned subsidiary of RInfra.

1.2.3. The authorized, issued, subscribed and paid-up share capital of the Transferee Company is as under:

	Rupees in Crore
Authorised Capital	
45,00,60,000 Equity Shares of Rs.10 each	450.06
80,00,000 Equity shares of rs.10 each with differential rights	8.00
1,55,00,00,000 Redeemable Preference shares of Rs.10 each	1,550.00
4,20,00,000 unclassified shares of Rs.10 each	42.00
Total	2050.06
Issued Capital	
26,53,92,065 Equity shares of Rs.10 each	265.40
Total	265.40
Subscribed & Paid up Capital	
26,29,90,000 Equity shares of Rs.10 each fully paid up	262.99
Add: Forfeited Shares – Amounts Originally paid-up	0.04
Total	263.03

1.3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme, set out herein in its present form or with any modification(s) shall, unless the context requires otherwise be effective from the respective Appointed Date as prescribed under the relevant Parts herein in respect of merger of the Transferor Companies with the Transferee Company.

PART 2

MERGER OF WRTGL INTO RINFRA

- 2.1. **“Appointed Date 1”** means April 1, 2013 or such other date as may be decided by the High Court.

2.2 TRANSFER AND VESTING OF UNDERTAKING

- 2.2.1. With effect from the opening of the business as on the Appointed Date the entire business and whole of the undertakings of WRTGL including all its properties and assets (whether movable or immovable, tangible or intangible) of whatsoever nature such as investments, licenses, permits, quotas, approvals, lease, tenancy rights, permissions, incentives, if any, and all other rights, title, interest, contracts, consents, approvals or powers of every kind, nature and descriptions whatsoever shall under the provisions of Sections 391 to 394 of the Act and pursuant to the orders of the High Court of Judicature at Bombay or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, stand transferred and/or deemed to be transferred to and vested in RInfra so as to become the properties and assets of RInfra.
- 2.2.2. The liabilities shall also, without any further act, instrument or deed be transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by RInfra pursuant to the provisions of Sections 391 to 394 of the Act, so as to become the liabilities of RInfra and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen, in order to give effect to the provisions of this clause.

2.3. CANCELLATION OF SHARE CAPITAL OF WRTGL

- 2.3.1. The entire equity share capital of WRTGL is held by RInfra (through its wholly owned subsidiary, RPTL). Upon the Scheme becoming effective, no equity shares of RInfra shall be allotted in lieu or exchange of the holding in WRTGL and the equity share capital of WRTGL shall stand cancelled.
- 2.3.2. Upon the coming into effect of this Scheme, the share certificates, if any, and/or the shares / depositary receipts in electronic form representing the equity shares held by RInfra or its wholly owned subsidiary in WRTGL shall be deemed to be cancelled without any further act or deed for cancellation thereof by RInfra or its wholly owned subsidiary.

2.4 ACCOUNTING TREATMENT

- 2.4.1. All assets and liabilities of WRTGL shall be recorded in the books of RInfra at their respective fair values;
- 2.4.2. Inter-company balances, investments and transactions, if any, up to the Effective date, will stand cancelled;
- 2.4.3. The excess arising on transfer of assets and liabilities as per Clause 2.4.1 above after giving effect to Clause 2.4.2 would be considered to form part of the ‘Capital Reserve’ of RInfra. In case of there being a deficit, the same shall be debited by RInfra to its Goodwill Account.

2.5. BUSINESS AND PROPERTY IN TRUST FOR RINFRA

2.5.1. During the period between the Appointed Date 1 and the Effective Date,

- (a) WRTGL shall carry on and deemed to have carried on its business and activities and shall stand possessed of their entire business and undertakings, in trust for RInfra and shall account for the same to RInfra.
- (b) All the income or profits accruing or arising to WRTGL and all costs, charges, expenses or losses incurred by WRTGL shall for all purposes be treated the income, profits, costs, charges, expenses and losses as the case may be of RInfra.
- (c) WRTGL shall carry on their business and activities with reasonable diligence and business prudence and shall not alter or diversify their respective businesses nor venture into any new businesses, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of RInfra or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the respective Boards of Directors of WRTGL and RInfra.

2.5.2 WRTGL shall not utilize the profits or income for the purpose of declaring or paying any dividend or for any other purpose in respect of the period falling on and after the Appointed Date 1, without the prior written consent of RInfra.

2.5.3. RInfra shall be entitled, pending the sanction of the Scheme, to apply to the Central / State Government(s) and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which RInfra may require to carry on the business of WRTGL.

2.6 PENDING SUITS, ETC.

2.6.1. If any suit, appeal or other proceeding of whatever nature by or against WRTGL is pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against RInfra in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against WRTGL as if this Scheme had not been made.

2.7 CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 2.7.1. Subject to the other provisions contained in this Scheme; all contracts, deeds, bonds, agreements and other instruments of whatever nature to which, WRTGL is a party subsisting or having effect immediately before the Scheme coming into effect shall be in full force and effect against or in favour of Rlnfra, and may be enforced by or against Rlnfra as fully and effectually as if, instead of WRTGL, Rlnfra had been a party thereto.

2.8 SAVING OF CONCLUDED TRANSACTIONS

- 2.8.1. The transfer of properties and liabilities under Clause 2.2 above and the continuance of proceedings by or against Rlnfra under Clause 2.6 above shall not affect any transaction or proceedings already concluded by WRTGL on or after the Appointed Date 1 till the Effective Date, to the end and intent that Rlnfra accepts and adopts all acts, deeds and things done and executed by WRTGL in respect thereto as done and executed on behalf of itself.

2.9. STAFF, WORKMEN AND EMPLOYEES

- 2.9.1. On the Scheme becoming operative, all staff, workmen and employees of WRTGL in service on the Effective Date shall be deemed to have become staff, workmen and employees of Rlnfra without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with Rlnfra shall not be less favourable than those applicable to them with reference to WRTGL on the Effective Date.
- 2.9.2. It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff, workmen and employees of WRTGL shall become the trusts / funds of Rlnfra 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, if any, to the end and intent that all rights, duties, powers and obligations of WRTGL in relation to such Fund or Funds shall become those of Rlnfra. It is clarified that the services of the staff, workmen and employees of WRTGL will be treated as having been continuous for the purpose of the said Fund or Funds.

2.10. WINDING UP

- 2.10.1. On the Scheme becoming effective, WRTGL shall stand dissolved without being wound up.

PART 3

MERGER OF WRTML INTO RINFRA

- 3.1 “Appointed Date 2” means April 1, 2013 or such other date as may be decided by the High Court.

3.2 TRANSFER AND VESTING OF UNDERTAKING

- 3.2.1. With effect from the opening of the business as on the Appointed Date 2, the entire business and whole of the undertakings of WRTML including all its properties and assets (whether movable or immovable, tangible or intangible) of whatsoever nature such as investments, licenses, permits, quotas, approvals, lease, tenancy rights, permissions, incentives, if any, and all other rights, title, interest, contracts, consents, approvals or powers of every kind, nature and descriptions whatsoever shall under the provisions of Sections 391 to 394 of the Act and pursuant to the orders of the High Court of Judicature

at Bombay or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, stand transferred and/or deemed to be transferred to and vested in RInfra so as to become the properties and assets of RInfra.

- 3.2.2. The liabilities shall also, without any further act, instrument or deed be transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by RInfra pursuant to the provisions of Sections 391 to 394 of the Act, so as to become the liabilities of RInfra and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen, in order to give effect to the provisions of this clause.

3.3 CANCELLATION OF SHARE CAPITAL OF WRTML

- 3.3.1. The entire equity share capital of WRTML is held by RInfra (through its wholly owned subsidiary, RPTL). Upon the Scheme becoming effective, no equity shares of RInfra shall be allotted in lieu or exchange of the holding in WRTML and the equity share capital of WRTML shall stand cancelled.
- 3.3.2. Upon the coming into effect of this Scheme, the share certificates, if any, and/or the shares in electronic form representing the equity shares held by RInfra or its wholly owned subsidiary in WRTML shall be deemed to be cancelled without any further act or deed for cancellation thereof by RInfra or its wholly owned subsidiary.

3.4 ACCOUNTING TREATMENT

- 3.4.1. All assets and liabilities of WRTML shall be recorded in the books of RInfra at their respective fair values;
- 3.4.2. Inter-company balances, investments and transactions, if any, up to the Effective Date, will stand cancelled;
- 3.4.3. The excess arising on transfer of assets and liabilities as per Clause 3.4.1 above after giving effect to Clause 3.4.2 would be considered to form part of 'Capital Reserve' of RInfra. In case of there being a deficit, the same shall be debited by RInfra to its Goodwill Account.

3.5 BUSINESS AND PROPERTY IN TRUST FOR RINFRA

- 3.5.1. During the period between the Appointed Date 2 and the Effective Date,
- (a) WRTML shall carry on and deemed to have carried on its business and activities and shall stand possessed of their entire business and undertakings, in trust for RInfra and shall account for the same to RInfra.
 - (b) All the income or profits accruing or arising to WRTML and all costs, charges, expenses or losses incurred by WRTML shall for all purposes be treated the income, profits, costs, charges, expenses and losses as the case may be of RInfra.
 - (c) WRTML shall carry on their business and activities with reasonable diligence and business prudence and shall not alter or diversify their respective businesses nor venture into any new businesses, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of RInfra or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the respective Boards of Directors of WRTML and RInfra.

- 3.5.2. WRTML shall not utilize the profits or income for the purpose of declaring or paying any dividend or for any other purpose in respect of the period falling on and after the Appointed Date 2, without the prior written consent of Rlnfra.
- 3.5.3. Rlnfra shall be entitled, pending the sanction of the Scheme, to apply to the Central / State Government(s) and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which Rlnfra may require to carry on the business of WRTML.

3.6 PENDING SUITS, ETC.

- 3.6.1. If any suit, appeal or other proceeding of whatever nature by or against WRTML is pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against Rlnfra in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against WRTML as if this Scheme had not been made.

3.7 CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 3.7.1. Subject to the other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatever nature to which, WRTML is a party subsisting or having effect immediately before the Scheme coming into effect shall be in full force and effect against or in favour of Rlnfra, and may be enforced by or against Rlnfra as fully and effectually as if, instead of WRTML, Rlnfra had been a party thereto.

3.8 SAVING OF CONCLUDED TRANSACTIONS

- 3.8.1. The transfer of properties and liabilities under Clause 3.2 above and the continuance of proceedings by or against Rlnfra under Clause 3.6 above shall not affect any transaction or proceedings already concluded by WRTML on or after the Appointed Date 2 till the Effective Date, to the end and intent that Rlnfra accepts and adopts all acts, deeds and things done and executed by WRTML in respect thereof as done and executed on behalf of itself.

3.9 STAFF, WORKMEN AND EMPLOYEES

- 3.9.1. On the Scheme becoming operative, all staff, workmen and employees of WRTML in service on the Effective Date shall be deemed to have become staff, workmen and employees of Rlnfra without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with Rlnfra shall not be less favourable than those applicable to them with reference to WRTML on the Effective Date.
- 3.9.2. It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff, workmen and employees of WRTML shall become the trusts/ funds of Rlnfra 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, if any, to the end and intent that all rights, duties, powers and obligations of WRTML in relation to such Fund or Funds shall become those of Rlnfra. It is clarified that the services of the staff, workmen and employees of WRTML will be treated as having been continuous for the purpose of the said Fund or Funds.

3.10 WINDING UP

- 3.10.1. On the Scheme becoming effective, WRTML shall stand dissolved without being wound up.

PART 4

OTHER TERMS AND CONDITIONS

- 4.1 The Transferor Companies and the Transferee Company shall as may be required make applications and/or petitions under Sections 391 to 394 of the Act and other applicable provisions of the Act to the High Court of Judicature at Bombay for sanction of this Scheme and all matters ancillary or incidental thereto.
- 4.2 The Transferor Companies and the Transferee Company by their respective Board of Directors may assent to any modifications/ amendments to the Scheme or to any conditions or limitations that the Court and/or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors) subject where applicable to the approval of the Hon'ble High Court or any other authorities under applicable law. The Transferor Companies and the Transferee Company by their respective Board of Directors be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.
- 4.3 This Scheme is and shall be conditional upon and subject to:
 - 4.3.1. The Scheme being approved by the requisite majorities in number and value of such classes of persons including the members and/or creditors of the Transferor Companies as may be directed by the Hon'ble High Court of Judicature at Bombay or any other competent authority, as may be applicable
 - 4.3.2. The Scheme being sanctioned by the High Court of Judicature at Bombay or any other authority under Sections 391 to 394 of the Act.
 - 4.3.3. Certified copies of the Orders of the High Court of Judicature at Bombay sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra, at Mumbai by the Transferor Companies and the Transferee Company.
 - 4.3.4. All regulatory and other approvals, consent and sanctions as may be required by law being obtained in respect of this Scheme.
- 4.4. Part 2 and Part 3 of the Scheme are independent. Therefore, the non implementability of any of the above Part(s) shall not affect the implementability or otherwise of the other Part(s) of the Scheme.
- 4.5 In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/or the Scheme not being sanctioned by the Bombay High Court or such other competent authority and/or the Order not being passed as aforesaid before March 31, 2014 or within such further period or periods as may be agreed upon between the Transferor Companies and the Transferee Company by their Boards of Directors (and which the Boards of Directors of the companies are hereby empowered and authorized to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.
- 4.6 All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of, or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by the Transferee Company.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
COMPANY SCHEME PETITION NO. 109 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 106 OF 2014
In the matter of the Companies Act, 1956 (1 of 1956);
AND
In the matter of Scheme of Amalgamation
of
Western Region Transmission (Gujarat) Private Limited
with
Western Region Transmission (Maharashtra) Private Limited
with
Reliance Infrastructure Limited
and
their respective shareholders

**WESTERN REGION TRANSMISSION (MAHARASHTRA)
PRIVATE LIMITED**

... Petitioner Company

**Authenticated copy of Minutes of Order dated July 15,
2014 along with the Scheme of Amalgamation**

M/s. RAJESH SHAH & CO.
Advocates for the Petitioner
16, Oriental Building,
30, Nagindas Master Road,
Flora Fountain,
Mumbai – 400001.

HIGH COURT, BOMBAY
IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 261 OF 2016
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 255 OF 2016

In the matter of the Companies Act, 1956 (1 of 1956) (or re-enactment thereof upon effectiveness of the Companies Act, 2013);

AND

In the matter of Sections 391 to 394 of the Companies Act, 1956;

AND

In the matter of Scheme of Amalgamation
of
Reliance Concrete Private Limited
with
Reliance Infrastructure Limited
and
their respective shareholders

Reliance Concrete Private Limited ... Petitioner/ the Transferor Company

Called for hearing

Mr. Rajesh Shah i/b Rajesh Shah & Co., Advocate for the Petitioner

Mr. P. Khosla i/b Pankaj Kapoor, for Regional Director,

Mr. Vinod Sharma, official Liquidator, present.

CORAM: A.K. Menon, J.

Date: 8th September 2016

PC :

1. Heard Learned Counsel for the parties. No objector has come before the court to oppose the Scheme and nor any party has controverted any averments made in the Petition.
2. The sanction of the Court is sought under Sections 391 to 394 and other relevant provision of the Companies Act, 1956, to the Scheme of Amalgamation of Reliance Concrete Private Limited, the Petitioner Company / Transferor Company with Reliance Infrastructure Limited, the Transferee Company and their respective shareholders ("the Scheme").

3. The Learned Counsel for the Petitioner states that the Transferor Company was incorporated to engage in the business of manufacturing and dealing in all types and kinds of cement and related products. The Transferee Company is one of the largest infrastructure companies. The rationale for the Scheme is to reduce managerial overlaps, which are necessarily involved in running multiple entities, to reduce administrative cost and to achieve operational and management efficiency.
4. Learned Counsel for the Petitioner further states that the Board of Directors of the Petitioner Company and the Transferee Company have approved the said Scheme by passing Board Resolutions, which were annexed to the Company Scheme Petition.
5. Learned Counsel for the Petitioner further states as on the Appointed Date, the Petitioner Company is a step-down wholly owned subsidiary of the Transferee Company and all the shares of the Petitioner Company are held by Reliance Cement Company Private Limited, a wholly owned subsidiary of the Transferee Company. No new shares are required to be issued to the members of the Petitioner Company by the Transferee Company after the Scheme is being sanctioned. In view of the judgment of this Court in Mahaamba Investments Limited Versus IDI Limited (2001) 105 Company Cases, filing of a separate Company Summons for Direction and Company Scheme Petition by the Transferee Company was dispensed with vide order dated 15th day of April, 2016 passed in CSD No.255 of 2016.
6. The Learned Counsel for the Petitioner further states that, Petitioner Company has complied with all the directions passed in the Company Summons for Direction and that the Company Scheme Petition has been filed in consonance with the order passed in Company Summons for Direction.
7. The Learned Counsel appearing on behalf of the Petitioner has stated that the Petitioner Company has complied with all requirements as per directions of this Court and it has filed necessary affidavits of compliance in the Court. Moreover, the Petitioner Company undertakes to comply with all statutory requirements if any, as required under the Companies act, 1956 / 2013 and Rules made there under whichever are applicable. The said undertaking is accepted.
8. The Official Liquidator has filed his report on 26th day of August, 2016 in Company Scheme Petition stating that the affairs of the Petitioner Company have been conducted in a proper manner and that the Petitioner Company may be ordered to be dissolved without winding up.
9. The Regional Director has filed an Affidavit on 23rd day of August, 2016, inter alia, stating, save and except as stated in paragraph 6 (a) to (c), it appears according to Regional Director, that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph 6 of the said Affidavit, the Regional Director has stated that:-
 - "6. That the Deponent further submits that,
 - a) In addition to the compliance of AS-14, the transferee company shall pass such Accounting Entries which are necessary in connection with the scheme to comply with other applicable Accounting Standard such as AS-5.
 - b) That the Deponent further submits that the Tax issue if any arising out of this scheme shall be subject to final decision of Income Tax Authority and approval of the scheme by Hon'ble High Court may not deter the Income Tax Authority to scrutinize the tax returns filed by the Petitioner company after giving effect to the amalgamation. The decision of the Income Tax Authority is binding on the petitioner company.

- c) As per Part A- Definitions, Interpretations and share capital. At 1.4 the term “Capital Reserve” is defined as A reserve not being a free reserve and not available for dividend; However, available for issue of bonus shares. In this regard, it is submitted that the capital reserve is meant for specific purpose and it should not be made available for issue of bonus shares (As the said reserve is not available for declaration of dividend)”
10. As far as the observation in paragraph 6(a) of the affidavit of Regional Director is concerned, the Transferee Company through its Counsel undertakes that it shall pass necessary accounting entries in connection with the Scheme to comply with the applicable Accounting Standards including ‘Accounting Standard-14’.
11. As far as the observation in paragraph 6(b) of the affidavit of Regional Director is concerned, the Learned Counsel for the Petitioner Company submits that the Petitioner Company is bound to comply with all applicable provisions of Income Tax Act and all tax issues arising out of the Scheme will be met and answered in accordance with law.
12. As far as the observation in paragraph 6(c) of the affidavit of Regional Director is concerned, the Transferee Company through its Counsel undertakes that the Transferee Company will not utilize the capital reserves arising out of the present Scheme, if any, for issue of bonus shares.
13. The Learned Counsel for Regional Director on instructions of Mr. S. Ramakantha, Joint director in the office of the Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai states that they are satisfied with the undertakings given by the Petitioner and/or Transferee. The above undertakings are accepted.
14. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
15. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petition is made absolute in terms of prayer clauses (a), (c) and (d).
16. The Petitioner Company to file a copy of this order and the Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of this Order.
17. The Petitioners are directed to file a certified copy of order along with a copy of the Scheme with the concerned Registrar of Companies, electronically, along with E Form INC-28 in addition to physical copy as per the relevant provisions of the Companies Act, 1956/2013 whichever is applicable.
18. The Petitioner Company to pay costs of Rs.10,000/- each to the Regional Director, Western Region, Mumbai and the Official Liquidator, High Court, Bombay. Cost to be paid within four weeks from the date of this Order.
19. Filing and issuance of the drawn up order is dispensed with.
20. All concerned regulatory authorities to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay.

(A.K. Menon J.)

CERTIFICATE

I certify that this Order uploaded is a true and correct copy of original signed order.
Uploaded by: Shankar Gawde, Stenographer.

**SCHEME OF AMALGAMATION
OF
RELIANCE CONCRETE PRIVATE LIMITED
WITH
RELIANCE INFRASTRUCTURE LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS**

PREAMBLE

This Scheme of Amalgamation ("Scheme") is presented under Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Act (as defined hereinafter) of Reliance Concrete Private Limited ("the Transferor Company") with Reliance Infrastructure Limited ("the Transferee Company"). This Scheme also provides for various other matters consequential or otherwise integrally connected therewith. It is hereby clarified and stated that upon the relevant Sections of the Companies Act 2013 pertaining to Scheme of Compromise, Arrangement, or Amalgamation of companies being notified by the Ministry of Corporate Affairs ("MCA"), this Scheme shall be deemed to have been formulated and presented under Sections 230 to 240 of the Companies Act, 2013 read with applicable Rules made thereunder.

RATIONALE

1. The Transferee Company is listed on BSE Limited and National Stock Exchange of India Limited. It is one of the largest infrastructure companies, developing projects through various Special Purpose Vehicles (SPVs) in several high growth sectors within the infrastructure space such as Power, Roads, Metro Rail, Cement and Defence. It is the leading utility company having presence across the value chain of power businesses, i.e. Generation, Transmission, Distribution and Power Trading. It also provides Engineering, Procurement and Construction (EPC) Services for developing power and road projects.
2. The Transferor Company is a wholly owned subsidiary of Reliance Cement Company Private Ltd., which is a wholly owned subsidiary of the Transferee Company and was incorporated to engage in the business of manufacturing and dealing in all types and kinds of cement and related products.
3. The Proposed Scheme of Amalgamation is with a view to:
 - a) Simplification of the group structures and fulfillment of a condition precedent to the sale of shares of Reliance Cement Company Private Limited the direct holding company of the Transferor Company;
 - b) Elimination of multiple entities within the group;
 - c) Optimal utilization of resources and better administration and reduction of cost; and
 - d) Achieving operational and management efficiency.

PARTS OF THE SCHEME

The Scheme is divided into following parts:

1. Part A deals with the Definitions, Interpretation and Share Capital;
2. Part B deals with the amalgamation of Reliance Concrete Private Limited with Reliance Infrastructure Limited;
3. Part C deals with the General Terms and conditions that would be applicable to the Scheme.

PART A

DEFINITIONS, INTERPRETATION AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereunder), unless inconsistent with the subject or context, the following expression shall have the meanings respectively assigned against them:

- 1.1 “Act” or “The Act” means the Companies Act, 1956, the rules and regulations made thereunder and will include any statutory modification or re-enactment thereof for the time being in force and also mean and refer to corresponding sections of the Companies Act, 2013, the rules and regulations made thereunder, as and when such corresponding sections are notified by the Central Government;
- 1.2 “Appointed Date” means 1st March, 2016 or such other date as the High Court of Judicature at Bombay may direct / fix;
- 1.3 “Board” means the Board of Directors or in relation to the Transferor Company and the Transferee Company, as the case may be, means the board of directors of such Company, and shall include a committee duly constituted and authorized thereby for the purpose of matters pertaining to the Scheme and/or any other consequential or incidental matter in relation thereto;
- 1.4 “Capital Reserve” means a reserve, not being a free reserve and not available for declaring dividend; however, available for issue of bonus shares;
- 1.5 “Court” or “High Court” means the Hon’ble High Court of Judicature at Bombay under the Companies Act, 1956 or such other Tribunal (i.e.) the National Company Law Tribunal (“NCLT”) and the National Company Law Appellate Tribunal (“NCLAT”) as constituted and authorized as per the provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of companies under section 230 to 240 of the Companies Act, 2013;
- 1.6 “Effective Date” means last of the dates on which the certified copies of the order sanctioning this Scheme of Amalgamation, passed by the High Court or such other competent authority, as may be applicable, are filed with the Registrar of Companies, by the Transferor Company and the Transferee Company. All references in this Scheme to the date of “coming into effect of this Scheme” or “effectiveness of this Scheme” or “Scheme taking effect” shall mean the Effective Date;
- 1.7 “Registrar of Companies” means the Registrar of Companies, Mumbai;
- 1.8 “Scheme” or “the Scheme” or “this Scheme” or “Scheme of Amalgamation” means this Scheme of Amalgamation in its present form as submitted to the Hon’ble High Court or this Scheme with such modification(s), if any made, as per the Scheme;
- 1.9 “Concrete” or “the Transferor Company” means Reliance Concrete Private Limited (CIN : U26940MH2011PTC214982), a company incorporated under the Act and having its registered office at H block, 1st floor, Dhirubhai Ambani Knowledge City, Kopar Khairne, Navi Mumbai 400710;
- 1.10. “RIL” or “the Transferee Company” means Reliance Infrastructure Limited (CIN: L99999MH1929PLC001530), a company incorporated under the Indian Companies Act, 1913 and having its registered office at H block, 1st floor, Dhirubhai Ambani Knowledge City, Kopar Khairne, Navi Mumbai 400710;

- 1.11. All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof for the time being in force.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein shall be effective from the Appointed Date for amalgamation of the Transferor Company into the Transferee Company, but shall be operative from the Effective Date.

3. SHARE CAPITAL

- 3.1 The share capital of the Transferor Company as on December 31, 2015 is as under:

Share Capital	Amount in Rs.
Authorized Share Capital	
50,000 Equity shares of Rs.10 each, fully paid up	5,00,000
TOTAL	5,00,000
Issued, subscribed and paid-up Share Capital	
20,000 Equity shares of Rs.10 each, fully paid up	2,00,000
TOTAL	2,00,000

Entire Capital of the Transferor Company is held by Reliance Cement Company Private Limited a wholly owned subsidiary of the Transferee Company and the direct holding Company of the Transferor Company.

Subsequent to 31st December, 2015 the authorized, issued, subscribed and paid up share capital of the Transferor Company underwent a change on account of further issue of equity shares to Reliance Cement Company Private Limited. The revised authorized, issued, subscribed and paid up share capital of the Transferor Company as of February 8, 2016 is as follows:

Share Capital	Amount in Rs.
Authorized Share Capital	
150,00,00,000 Equity shares of Rs.10 each, fully paid up	1500,00,00,000
TOTAL	1500,00,00,000
Issued, subscribed and paid-up Share Capital	
140,30,20,000 Equity shares of Rs.10 each, fully paid up	1403,02,00,000
TOTAL	1403,02,00,000

3.2 The share capital of the Transferee Company as on December 31, 2015 is as under:

Share Capital	Amount in Rs.
Authorized Share Capital	
45,00,60,000 Equity shares of Rs.10/- each	450,06,00,000
80,00,000 Equity shares of Rs.10/- each with differential rights	8,00,00,000
1,55,00,00,000 Redeemable Preference shares of Rs.10/- each	1550,00,00,000
4,20,00,000 Unclassified shares of Rs.10/- each	42,00,00,000
TOTAL	2050,06,00,000
Issued Share Capital	
26,53,92,065 Equity shares of Rs.10 each, fully paid up	265,39,20,650
TOTAL	2,00,000
Subscribed and Fully paid-up Share Capital	
26,29,90,000 Equity Shares of Rs.10/- each fully paid up	262,99,00,000
Add : 3,54,479 Forfeited shares – Amount originally paid up	354,479
TOTAL	263,02,54,479

Subsequent to 31st December, 2015 there is no change in the issued, subscribed and paid up share capital of the Transferee Company.

Entire Capital of the Transferor Company is held by Reliance Cement Company Private Limited a wholly owned subsidiary of the Transferee Company and the direct holding Company of the Transferor Company.

PART B

AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFeree COMPANY

4. TRANSFER AND VESTING OF UNDERTAKING

- 4.1 Upon the coming into effect of the Scheme and with effect from the Appointed Date, the entire business and whole of the undertaking of the Transferor Company (including all its properties and assets (whether movable or immovable, tangible or intangible) or whatsoever nature such as investments, licenses, permits, quotas, approvals, lease, tenancy rights, permissions, incentives, if any, and all other rights, title, interest, contracts, consents, approvals or powers of every kind, nature and descriptions whatsoever) shall, under the provisions of Sections 391 to 394 of the Act and pursuant to the orders of the High Court of Judicature at Bombay or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, be and stand transferred to and/or vested in or be deemed to have been and stand transferred to or vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.
- 4.2 The amalgamation of the Transferor Company with the Transferee Company will combine the business, activities and operations of the Transferor Company and the Transferee Company into a single company with effect from the Appointed Date and shall be in compliance with the provisions of the Income Tax Act, 1961, including Section 2(1B) thereof or any amendments thereto.,
- 4.3 Without prejudice to the generality of Clause 4.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:
- a) All assets and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets and properties which are acquired by the Transferor Company on or after the Appointed Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, 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 Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 391 to 394 of the Act.
 - b) In respect of such assets owned and belonging to the Transferor Company as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company, and shall become the property of the Transferee Company in pursuance of the provisions of Section 394 and other applicable provisions of the Act.
 - c) In respect of movables other than those dealt with in Clause 4.3 (b) above including without any further act, instrument or deed of the Transferee Company the sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Government, quasi government, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (although the Transferee Company may without being obliged and if it so deems appropriate at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or deposittee, as the case may be, that the said debt, loan, advance, balance or deposit stands transferred and vested in the Transferee Company).

- 4.4 Without prejudice to the generality of Clause 4.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date;
- a) All the liabilities including all secured and unsecured debts, sundry creditors, duties, obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operations shall, under the provisions of Sections 391 to 394 of the Act and pursuant to the orders of the High Court of Judicature at Bombay or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, be and the same shall stand transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company without any further act, instrument or deed, along with any charge, lien, encumbrance or security thereon, and the same shall be assumed to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain consent of any third party or other person who is a party to the contract or arrangements by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Scheme.
- 4.5 The Transferor Company may be entitled to various benefits under incentive schemes and policies under various laws, regulations and notifications. Pursuant to this Scheme it is declared that the benefits under all of such schemes and policies shall be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever including tax concessions (not limited to income tax, unexpired credit for minimum alternate tax, minimum alternate tax, fringe benefit tax, sales tax, value added tax, turnover tax, excise duty, service tax, customs and others) and incentives shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive scheme and policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits under the incentive schemes and policies were made available to the Transferor Company.
- 4.6 Upon the coming into effect of this Scheme, the resolutions, and other actions undertaken by the Transferor Company including the approvals that may have been obtained by Transferee Company from its shareholders under provisions of Section 180, Section 185, Section 186 and Section 188 approvals that may have been obtained under the Act and which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

5. CONSIDERATION FOR AMALGAMATION

- 5.1 The entire issued, subscribed and paid up equity share capital of the Transferor Company is held by the Reliance Cement Company Private Limited, which is a wholly owned subsidiary of the Transferee Company. Upon the Scheme becoming effective, inter alia in recognition of the fact that the Act prohibits allotment of shares by a holding company to its subsidiary company, no shares of the Transferee Company shall be allotted in lieu or exchange of the holding of Reliance Cement Company Private Limited in the Transferor Company and the entire share capital of the Transferor Company shall stand cancelled.
- 5.2 Upon the coming into effect of this Scheme, the share certificates, if any, and/or the shares / depositary receipts in electronic form representing the equity shares held by wholly owned subsidiary of the Transferee Company namely, Reliance Cement Company Private Limited in the Transferor Company shall be deemed to be cancelled without any further act or deed.

6. ACCOUNTING TREATMENT

On the Scheme taking effect, the Transferee Company shall account for amalgamation of the Transferor Company with Transferee Company in its books of account with effect from the Appointed Date as under :

- 6.1 Amalgamation of the Transferor Company with the Transferee Company shall be accounted for in accordance with "Pooling of Interests Method" of accounting as per the Accounting Standard-14 as notified under section 133 of the Companies Act, 2013.
- 6.2 All assets and liabilities recorded in the books of the Transferor Company as on the Appointed Date and transferred to and vested in the Transferee Company pursuant to the Scheme shall be recorded by the Transferee Company at their respective book values and in the same form.
- 6.3 The inter-corporate investments / deposits / loans and advances between the Transferee Company and the Transferor Company as on the Effective Date will stand cancelled and there shall be no further obligation in that behalf;
- 6.4 The difference between the value of assets and liabilities recorded as per para 6.2 above, adjusted for the cancellation of inter se balances as per para 6.3 above shall be included in the Capital Reserve Account in the books of the Transferee Company. Such reserve will be a reserve arising pursuant to the Scheme and will not constitute a reserve create by the Transferee Company;
- 6.5 In case of any differences in accounting policy between the Transferee Company and the Transferor Company, the accounting policies followed by the Transferee Company will prevail and the difference in recognition of assets and liabilities which are appearing or should appear in the books of the Transferor Company on the Appointed Date, as the case may be, will be quantified and adjusted in the General Reserve of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

7. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

During the period between the Appointed Date and the Effective Date;

- 7.1 The Transferor Company shall carry on and deemed to have carried on its business and activities and shall stand possessed of their entire business and undertakings, in trust for the Transferee Company and shall account for the same to the Transferee Company.
- 7.2 All the income or profits accruing or arising to the Transferor Company and all costs, charges, expenses or losses incurred by the Transferor Company shall for all purposes be treated the income, profits, costs, charges, expenses and losses as the case may be of the Transferee Company.
- 7.3 The Transferor Company shall carry on their business and activities with reasonable diligence and business prudence and shall not alter or diversify their respective businesses nor venture into any new businesses, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the respective Boards of Directors of the Transferor Company and the Transferee Company.
- 7.4 The Transferor Company shall not utilize the profits or income for the purpose of declaring or paying any dividend or for any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of the Transferee Company.

- 7.5 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central / State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which the Transferee Company may require to carry on the business of the Transferor Company.

8. LEGAL PROCEEDINGS

- 8.1 If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the amalgamation by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

9. CONTRACTS, DEEDS, ETC.

- 9.1 Subject to the other provisions contained in this Scheme, all applications with regulatory authorities, contracts, deeds, bonds, agreements and other instruments of whatever nature to which, the Transferor Company is a party subsisting or having effect immediately before the Scheme coming into effect shall be in full force and effect against or in favour of the Transferee Company, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

10. SAVING OF CONCLUDED TRANSACTIONS

- 10.1 The transfer of properties and liabilities under Clause 4 above and the continuance of proceedings by or against the Transferee Company under Clause 8 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

11. STAFF, WORKMEN & EMPLOYEES

- 11.1 On the Scheme becoming operative, all staff and employees of the Transferor Company, if any, in service on the Effective Date shall be deemed to have become staff and employees of the Transferee Company without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company on the Effective Date.
- 11.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff and employees of the Transferor Company, if any, shall become the trusts/ funds of the Transferee Company 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, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such Fund or Funds shall become those of the Transferee Company. It is clarified that the services of the staff and employees of the Transferor Company will be treated as having been continuous for the purpose of the said Fund or Funds.

12. WINDING UP

On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up.

PART C

GENERAL TERMS AND CONDITIONS

13. APPLICATION TO HIGH COURT OF JUDICATURE AT BOMBAY

The Transferee Company and the Transferor Company shall as may be required make all necessary applications and/or petitions to the High Court for sanctioning this Scheme under Section 391 to 394 of the Act (or such applicable provisions of the Companies Act, 2013, as the case may be) and all the other matters ancillary or incidental thereto.

14. MODIFICATION OR AMENDMENTS TO THE SCHEME

Subject to approval of High Court, the Transferee Company and the Transferor Company with the approval of their respective Boards of Directors may consent, from time to time, on behalf of all persons concerned, to any modifications/ amendments or additions/deletions to the Scheme which may otherwise be considered necessary, desirable or appropriate by the said Boards of Directors to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds matters and things necessary for bringing this Scheme into effect or agree to any terms and/or conditions or limitations that the Hon'ble Court or any other authorities under law may deem fit to approve of, to direct and or impose. The aforesaid powers of the Transferee Company and the Transferor Company to give effect to the modification/ amendments to the Scheme may be exercised by their respective Boards of Director or any person authorized in that behalf by the concerned Board of Directors subject to approval of the Hon'ble Court or any other authorities under applicable law.

15. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- 15.1 The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law or otherwise may be necessary for the implementation of this Scheme.
- 15.2 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the members and/or creditors of the Transferor Company and the Transferee Company as may be directed by the High Court of Judicature at Bombay or any other competent authority, as may be applicable.
- 15.3 The Scheme being sanctioned by the High Court of Judicature at Bombay or any other authority under Sections 391 to 394 of the Companies Act, 1956.
- 15.4 Certified copies of the Orders of the High Court of Judicature at Bombay sanctioning the Scheme being filed with the Registrar of Companies, Mumbai by the Transferor Company and the Transferor Company.

16. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/or the Scheme not being sanctioned by the High Court or such other competent authority and/or the Order not being passed as aforesaid before March 31, 2017 or within such further period or periods as may be agreed upon between the Transferee Company and the Transferor Company by their Board of Directors (and

which the Board of Directors of the Transferee Company and the Transferor Company are hereby empowered and authorized to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect.

17. REPEALS AND SAVINGS

Any matter filed with Registrar of Companies, Regional Director or the Central Government under the Companies Act, 1956, before the notification of the corresponding provisions under the Companies Act, 2013 and not fully addressed at the time shall be concluded by the Registrar of Companies, Regional Director or the Central Government, as the case may be, in terms of the Act. Any direction or order given by the Hon'ble High Court under the provisions of the Act and any act done by the Transferee Company and the Transferor Company, based on such directions or order shall be deemed to be in accordance with and consistent with the provisions of the Companies Act, 2013. Accordingly, the provisions of the Companies Act, 2013, shall not apply to acts done by the Transferee Company and the Transferor Company and as per direction or order of the Hon'ble High Court sanctioning the Scheme.

18. SEVERABILITY

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Board of Directors of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

19. COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and all other expense, if any (save as expressly otherwise agreed) arising out of, or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by the Transferee Company.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 261 OF 2016
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 255 OF 2016

In the matter of the Companies Act, 1956 (1 of
1956) (or re-enactment thereof upon
effectiveness of the Companies Act, 2013);

AND

In the matter of Sections 391 to 394 of the
Companies Act, 1956;

AND

In the matter of Scheme of Amalgamation

of

Reliance Concrete Private Limited

with

Reliance Infrastructure Limited

and

their respective shareholders

RELIANCE CONCRETE PRIVATE LTD.

... Petitioner Company

**Authenticated Copy of the Minutes of the Order dated 8th
September, 2016**

M/s. Rajesh Shah & Co.
Advocates for the Petitioner Company
16, Oriental Building,
30, Nagindas Master Road, Flora Fountain,
Fort, Mumbai 400001

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 440 OF 2016
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 385 OF 2016

RELIANCE INFRASTRUCTURE LIMITED

....Petitioner / the Transferor Company

AND

COMPANY SCHEME PETITION NO 441 OF 2016

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO 386 OF 2016

RELIANCE ELECTRIC GENERATION AND SUPPLY LIMITED

....Petitioner / the Transferee Company

In the matter of the Companies Act, 1956 (1 of 1956)
(or re-enactment thereof upon effectiveness of the
Companies Act, 2013);

AND

In the matter of Sections 391 to 394 of the Companies
Act, 1956;

AND

In the matter of Scheme of Arrangement

BETWEEN

Reliance Infrastructure Limited

AND

Reliance Electric Generation and Supply Limited

AND

their respective shareholders and creditors

Called for Hearing

Mr. Janak Dwarkadas, Senior Advocate, a/w. Ms Alpana Ghone, Counsel,
Mr. Rajesh Shah and Mr. Ahmed M Chunawala i/b Rajesh Shah & Co., Advocate for the
Petitioner Companies.

Mr. Zal Andhyarujina, a/w. Meit Sampat and Ms. Gaurangi Pujara, i/b. Little & Co, Advocate
for Life Insurance Corporation of India, objecting shareholder as well as debenture holder in
Company Scheme Petition no. 440 of 2016.

Mr. Shailesh Mehta, Objecting Shareholder, party in person in Company Scheme Petition
no. 440 of 2016.

Mr. Ashish Mehta, for the Regional Director.

Mr. Aditya Parab, i/b. Zastriya Attorneys and Legal Consultants for Prakash Asphaltting and Toll Highways (India) Limited.

.....

CORAM: S.C Gupte. J.
DATE: 19 January, 2017.

P.C.:

1. Heard learned Counsel for the parties, and also Mr. Shailesh Mehta, who is an objecting shareholder appearing in person.
2. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956, to the Scheme of Arrangement between Reliance Infrastructure Limited ("RInfra" or "Transferor Company") and Reliance Electric Generation and Supply Limited ("Reliance Electric" or "Transferee Company") and their respective Shareholders and Creditors ('the Scheme').
3. The Transferor Company is one of the largest infrastructure companies, developing projects through various Special Purpose Vehicles (SPVs) in several high growth sectors within the infrastructure space such as power, roads, metro rail and defence. The Transferee Company has been incorporated with the intention of engaging in the business of generation and supply of electricity and related activities
4. The rationale for the Scheme is to increase shareholders' value by leveraging diversified investment opportunities, attribution of appropriate risk and valuation to different businesses based on their respective risk - return profile and cash flows, pooling of resources at the level of the Transferor Company and allocation of capital to each of the businesses based on the risk - return and simplified and transparent business structure resulting into better management control of the businesses and achieving operational synergies.
5. The learned counsel for the Petitioner Companies states that the Board of Directors of the Petitioner Companies have approved the said Scheme by passing Board Resolutions, which are annexed to the respective Company Scheme Petitions.
6. The learned counsel for the Petitioner Companies further states that the Petitioner Companies have complied with all the directions passed in Company Summons for Directions and that the Company Scheme Petitions have been filed in consonance with the order passed in Company Summons for Directions.
7. The learned counsel appearing on behalf of the Petitioner Companies states that the Petitioner Companies have complied with all requirements as per directions of this Court and filed necessary affidavits of compliance in the Court. Moreover, the Petitioner Companies undertake to comply with all statutory requirements under the Companies Act, 1956 / 2013 and the Rules made there under whichever applicable. The said undertakings given by the Petitioner Companies are accepted.

8. Three unsecured creditors of the Transferor Company had objected to the sanction of the scheme, namely, Cipla Limited, Loesche India Private Limited and M/s Prakash Asphaltting and Toll Highways (India) Limited. All three unsecured creditors have subsequently withdrawn their objections to the scheme. No - objection letters from all three unsecured creditors have been filed in Court.
9. Life Insurance Corporation of India ("LIC"), a creditor as well as the shareholder of the Transferor Company, has filed its affidavits dated 3rd August, 2016 and 28th November, 2016, objecting to the sanctioning of the scheme. The Learned Counsel for the Petitioner Companies tender Affidavits in Reply dated 28th September, 2016 and 1st December, 2016 to the Affidavit filed by LIC. The objection, inter - alia, is that LIC is prohibited under the provisions of Section 27A (4) of the Insurance Act, 1938 from investing in shares and /or debentures of any private limited company. Pursuant to the sanction of the scheme, the debentures in Transferor Company held by LIC, to the extent pertaining to the Transferred Divisions, would be transferred to the Transferee Company. The Transferee Company was a private limited company upto 3rd August, 2016. In view thereof, LIC had objected to the Scheme. Subsequently, the Transferee Company was converted to a public company and name of the Transferee Company has been changed from "Reliance Electric Generation and Supply Private Limited" to "Reliance Electric Generation and Supply Limited" pursuant to a Certificate of Incorporation. Consequent upon such conversion to Public Limited Company on 4th August, 2016, both the Petitioner Companies filed applications for making necessary amendments to the Scheme and the pending scheme petitions. The said Applications were granted vide order dated 17th October, 2016. Accordingly, necessary amendments were carried out in both the Company Scheme Petitions. LIC has, in its Affidavit dated 28th November, 2016, inter alia, stated that its objection has now been complied with by the Transferee Company. LIC has in its Affidavit dated 28th November, 2016, inter alia, stated that LIC shall not consent to the sanction of the scheme unless the conditions in paragraph 9 of that Affidavit are complied with. In response to the said requisition of LIC, the Petitioner companies have filed an Affidavit dated 1st December, 2016 inter alia, stating that they will comply with the requisitions of LIC. In any event, the Learned Counsel appearing for the Petitioner Companies also submits that as per the Additional Affidavit dated 2nd August, 2016 filed by the Transferor Company, written consent of LIC, being a Financial Institution, would in any case be required before making the Scheme effective. The statement and explanation are found to be satisfactory as the interests of LIC are adequately safeguarded. The Learned Counsel appearing for LIC submits that since the Transferee Company is now a Public Limited Company and also as written consent of LIC would be required before making the Scheme effective, they have no objection to the scheme being sanctioned.
10. The Regional Director has filed his Affidavit on 18th October, 2016, inter alia, stating, that save and except as stated in paragraph 6 (i) to (vii), it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph 6 of the said Affidavit, the Regional Director has stated that:-

6. *That the Deponent further submits that,*

- i. *The Petitioner vide para no. 2.3.2 has stated as follows:-
The Transferor Company shall transfer the revaluation reserve pertaining Appointed Date, to the General Reserves of the Transferor Company.
The deponent prays that the word 'General Reserves' should be substituted by 'Profit and Loss Account'.*

- ii. *The Petitioner vide para no. 3.3.2 has stated as follows:-
The Transferor Company shall transfer the reserves as mentioned in clause 1.1.9(d) transferred as part of the Mumbai Power Division pursuant to the Scheme, at the amount appearing as on the Appointed Date, to the General Reserves of the Transferor Company.
The deponent prays that the balance appearing in the "Revaluation Reserve" as part of Mumbai Power Division should be transferred to the profit and loss a/c of the Transferor Company.*
- iii. *The Petitioner vide para no. 4.3.2 has stated as follows:-
The Transferor Company shall transfer the revaluation reserve pertaining to the Samalkot Power Station Division at the amount appearing as on the Appointed Date, to the General Reserves of the Transferor Company.
The deponent prays that the word 'General Reserves' should be substituted by 'Profit and Loss Account'.*
- iv. *The Petitioner vide para no. 5.3.2 has stated as follows:-
The Transferor Company shall transfer the revaluation reserve pertaining to the Samalkot Power Station Division at the amount appearing as on the Appointed Date, to the General Reserves of the Transferor Company.
The deponent prays that the word 'General Reserves' should be substituted by 'Profit and Loss Account' and Samalkot Power Station Division as mentioned in para 5.3.2 of the scheme to be read as Windmill Division of Transferor Company.*
- v. *The Petitioner vide para 2.3.3, 3.3.3, 4.3.3 and 5.3.3 has stated as follows:
The statement of the profit and loss account of the Transferor Company shall be debited/credited with the difference between the value of net assets i.e. book values of assets as reduced by the liabilities pertaining to the Goa Power Station Division, Mumbai Power Division, Samalkot Power Station Division & Windmill Division over the value of the lumpsum Consideration receivable by the Transferor Company.
The deponent prays that the Transferee Company i.e Rlnfra should comply with Accounting Standard-5 and all other Accounting Standards as applicable and as provided under section 133 of the Companies Act, 2013.*
- vi. *On perusal of the scheme, it is observed that 4 divisions i.e. Goa Power Station Division, Mumbai Power Division, Samalkot Power Station Division & Windmill Division of the Rlnfra i.e. Transferor Company is transferred to Reliance Electric Generation and Supply Private Limited (Transferee Company). The deponent wish to bring to the notice of the Hon'ble High Court that the authorized and paid up share capital of the Transferee Company as observed from the scheme is Rs 5.00 Lacs. However, the total consideration payable by the Transferee Company for acquiring the 4 Power Divisions amounts to Rs 6282.50 Crores. This scheme does not provide for methods of payment consideration by the Transferee Company to Transferor Company. Information was called and the Petitioner has stated as follows: "Clarification as to how the Transferee Company will pay consideration to Transferor Company Transferee Company would pay the consideration to Transferor Company through its internal accruals from the operations of the Transferred Division(s) with effect from the Appointed date and/or from proceeds of borrowings and/or capital infusion by the parent company i.e. Transferor Company, as the case may be."(Copy enclosed and marked as Exhibit 'B-2).*

vii. *That the Deponent further submits that the Tax issue if any arising out of this scheme shall be subject to final decision of Income Tax Authority and approval of the scheme by Hon'ble High Court may not deter the Income Tax Authority to scrutinize the tax returns filed by the Petitioner Companies after giving effect to the Demerger. The decision of the Income Tax Authority is binding on both the Transferor Company and the Transferee Company.*

11. In response to the Affidavit of the Regional Director, the Petitioner Companies have filed an Affidavit dated 20th October, 2016.
12. As far as the observation in paragraph 6(i) of the affidavit of Regional Director is concerned, the Transferor Company has undertaken that in relation to para no. 2.3.2 of the Scheme, the Transferor Company shall transfer the revaluation reserve pertaining to the Goa Power Station Division at the amount appearing as on the Appointed Date to the Profit and Loss Account of the Transferor Company.
13. As far as the observation in paragraph 6(ii) of the affidavit of Regional Director is concerned, the Transferor Company has undertaken that in relation to para no. 3.3.2 of the Scheme, the Transferor Company shall transfer the revaluation reserve pertaining to the Mumbai Power Division at the amount appearing as on the Appointed Date to the Profit and Loss Account of the Transferor Company.
14. As far as the observation in paragraph 6(iii) of the affidavit of Regional Director is concerned, the Transferor Company has undertaken that in relation to para no. 4.3.2 of the Scheme, the Transferor Company shall transfer the revaluation reserve pertaining to the Samalkot Power Station Division at the amount appearing as on the Appointed Date, to the Profit and Loss Account of the Transferor Company.
15. As far as the observation in paragraph 6(iv) of the affidavit of Regional Director is concerned, the Transferor Company has undertaken that in relation to para no. 5.3.2 of the Scheme, the Transferor Company shall transfer the revaluation reserve pertaining to the Windmill Division at the amount appearing as on the Appointed Date to the Profit and Loss Account of the Transferor Company.
16. The Transferor Company has also accepted the observation of the Regional Director that the "Samalkot Power Station Division" as mentioned in para 5.3.2 of the Scheme should be read as "Windmill Division" of the Transferor Company. The Petitioner Companies have moved Amendment to the Scheme to this effect. Leave to amend the scheme is granted accordingly.
17. As far as the observation in paragraph 6(v) of the affidavit of Regional Director is concerned, the Transferor Company has undertaken that in relation to para nos. 2.3.3, 3.3.3, 4.3.3 and 5.3.3 of the Scheme, the Transferor Company shall comply with Accounting Standard - 5 and all other Accounting Standards as applicable and as provided under Section 133 of the Companies Act, 2013.
18. As far as the observation in paragraph 6(vi) of the affidavit of Regional Director is concerned, it is submitted that the Transferee Company would pay the consideration to Transferor Company through its internal accruals from the operations of the Transferred Division(s) with effect from the Appointed Date and /or from proceeds of borrowings and /or capital infusion by the parent Company i.e. Transferor Company, as the case may be. A letter dated 28th September, 2016 to the same effect is issued by the Advocate for the Transferee Company to the Regional Director.

19. As far as the observation in paragraph 6(vii) of the affidavit of Regional Director is concerned, the Petitioner Companies have undertaken that they are bound to comply with all applicable provisions of Income Tax Act and all tax issues arising out of the Scheme will be met and answered in accordance with law.
20. The Learned Counsel for Regional Director on instructions of Mr. R K Dalmia, Dy Director, Ministry of Corporate Affairs, Western Region, Mumbai, states that they are satisfied with the above undertakings given by the Petitioner Companies. The above undertakings are accepted.
21. One of the Shareholders of the Transferor Company, Mr. Shailesh Mehta, who holds 4 shares in the Transferor Company, has objected to the sanction of the Scheme on diverse grounds. Mr. Shailesh Mehta has also attended the Court Convened Meeting and objected to the Scheme. Broadly the grounds on which Mr. Shailesh Mehta seeks rejection of the Scheme are as follows:
- a) The valuation arrived at by the valuers appointed by the Petitioner Companies is incorrect;
 - b) The Scheme is in violation of section 27A(4) of the Insurance Act;
 - c) The Scheme does not provide for payment mechanism of the consideration by the Transferee Company to the Transferor Company.
22. In respect of the Valuation Report, the Learned Counsel for the Petitioner Companies submits that the valuation in the present case has been done by a reputed firm of valuers namely, M/s. SSPA & Co who are experts in the field. Valuation of business is a highly technical and complex matter, which can be appropriately left to the experts in the field of accountancy. The valuation report in the present case has been approved by the Stock Exchanges and Securities and Exchange Board of India ('SEBI'). No other shareholders, including LIC, has raised any objections. M/s. SSPA & Co have applied appropriate methods of valuation as applicable to each of the Transferred Divisions to arrive at their respective fair values. There is hardly any material adduced, or referred to, by the objector to justify his objections to the valuation. Merely on the basis of some vague allegations, the valuation made by experts in the field and accepted by all other stakeholders including SEBI and various corporate entities who are either shareholders or creditors of the companies, cannot be rejected.
23. The Supreme Court in case of *Miheer Mafatlal vs. Mafatlal Industries Ltd* (1997) 1 SCC 579 whilst explaining the contours of the sanctioning Court's jurisdiction in the matter of a scheme, has observed as follows:

"It must at once be stated that valuation of shares is a technical and complex problem which can be appropriately left to the consideration of experts in the field of accountancy" (Para 40 on page 615)

*In this connection we may also refer to a decision of Maugham, J., in *Hoare & Co.(No.2) Re, case [(1984) 55 Comp Case 308 (Mad)]* wherein it was laid down that where statutory majority had accepted the offer the onus must rest on the applicants to satisfy the court that the price offered is unfair. In this connection the following pertinent observations were made by the learned Judge:*

"The other conclusion I draw is this ... the court ought to regard the scheme as a fair one inasmuch as it seems to me impossible to suppose that the court, in the absence of very strong grounds, is to be entitled to set up its own view of the fairness of the scheme in opposition to so very large a majority of the shareholders

who are concerned. Accordingly, without expressing a final opinion on the matter, because there may be special circumstances in special cases, I am unable to see that I have any right to order otherwise in such a case as I have before me, unless it is affirmatively established that, notwithstanding the views of a very large majority of shareholders, the scheme is unfair.” (Last para on pages 617, 618)”

24. This Court has in the matter of Cadbury India Limited (Company Petition No. 1072 of 2009) held as follows:

“7.1.9 The sanctioning court has no power or jurisdiction to exercise any appellate functions over the scheme. It is not a valuer. It does not have the necessary skills or expertise. It cannot substitute its own opinion for that of the shareholders. Its jurisdiction is peripheral and supervisory, not appellate. The Court is not “a carping critic, a hair-splitting expert, a meticulous accountant or a fastidious counsel; the effort is not to emphasize the loopholes, technical mistakes and accounting errors”.

7.1.10 Valuation is not an exact science. Far from it. It is always and only an estimation, a best judgment assessment. The fact that a particular estimation might not catch an objector’s fancy is no ground to discredit it. All valuations proceed on assumptions. To dislodge a valuation, it must be shown that those assumptions are such as could never have been made, and that they are so patently erroneous that the end result itself could not but be wrong, unfair and unreasonable. The court must not venture into the realm of convoluted analysis, extrapolation, and taking on itself an accounting burden that is no part of its remit or expertise, and no part of a statutory obligation. In particular, the court must guard against the seductiveness of a proposition that suffers from the fallacy of the undistributed middle: all x is z; some y is z; ergo, all y is z.²⁷ The errors and consequent unreasonableness must be shown to be patent and self - evident.

7.1.11 It is impossible to say which of several available valuation models are “best” or most appropriate. In a given case, the CCM method may be more accurate; in another, the DCF model. There are yet others. No valuation is to be disregarded merely because it has used one or the other of various methods. It must be shown that the chosen method of valuation is such as has resulted in an artificially depressed or contrived valuation well below what a fair - minded person may consider reasonable.”

25. In view of the aforesaid decisions of the Hon'ble Supreme Court and this Court, the objection raised by Mr. Mehta in respect of valuation of shares has absolutely no merit and the same is rejected.
26. With respect to the objection that the Scheme is in violation of section 27A (4) of the Insurance Act, the same has already been dealt with above and the objection, as I have noted, does not survive. LIC has made it clear that they have no objection to the scheme being sanctioned under the changed circumstances. In his written submissions placed before this Court, Mr. Mehta objects to the LIC keeping funds invested in NCDs of the transferor company which does not have AA rating (it has Crisil A). He submits that such investments are contrary to IRDAI Investment Regulations and other RBI Regulations and Circulars. This cannot be a subject matter of the scheme petition, which considers legality and propriety of the transfer of undertaking as between the transferor and transferee companies. The objection, accordingly, needs to be disregarded. Mr. Mehta also submits that the transferee company has not applied for any credit rating so far and is not likely to get any. This is nothing but pure speculation. No credence can be given to the objection.

27. With respect to the objection pertaining to payout of consideration by the Transferee Company, Mr. Mehta has highlighted that the Auditor's reports of the Transferee Company for the financial year ended 31st March, 2016 and the financial year ended 31st March, 2015 indicate that the Transferee Company has accumulated losses and its networth has been completely eroded. He has further submitted that it is not clear whether actual money will be received from the Transferor or it will be a back to back book entry. The Learned Counsel for the Petitioner Companies submits that the opinion of the Auditor is based on the financial position of the Transferee Company as on 31st March, 2016 or as on 31st March, 2015, as the case may be. Further, post sanctioning of the Scheme, the assets and liabilities of Transferred Divisions would be the assets and liabilities of the Transferee Company. The Transferee Company would own and conduct the business of all the Transferred Divisions. The Learned Counsel for the Petitioner Companies further submits that the Transferee Company would pay consideration to the Transferor Company by raising requisite funds and out of profits of the Transferred Divisions. The Learned Counsel for the Petitioner Companies further clarifies that it would be actual consideration which would be paid by the Transferee Company to the Transferor Company and not a mere book entry. An overwhelming majority of the shareholders of the transferor company have accepted the scheme as framed including the consideration coming from the transferee company and the manner and prospect of its payment. It is not for this court to doubt this commercial wisdom or substitute its opinion for the opinion of the stakeholders. Besides, the allegations on which this objection is premised are entirely vague and speculative.
28. Mr. Mehta has also submitted in his written submissions that there is no true and full disclosure to the shareholders to enable them to take an informed view of the scheme. He has referred to the judgments of Reliance Industries Ltd. vs. Reliance Natural Resources Ltd. and other cases in this behalf. Nothing concrete is, however, brought to the notice of the court in the matter of the so-called non-disclosure. It is not known as to which particular aspects are not truly or fully disclosed to the shareholders. The scheme has gone through several layers of scrutiny including that of SEBI, Company Law administration, etc. and it is too late in the day to entertain a general objection as to non-disclosure.
29. I have gone through the various objections and statements made by Mr. Mehta in his affidavits/submissions and find that there is no merit in any of them. All the objections raised by Mr. Mehta are rejected.
30. The Transferor Company in the Company Scheme Petition No.440 of 2016 has filed an additional affidavit dated 2nd August, 2016 stating that the Scheme shall not become effective until and unless written consents to the Scheme are obtained from all the Transferor Company's secured and unsecured lenders towards Loans from Financial Institutions and Banks (including foreign currency borrowings from Credit Agricole Corporate & Investment Bank and Mizuho Bank Limited), having outstanding dues as on the date of filing of Additional Affidavit, unless the outstanding amounts due to such lenders has already been discharged and paid by the Transferor Company after the date of filing of Additional Affidavit but prior to the Effective Date. The Transferor Company has further stated that notwithstanding anything contained in the Scheme and/ or in the averments made in Company Summons for Direction No. 385 of 2016 and/ or in the averments made in Company Scheme Petition No. 440 of 2016, in the event if any such lenders do not provide the aforementioned written consents, the Scheme shall not become effective. Learned Counsel for the Petitioner Companies requested the Court to accept the said Undertaking. None of the parties have objected to the same. In view of the same, the undertaking given by the Transferor Company is accepted.

31. Except as noted above, none of the parties concerned has come forward to oppose the Scheme nor has any party controverted any averments made in the Petition.
32. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
33. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petition No. 440 of 2016 filed by the Transferor Company is made absolute in terms of prayer clause (a) and Company Scheme Petition No. 441 of 2016 filed by the Transferee Company is made absolute in terms of prayer clause (a).
34. The Petitioner Companies to file a copy of this order and the Scheme, duly authenticated by the Company Registrar, High Court (O.S.), Bombay with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of the order.
35. The Petitioner Companies are directed to file a copy of this order along with a copy of the Scheme with the concerned Registrar of Companies, electronically, along with E-Form INC-28 in addition to physical copy as per the relevant provisions of the Companies Act, 2013.
36. The Petitioner Companies in both the Company Scheme Petitions to pay costs of Rs. 10,000/- each to the Regional Director, Western Region, Mumbai. Cost to be paid within four weeks from the date of the order.
37. Filing and issuance of a drawn up order is dispensed with.
38. All concerned parties to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay.
39. Mr. Shailesh Mehta, the Objector in-person prays for stay of this order for a period of four weeks. The application for stay is rejected.

(S.C.Gupte. J.)

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION**

COMPANY SCHEME PETITION NO.440 OF 2016

Reliance Infrastructure Limited	...	Petitioner
Versus		
.....	...	Respondent

**WITH
COMPANY SCHEME PETITION NO.441 OF 2016**

Reliance Electric Generation And Supply Limited	...	Petitioner
Versus		
.....	...	Respondent

.....

Mr. Ashish Mehta for Regional Director.
Mr. Meit Sampat i/b Little & Co., for Objector, Life Insurance Corporation of India.

.....

CORAM: S.C. GUPTE, J.

DATE: 31 JANUARY 2017

P.C.:

1. The company scheme petitions are mentioned for speaking to the minutes. In paragraph 34 of the order dated 19 January 2017, the following words appearing at the end of the paragraph, namely, "the order" shall be substituted by the words "the scheme being effective in accordance with clause 30 above."
2. Learned Counsel for the Petitioner tenders draft amendments to the scheme in Company Scheme Petition Nos.440 and 441 of 2016. These drafts amendments, which are taken on record and marked 'X' and 'X-1', respectively, are in accordance with the order dated 19 January 2017, and are allowed. The amendments shall be carried out within two weeks from today.

(S.C.Gupte. J.)

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY ORDINARY ORIGINAL CIVIL
JURISDICTION COMPANY APPLICATION NO.154 OF 2017**

IN

COMPANY SCHEME PETITION NO.440 OF 2016

WITH

IN PERSON APPLICATION NO.139 OF 2017

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO.385 OF 2016

In the matter of the Companies Act, 1956 (I of 1956)

(or re-enactment thereof upon effectiveness of the Companies Act, 2013);

AND

In the matter of Sections 391 to 394 of the Companies Act, 1956;

AND

In the matter of Scheme of Arrangement

BETWEEN

Reliance Infrastructure Limited

AND

Reliance Electric Generation and Supply Limited

AND

their respective shareholders and creditors

Reliance Infrastructure Limited

....Applicant Company (Original
Petitioner Transferor Company)

WITH COMPANY APPLICATION NO.155 OF 2017 IN

COMPANY SCHEME PETITION NO.441 OF 2016

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO.386 OF 2016

In the matter of the Companies Act, 1956 (I of 1956)

(or re-enactment thereof upon effectiveness of the Companies Act, 2013);

AND

In the matter of Sections 391 to 394 of the Companies Act, 1956;

AND

In the matter of Scheme of Arrangement

BETWEEN

Reliance Infrastructure Limited

AND

Reliance Electric Generation and Supply Limited

AND

their respective shareholders and creditors

Reliance Electric Generation & Supply Ltd.

.... Applicant Company / the
Transferee Company

Mr. Janak Dwarkadas, senior advocate a/w. Ms. Alpana Ghone and Mr. Rajesh Shah
i/b. M/s. Rajesh Shah and Co. for applicant.
Mr. Meit Sampat i/b. Little and Co. for objector (Life Insurance Corporation).
Mr. Shailesh P. Mehta, Intervener in person.

CORAM: K.R.SHRIRAM, J.
DATE: 20th NOVEMBER, 2017

P.C.:

COMPANY APPLICATION NO.154 OF 2017
AND
COMPANY APPLICATION NO.155 OF 2017

1. Both applications are for changing the appointed date from “1st April, 2017” which was sanctioned by an order dated 19th January, 2017 to “1st day of the April of the financial year in which last of the conditions specified in Clause 7.3.1 of the Scheme read with paragraph number 30 of the order dated 19th January, 2017 are complied with”.
2. At the outset, counsel appearing for LIC, who are one of the secured creditors and also shareholders of transferor, states that they have no objection if the appointed date is extended.
3. The Court asked Mr. Dwarkadas as to how the appointed date can be kept open ended. Mr. Dwarkadas stated that the date could be mentioned as 1st April, 2018 with liberty to apply to the Court should the conditions specified in Clause 7.3.1 of the Scheme read with paragraph number 30 of the order dated 19th January, 2017 for any reason is not complied with.
4. I have also considered the affidavit in support. One Mr. Shailesh P. Mehta appearing as party in person was allowed to address the Court though the registry has put a report stating that “he would not be in a position to assist the Court effectively in disposal of the matter”. Despite that, the Court felt, in view of the urgency expressed by Mr. Dwarkadas, to permit Mr. Mehta to address the Court. At the outset, Mr. Mehta stated that this Court has power to extend the appointed date under the provisions of Companies Act, 1956. Thereafter, whatever Mr. Mehta stated or wanted to state was totally irrelevant to the applications made.
5. Having considered the applications and heard Mr. Dwarkadas and in view of no objection accorded by counsel appearing for LIC, I am inclined to allow the applications.
6. Therefore, applications are allowed and accordingly disposed in terms of prayer clause – (a).
7. The appointed date is changed to 1st April, 2018 with liberty to apply.

(K.R. SHRIRAM, J.)

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY APPLICATION NO.154 OF 2017
IN
COMPANY SCHEME PETITION NO.440 OF 2016
WITH
IN PERSON APPLICATION NO.139 OF 2017
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO.385 OF 2016**

In the matter of the Companies Act, 1956 (I of 1956)
(or re- enactment thereof upon effectiveness of the Companies Act, 2013);

AND

In the matter of Sections 391 to 394 of the Companies Act, 1956;

AND

In the matter of Scheme of Arrangement

BETWEEN

Reliance Infrastructure Limited

AND

Reliance Electric Generation and Supply Limited

AND

their respective shareholders and creditors

Reliance Infrastructure LimitedApplicant Company (Original Petitioner Transferor Company)
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**WITH
COMPANY APPLICATION NO.155 OF 2017
IN
COMPANY SCHEME PETITION NO.441 OF 2016
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO.386 OF 2016**

In the matter of the Companies Act, 1956 (I of 1956) (or re- enactment thereof upon effectiveness of the Companies Act, 2013);

AND

In the matter of Sections 391 to 394 of the Companies Act, 1956;

AND

In the matter of Scheme of Arrangement

BETWEEN

Reliance Infrastructure Limited

AND

Reliance Electric Generation and Supply
Limited

AND

their respective shareholders and creditors

Reliance Electric Generation & Supply Ltd. Applicant Company/the
Transferee Company

Ms. Alpana Ghone a/w.Mr. Rajesh Shah i/b. M/s. Rajesh Shah and Co. for applicants /
petitioners.

Mr. Meit Sampat i/b. Little and Co. for objector (Life Insurance Corporation).

Mr. Shailesh Mehta - Objector appeared in person.

CORAM: K.R.SHRIRAM, J

DATE: 28.11.2017

P.C:-

1. In the order dated 20th November, 2017 in paragraph-1 the words "1st April, 2017" to be corrected to read as "1st April, 2016". Rest of the order remains unaltered. Original order be corrected accordingly.
2. Application disposed.

(K.R.SHRIRAM, J)

SCHEME OF ARRANGEMENT
BETWEEN
RELIANCE INFRASTRUCTURE LIMITED
AND
RELIANCE ELECTRIC GENERATION AND SUPPLY LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PREAMBLE

This Scheme of Arrangement ("Scheme") is presented under Sections 391 to 394 of the Companies Act, 1956 for transfer and vesting of Mumbai Power Division, Samalkot Power Station Division, Goa Power Station Division and Windmill Division of Reliance Infrastructure Limited ("RInfra" or "the Transferor Company") into Reliance Electric Generation and Supply Limited ("REGSPL" or "the Transferee Company") on a going concern basis pursuant to the relevant provisions of the Companies Act, 1956 and other applicable provisions of the Companies Act, 2013 (as defined hereinafter) and such other approvals / permissions, as may be required under applicable law, regulations, listing agreements and guidelines issued by the regulatory authorities.

The Transferor Company will continue to pursue its interests in the Remaining Business (as defined hereinafter) as is presently being carried out subject to the regulatory requirements, risks, etc, specific to its Remaining Business (as defined hereinafter).

This Scheme also makes provisions for various other matters consequential or related hereto and otherwise integrally connected herewith.

It is hereby clarified and stated that upon the relevant Sections of the Companies Act 2013 pertaining to Scheme of Compromise, Arrangement, or Amalgamation of companies being notified by the Ministry of Corporate Affairs ("MCA"), this Scheme shall if so required and permitted be deemed to have been formulated and presented under Sections 230 to 240 of the Companies Act, 2013 read with applicable Rules made thereunder.

RATIONALE

1. RInfra and Reliance Electric Generation and Supply Limited are part of Reliance Group.
2. The Transferor Company is listed on BSE Limited and National Stock Exchange of India Limited. It is one of the largest infrastructure companies, developing projects through various Special Purpose Vehicles (SPVs) in several high growth sectors within the infrastructure space such as Power, Roads, Metro Rail, Cement and Defence. It is a leading utility company having presence across the value chain of power businesses, i.e. Generation, Transmission, Distribution and Power Trading. It also provides Engineering, Procurement and Construction (EPC) services for developing power and road projects.
3. Reliance Electric Generation and Supply Limited is a wholly owned subsidiary of the Transferor Company.
4. Each of the several businesses carried on by the Transferor Company either by itself or through its subsidiaries and affiliate companies and through strategic investments in other

companies have significant potential for growth. The nature of risk and returns involved in each of these businesses is distinct from others and consequently each business or undertaking is capable of attracting a different set of investors, strategic partners, lenders and other stakeholders. There are also differences in the manner in which each of these businesses are required to be managed. In order to enable distinct focus of investors to invest in some of the key businesses and to lend greater focus to the operation of each of its diverse businesses, the Transferor Company has decided to transfer Mumbai Power Division, Samalkot Power Station Division, Goa Power Station Division and Windmill Division into its wholly owned subsidiary Reliance Electric Generation and Supply Limited.

5. The transfer and vesting of the Mumbai Power Division, Samalkot Power Station Division, Goa Power Station Division and Windmill Division of the Transferor Company pursuant to this Scheme is with a view to achieve following benefits:
 - Increasing shareholders' value by leveraging diversified investment opportunities
 - Attribution of appropriate risk and valuation to different businesses based on their respective risk-return profile and cash flows;
 - Pooling of resources at the Transferor Company level and allocation of capital to each of the businesses based on the risk-return;
 - Simplified and transparent business structure resulting into better management control on the businesses and achieving operational synergies.

PARTS OF THE SCHEME

The Scheme is divided into the following sections:

- (a) **SECTION 1** deals with the Definitions and Share Capital;
- (b) **SECTION 2A** deals with transfer of Goa Power Station Division of the Transferor Company into Reliance Electric Generation and Supply Limited;
- (c) **SECTION 2B** deals with transfer of Mumbai Power Division of the Transferor Company into Reliance Electric Generation and Supply Limited;
- (d) **SECTION 2C** deals with transfer of Samalkot Power Station Division of the Transferor Company into Reliance Electric Generation and Supply Limited;
- (e) **SECTION 2D** deals with transfer of Windmill Division of the Transferor Company into Reliance Electric Generation and Supply Limited;
- (f) **SECTION 3** deals with General Clauses, Terms and Conditions; and
- (g) **SECTION 4** deals with Other Terms and Conditions.

SECTION 1 DEFINITIONS AND SHARE CAPITAL

1.1. DEFINITIONS

In this Scheme of Arrangement (as defined hereunder), unless inconsistent with the subject or context, the following expressions shall have the following meaning:

- 1.1.1. **"Act"** or **"the Act"** means the Companies Act, 1956, the rules and regulations made thereunder and will include any statutory modification or re-enactment thereof for the time being in force and also mean and refer to corresponding sections of the Companies Act, 2013, the rules and regulations made thereunder, as and when such corresponding sections are notified by the Central Government;
- 1.1.2. **"Appointed Date"** means 1st April, 2018;
- 1.1.3. **"Board"** means the Board of Directors or in relation to the Transferor Company and the Transferee Company, as the case may be, means the board of directors of such Company, and shall include a committee duly constituted and authorised thereby for the

purpose of matters pertaining to the Scheme and/or any other consequential or incidental matter in relation thereto;

- 1.1.4. **“Capital Reserve”** means a reserve, not being a free reserve and not available for declaring dividend; however, available for issue of bonus shares;
- 1.1.5. **“Court” or “High Court”** means the Hon’ble High Court of Judicature at Bombay under the Companies Act, 1956 or such other Tribunal (i.e.) the National Company Law Tribunal (“NCLT”) & the National Company Law Appellate Tribunal (“NCLAT”) as constituted and authorized as per the provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of companies under section 230 to 240 of the Companies Act, 2013;
- 1.1.6. **“Effective Date” for each Section of the Scheme** means the date of resolution by the Board of Directors of the Transferor Company, resolving that a particular Section of the Scheme has become effective in terms of Clause 7.3.1. of this Scheme where such resolution follows the filing of the certified copies of the order sanctioning this Scheme of Arrangement, passed by the High Court or such other competent authority, as may be applicable, with the Registrar of Companies, by the Transferor Company and by the Transferee Company. All references in any Section of this Scheme to the date of “coming into effect of this Scheme” or “effectiveness of this Scheme” or “Scheme taking effect” shall mean the Effective Date relating to the Section;
- 1.1.7. **“Free Reserves”** means uncommitted reserves, not being capital reserves, available without limitation for all purposes including declaration of dividends and bonus shares;
- 1.1.8. **“Goa Power Station Division ”** means the power plant situated at Goa of the Transferor Company on a going concern basis along with all related assets liabilities, employees as follows:
- a) all assets wherever situated, whether movable or immovable, whether leasehold or freehold (including the right to use the land on which the Goa Power Station Division is located), tangible or intangible, including all land, capital work in progress, building, plant & machinery, equipment, vehicles, furniture, fixtures, office equipments, computer installations, electrical appliances, accessories, investments including all rights, title, interest, claims, covenants, undertakings of the Transferor Company pertaining to the Goa Power Station Division;
 - b) without prejudice to the generality of the Clause (a) above, the assets shall also include the following which relate to the Goa Power Station Division of the Transferor Company:
 - a. all the rights and licenses, all assignments and grants thereof, all permits, licenses, registrations, regulatory approvals, all municipal approvals, permission for establishing towers or receiving stations, quota rights, rights (including rights under any agreement, contracts, applications, letters of intent, or any other contracts), or grants, entitlements, allotments, recommendations, clearances, tenancies, offices, taxes, goodwill, tax credits (including, but not limited to, credits in respect of income tax and service tax, tax deducted at source, sales tax, advance tax, value added tax, excise duty, custom duty, service tax, works contract tax), privileges and benefits of all contracts, agreements, tenders, bids, performance statements and all other rights including lease rights, licenses, powers and facilities of every kind and description whatsoever;
 - b. inventories, cash balances, bank balances, bank accounts, privileges, all other claims, rights and benefits, powers and facilities of every kind, nature and description whatsoever, inventory, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, water and other

services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to Goa Power Station Division of the Transferor Company;

- c. all trademarks, trade names, copyrights, service marks, brand names, logos, patents and other intellectual property rights of whatsoever nature and the goodwill arising therefrom, whether registered, unregistered or pending registration, if any, pertaining to or relatable to the Goa Power Station Division;
- d. all deposits and balances with Government, Semi-Government, local and other authorities and bodies, customers and other persons, earnest moneys and/ or security deposits paid or received by the Transferor Company;
- e. all books, records, files, papers, computer programs, engineering and process information, all product and service pricing, drawings & designs, manuals, production methodologies, generation, distribution and transmission plans, quotations, websites, cloud storage, sales and advertising material, marketing strategies, list of present and former customers, customer credit information, customer pricing information, regulatory submissions and filings and other records whether in physical form or electronic form or in any other form;
- c) all debts, borrowings, debentures, provisions and liabilities including interest accrued thereon, whether present and future, whether secured and unsecured and the specific contingent liabilities pertaining to or relatable to the Goa Power Station Division;
- d) all employees of the Transferor Company substantially engaged in the Goa Power Station Division as determined by the Board of Directors of the Transferor Company;
- e) all legal, tax, regulatory, quasi-judicial, administrative proceedings, suits, appeals, applications or other proceedings of whatsoever nature initiated by or against the Transferor Company in connection with the Goa Power Station Division;

Explanation: Whether any particular asset or liability should be included as asset or liability of the Goa Power Station Division or otherwise shall be decided mutually by the Directors or any committee thereof of the Transferor Company and the Transferee Company;

1.1.9. **“Mumbai Power Division ”** means Mumbai Power Generation, Transmission and Distribution business of the Transferor Company on a going concern basis along with all related assets, liabilities, employees as follows:

- a) all assets wherever situated, whether movable or immovable, whether leasehold or freehold (including the right to various parcels of land on which activities relating to the Mumbai Power Generation, Transmission and Distribution business are located or carried out), tangible or intangible, including all land, capital work in progress, building, plant & machinery, equipment, vehicles, furniture, fixtures, office equipments, computer installations, electrical appliances, accessories, investments including all rights, title, interest, claims, covenants, undertakings of the Transferor Company pertaining to the Mumbai Power Generation, Transmission and Distribution business;
- b) without prejudice to the generality of the Clause (a) above, the assets shall also include the following which relate to the Mumbai Power Generation, Transmission and Distribution business of the Transferor Company:
 - a. all the rights and licenses, all assignments and grants thereof, all permits, licenses, registrations, regulatory approvals, all municipal approvals, permission for establishing towers or receiving stations, quota rights, rights (including rights under any agreement, contracts, applications, letters of intent, or any other contracts), or grants, entitlements, allotments, recommendations, clearances, tenancies, offices, taxes, goodwill, tax credits (including, but not limited to, credits

in respect of income tax and service tax, tax deducted at source, sales tax, advance tax, value added tax, excise duty, custom duty, service tax, works contract tax), privileges and benefits of all contracts, agreements, tenders, bids, performance statements and all other rights including lease rights, licenses, powers and facilities of every kind and description whatsoever;

- b. inventories, cash balances, bank balances, bank accounts, privileges, all other claims, rights and benefits, powers and facilities of every kind, nature and description whatsoever, inventory, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Mumbai Power Generation, Transmission and Distribution business of the Transferor Company;
- c. all trademarks, trade names, copyrights, service marks, brand names, logos, patents and other intellectual property rights of whatsoever nature and the goodwill arising therefrom, whether registered, unregistered or pending registration, if any, pertaining to or relatable to the Mumbai Power Generation, Transmission and Distribution business;
- d. all deposits and balances with Government, Semi-Government, local and other authorities and bodies, customers and other persons, earnest moneys and/ or security deposits paid or received by the Transferor Company;
- e. all books, records, files, papers, computer programs, engineering and process information, all product and service pricing, drawings & designs, manuals, production methodologies, generation, distribution and transmission plans, quotations, websites, cloud storage, sales and advertising material, marketing strategies, list of present and former customers, customer credit information, customer pricing information, regulatory submissions and filings and other records whether in physical form or electronic form or in any other form;
- c) all debts, borrowings, debentures, provisions and liabilities including interest accrued thereon, whether present and future, whether secured and unsecured and the specific contingent liabilities pertaining to or relatable to the Mumbai Power Generation, Transmission and Distribution business;
- d) Debenture Redemption Reserve, Revaluation Reserve, Contingencies Reserve Fund, Development Reserve Account No1, Development Reserve Account No 2, Debt Redemption Reserve, Rural Electrification Scheme Reserve, Reserve to Augment Production Facilities, Reserve for Power Project, Development Reserve Account no 3, Service Line Contribution pertaining to the Mumbai Power Division.all employees of the Transferor Company substantially engaged in the Mumbai Power Generation, Transmission and Distribution business as determined by the Board of Directors of the Transferor Company;
- e) all legal, tax, regulatory, quasi-judicial, administrative proceedings, suits, appeals, applications or other proceedings of whatsoever nature initiated by or against the Transferor Company in connection with the Mumbai Power Generation, Transmission and Distribution business;

Explanation: Whether any particular asset, liability or reserve should be included as asset, liability or reserve of the Mumbai Power Generation, Transmission and Distribution business or otherwise shall be decided mutually by the Directors or any committee thereof of the Transferor Company and the Transferee Company;

- 1.1.10. **“Samalkot Power Station Division ”** means power plant situated at Samalkot, Andhra Pradesh, of the Transferor Company on a going concern basis along with all related assets, liabilities, employees as follows:

- a) all assets wherever situated, whether movable or immovable, whether leasehold or freehold (including the right to use the land on which the Samalkot Power Station Division is located), tangible or intangible, including all land, capital work in progress, building, plant & machinery, equipment, vehicles, furniture, fixtures, office equipments, computer installations, electrical appliances, accessories, investments including all rights, title, interest, claims, covenants, undertakings of the Transferor Company pertaining to the Samalkot Power Station Division;
- b) without prejudice to the generality of the Clause (a) above, the assets shall also include the following which relate to the Samalkot Power Station Division of the Transferor Company:
 - a. all the rights and licenses, all assignments and grants thereof, all permits, licenses, registrations, regulatory approvals, all municipal approvals, permission for establishing towers or receiving stations, quota rights, rights (including rights under any agreement, contracts, applications, letters of intent, or any other contracts), or grants, entitlements, allotments, recommendations, clearances, tenancies, offices, taxes, goodwill, tax credits (including, but not limited to, credits in respect of income tax and service tax, tax deducted at source, sales tax, advance tax, value added tax, excise duty, custom duty, service tax, works contract tax), privileges and benefits of all contracts, agreements, tenders, bids, performance statements and all other rights including lease rights, licenses, powers and facilities of every kind and description whatsoever;
 - b. inventories, cash balances, bank balances, bank accounts, privileges, all other claims, rights and benefits, powers and facilities of every kind, nature and description whatsoever, inventory, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Samalkot Power Station Division of the Transferor Company;
 - c. all trademarks, trade names, copyrights, service marks, brand names, logos, patents and other intellectual property rights of whatsoever nature and the goodwill arising therefrom, whether registered, unregistered or pending registration, if any, pertaining to or relatable to the Samalkot Power Station Division;
 - d. all deposits and balances with Government, Semi-Government, local and other authorities and bodies, customers and other persons, earned moneys and/ or security deposits paid or received by the Transferor Company;
 - e. all books, records, files, papers, computer programs, engineering and process information, all product and service pricing, drawings & designs, manuals, production methodologies, generation, distribution and transmission plans, quotations, websites, cloud storage, sales and advertising material, marketing strategies, list of present and former customers, customer credit information, customer pricing information, regulatory submissions and filings and other records whether in physical form or electronic form or in any other form;
- c) all debts, borrowings, debentures, provisions and liabilities including interest accrued thereon, whether present and future, whether secured and unsecured and the specific contingent liabilities pertaining to or relatable to the Samalkot Power Station Division;
- d) all employees of the Transferor Company substantially engaged in the Mumbai Power Generation, Transmission and Distribution business as determined by the Board of Directors of the Transferor Company;

- e) all legal, tax, regulatory, quasi-judicial, administrative proceedings, suits, appeals, applications or other proceedings of whatsoever nature initiated by or against the Transferor Company in connection with the Samalkot Power Station Division;

Explanation: Whether any particular asset or liability should be included as asset or liability of the Samalkot Power Station Division or otherwise shall be decided mutually by the Directors or any committee thereof of the Transferor Company and the Transferee Company;

- 1.1.11. **“Transferred Division”** and **“Transferred Divisions”** means as per the context all or one of the Mumbai Power Division, Goa Power Station Division, and Samalkot Power Station Division and Windmill Division of the Transferor Company;
- 1.1.12. **“Transferor Company”** or **“Rlnfra”** means Reliance Infrastructure Limited, a company incorporated under the Indian Companies Act, 1913, and having its registered office at H Block, 1st floor, Dhirubhai Ambani Knowledge City, Navi Mumbai-400710 ;;
- 1.1.13. **“Transferee Company”** or **“REGSPL”** means Reliance Electric Generation and Supply Limited, a company incorporated under the Companies Act, 1956, and having its registered office at H Block, 1st floor, Dhirubhai Ambani Knowledge City, Navi Mumbai-400710;
- 1.1.14. **“Remaining Business of Rlnfra”** means all the undertakings, businesses, units, divisions, activities, investments and operations (including but not limited to Engineering, Procurement and Construction (EPC) business) and their respective assets and liabilities including employees of the Transferor Company other than those forming part of Transferred Divisions pursuant to this Scheme;
- 1.1.15. **“Registrar of Companies”** means the Registrar of Companies, Mumbai;
- 1.1.16. **“Scheme”** or **“the Scheme”** or **“this Scheme”** or **“Scheme of Arrangement”** means this Scheme of Arrangement in its present form as submitted to the Honorable High Court of Judicature at Bombay or this Scheme with such modification(s), if any made, as per Clause 7.2 of the Scheme;
- 1.1.17. **“Windmill Division”** means the wind farm situated at Karnataka of the Transferor Company on a going concern basis along with all related assets, liabilities, employees as follows:
- a) all assets wherever situated, whether movable or immovable, whether leasehold or freehold (including the right to use the land on which the Windmill Division is located), tangible or intangible, including all land, capital work in progress, building, plant & machinery, equipment, vehicles, furniture, fixtures, office equipments, computer installations, electrical appliances, accessories, investments including all rights, title, interest, claims, covenants, undertakings of the Transferor Company pertaining to the Windmill Division;
 - b) without prejudice to the generality of the Clause (a) above, the assets shall also include the following which relate to the Windmill Division of the Transferor Company:
 - a. all the rights and licenses, all assignments and grants thereof, all permits, licenses, registrations, regulatory approvals, all municipal approvals, permission for establishing towers or receiving stations, quota rights, rights (including rights under any agreement, contracts, applications, letters of intent, or any other contracts), or grants, entitlements, allotments, recommendations, clearances, tenancies, offices, taxes, goodwill, tax credits (including, but not limited to, credits in respect of income tax and service tax, tax deducted at source, sales tax, advance tax, value added tax, excise duty, custom duty, service tax, works contract tax), privileges and benefits of all contracts, agreements, tenders, bids,

performance statements and all other rights including lease rights, licenses, powers and facilities of every kind and description whatsoever;

- b. inventories, cash balances, bank balances, bank accounts, privileges, all other claims, rights and benefits, powers and facilities of every kind, nature and description whatsoever, inventory, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Windmill Division of the Transferor Company;
 - c. all trademarks, trade names, copyrights, service marks, brand names, logos, patents and other intellectual property rights of whatsoever nature and the goodwill arising therefrom, whether registered, unregistered or pending registration, if any, pertaining to or relatable to the Windmill Division;
 - d. all deposits and balances with Government, Semi-Government, local and other authorities and bodies, customers and other persons, earned moneys and/ or security deposits paid or received by the Transferor Company;
 - e. all books, records, files, papers, computer programs, engineering and process information, all product and service pricing, drawings & designs, manuals, production methodologies, generation, distribution and transmission plans, quotations, websites, cloud storage, sales and advertising material, marketing strategies, list of present and former customers, customer credit information, customer pricing information, regulatory submissions and filings and other records whether in physical form or electronic form or in any other form;
- c) all debts, borrowings, debentures, provisions and liabilities including interest accrued thereon, whether present and future, whether secured and unsecured and the specific contingent liabilities pertaining to or relatable to the Windmill Division;
 - d) all employees of the Transferor Company substantially engaged in the Windmill Division as determined by the Board of Directors of the Transferor Company;
 - e) all legal, tax, regulatory, quasi-judicial, administrative proceedings, suits, appeals, applications or other proceedings of whatsoever nature initiated by or against the Transferor Company in connection with the Windmill Division;

Explanation: Whether any particular asset or liability should be included as asset or liability of the Windmill Division or otherwise shall be decided mutually by the Directors or any committee thereof of the Transferor Company and the Transferee Company.

All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof for the time being in force.

1.2. SHARE CAPITAL

1.2.1. The share capital of the Transferor Company as on December 31, 2015 is as under:

Share Capital	Amount in Rs
<u>Authorized Share Capital</u>	
45,00,60,000 Equity Shares of Rs. 10/- each	450,06,00,000
80,00,000 Equity Shares of Rs. 10/- each with differential rights	8,00,00,000
155,00,00,000 Redeemable Preference Shares of Rs 10/- each	1550,00,00,000
4,20,00,000 Unclassified Shares of Rs 10/- each	42,00,00,000
TOTAL	2050,06,00,000
<u>Issued Share Capital</u>	
26,53,92,065 Equity Shares of Rs. 10/- each fully paid up	265,39,20,650
<u>Subscribed and Fully Paid-up Share Capital</u>	
26,29,90,000 Equity Shares of Rs. 10/- each fully paid up	262,99,00,000
<u>Add:</u> 3,54,479 Forfeited Shares-Amount originally paid up	3,54,479
TOTAL	263,02,54,479

The shares of the Transferor Company are listed on the BSE Limited and the National Stock Exchange of India Limited. Subsequent to December 31, 2015, up to the date of the Scheme being approved by the Board of Directors of the Transferor Company there is no change in authorised, issued, subscribed and paid-up equity share capital of the Transferor Company

1.2.2. The share capital of the Transferee Company as on December 31, 2015 is as under:

Share Capital	Amount in Rs
<u>Authorized Share Capital</u>	
50,000 Equity Shares of Rs 10 each	5,00,000
TOTAL	5,00,000
<u>Issued, Subscribed and Fully Paid-up Share Capital</u>	
50,000 Equity Shares of Rs 10 each	5,00,000
TOTAL	5,00,000

Subsequent to December 31, 2015, upto the date of the Scheme being approved by the Board of Directors of the Transferee Company there is no change in authorised, issued, subscribed and paid-up equity share capital of the Transferee Company.

The entire share capital of the Transferee Company is held by the Transferor Company along with nominee shareholders.

1.3. DATE OF TAKING EFFECT AND OPERATIVE DATE

Each Section of the Scheme, set out herein in its present form or with any modifications(s) in accordance with Clause 7.2 of the Scheme shall be effective from the Appointed Date but operative from the Effective Date.

SECTION 2A

2.1 TRANSFER AND VESTING OF GOA POWER STATION DIVISION OF THE TRANSFEROR COMPANY INTO THE TRANSFeree COMPANY

2.1.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the Goa Power Station Division of the Transferor Company shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company, as a going concern, in the following manner:

- a) With effect from the Appointed Date, the whole of the undertaking and properties of the Goa Power Station Division shall pursuant to the provisions contained in Sections 391 to 394 and all other applicable provisions, if any, of the Act and without any further act, deed, matter or thing, stand transferred to and vested in and / or be deemed to be transferred to and vested in the Transferee Company on going concern basis so as to vest in the Transferee Company all rights, title and interest pertaining to the Goa Power Station Division.
- b) With effect from the Appointed Date and upon the Scheme becoming effective, all the immovable properties of the Goa Power Station Division, whether freehold or leasehold and any documents of title and rights thereto shall stand transferred and vested in Transferee Company and shall become the property and integral part of the Transferee Company, without any further act, instrument or deed required by either of the Transferee Company or Transferor Company and without any approval or acknowledgement of any third party.
- c) In respect of such of the assets and properties forming part of the Assets pertaining to the Goa Power Station Division as are movable in nature or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and / or delivery, the same shall stand transferred by the Transferor Company upon coming into effect of the Scheme and shall, ipso facto and without any other order to this effect, become the assets and properties of the Transferee Company.
- d) In respect of assets other than those dealt with in Clause (c) above and forming part of the Assets, including but not limited to sundry debts, receivables, bills, credits, loans, advances and deposits if any, pertaining to the Goa Power Station Division, whether recoverable in cash or in kind or for value to be received, the same shall stand transferred to and vested in the Transferee Company without any notice or other intimation to any Person in pursuance of the provisions of the Sections 391 to 394 of the Companies Act, 1956, read with other relevant provisions of the Act to the end and intent that the right of the Transferor Company to recover or realise the same stands transferred to the Transferee Company. The Transferee Company shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such person, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred and vested in the Transferee Company and that appropriate modification should be made in their respective books / records to reflect the aforesaid changes and the Transferor Company shall provide all necessary assistance required in this regard.
- e) With effect from the Appointed Date, all debts, liabilities and accrued interest thereon, contingent liabilities, duties and obligations of every kind, nature and description of the Transferor Company pertaining to Goa Power Station Division under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company, so as to become from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.

2.2 CONSIDERATION

Upon the Scheme coming into effect and in consideration of the transfer and vesting of the Goa Power Station Division in the Transferee Company on a going concern basis pursuant to provisions of this Scheme and applicable law, the Transferee Company shall pay a lump sum cash consideration of Rs109 crores (Rupees One Hundred and Nine Crores) to the Transferor Company.

2.3 ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEROR COMPANY

- 2.3.1 The Transferor Company shall reduce from its books, the book value of assets and liabilities, as on the Appointed Date, transferred as part of the Goa Power Station Division pursuant to the Scheme.
- 2.3.2 The Transferor Company shall transfer the revaluation reserve pertaining to the Goa Power Station Division, at the amount appearing as on the Appointed Date, to the General Reserves of the Transferor Company.
- 2.3.3 The statement of the profit and loss account of the Transferor Company shall be debited/credited with the difference between the value of net assets i.e. book values of assets as reduced by the liabilities pertaining to the Goa Power Station Division over the value of the lumpsum Consideration receivable by the Transferor Company.

2.4 ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEE COMPANY

- 2.4.1 Upon coming into effect of this Scheme and upon the arrangement becoming operative, the Transferee Company shall record the Assets and Liabilities comprised in the Goa Power Station Division transferred to and vested in it pursuant to this Scheme, at the fair market value as on the Appointed Date.
- 2.4.2 The deficit or excess , if any, remaining after recording the aforesaid entries over the value of the lumpsum Consideration payable to the Transferor Company shall be debited by the Transferee Company to goodwill or credited to the capital reserve account, as the case may be.

SECTION 2B

3.1 TRANSFER AND VESTING OF MUMBAI POWER DIVISION OF THE TRANSFEROR COMPANY INTO THE TRANSFEE COMPANY

- 3.1.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the Mumbai Power Division of the Transferor Company shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company, as a going concern, in the following manner:
 - a) With effect from the Appointed Date, the whole of the undertaking and properties of the Mumbai Power Division shall pursuant to the provisions contained in Sections 391 to 394 and all other applicable provisions, if any, of the Act and without any further act, deed, matter or thing, stand transferred to and vested in and / or be deemed to be transferred to and vested in the Transferee Company on going concern basis so as to vest in the Transferee Company all rights, title and interest pertaining to the Mumbai Power Division.
 - b) With effect from the Appointed Date and upon the Scheme becoming effective, all the immovable properties of the Mumbai Power Division, whether freehold or leasehold and any documents of title and rights thereto shall stand transferred and vested in Transferee Company and shall become the property and integral part of

the Transferee Company, without any further act, instrument or deed required by either of the Transferee Company or Transferor Company and without any approval or acknowledgement of any third party.

- c) In respect of such of the assets and properties forming part of the Assets pertaining to the Mumbai Power Division as are movable in nature or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and / or delivery, the same shall stand transferred by the Transferor Company upon coming into effect of the Scheme and shall, ipso facto and without any other order to this effect, become the assets and properties of the Transferee Company.
- d) In respect of assets other than those dealt with in Clause(c) above and forming part of the Assets, including but not limited to sundry debts, receivables, bills, credits, loans, advances and deposits if any, pertaining to the Mumbai Power Division, whether recoverable in cash or in kind or for value to be received, the same shall stand transferred to and vested in the Transferee Company without any notice or other intimation to any Person in pursuance of the provisions of the Sections 391 to 394 of the Companies Act, 1956, read with other relevant provisions of the Act to the end and intent that the right of the Transferor Company to recover or realise the same stands transferred to the Transferee Company. The Transferee Company shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such person, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred and vested in the Transferee Company and that appropriate modification should be made in their respective books / records to reflect the aforesaid changes and the Transferor Company shall provide all necessary assistance required in this regard.
- e) With effect from the Appointed Date, all reserves, debts, liabilities and accrued interest thereon, contingent liabilities, duties and obligations of every kind, nature and description of the Transferor Company pertaining to Mumbai Power Division under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company, so as to become from the Appointed Date the reserves, debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and 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 reserves, debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.
- f) The Transferee Company shall issue its debentures in lieu of the debentures in the Transferor Company on the same terms as that of the existing debentures in the Transferor Company subject however that the period of redemption of the debentures issued by the Transferee Company shall not extend beyond the date on which the existing debentures of the Transferor Company are redeemable.

3.2 CONSIDERATION

Upon the Scheme coming into effect and in consideration of the transfer and vesting of the Mumbai Power Division in the Transferee Company on a going concern basis pursuant to provisions of this Scheme and applicable law, the Transferee Company shall pay a lump sum cash consideration of Rs5,575 crores (Rupees Five Thousand Five Hundred and Seventy Five Crores) to the Transferor Company.

3.3 ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEROR COMPANY

- 3.3.1 The Transferor Company shall reduce from its books, the book value of assets and liabilities, as on the Appointed Date, transferred as part of the Mumbai Power Division pursuant to the Scheme.
- 3.3.2 The Transferor Company shall transfer the reserves as mentioned in clause 1.1.9(d) transferred as part of the Mumbai Power Division pursuant to the Scheme, at the amount appearing as on the Appointed Date, to the General Reserves of the Transferor Company.
- 3.3.3 The statement of the profit and loss account of the Transferor Company shall be debited/credited with the difference between the value of net assets i.e. book values of assets as reduced by the liabilities pertaining to the Mumbai Power Division over the value of the lumpsum Consideration receivable by the Transferor Company.

3.4 ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFeree COMPANY

- 3.4.1 Upon coming into effect of this Scheme and upon the arrangement becoming operative, the Transferee Company shall record the Assets and Liabilities comprised in the Mumbai Power Division transferred to and vested in it pursuant to this Scheme, at the fair market value as on the Appointed Date.
- 3.4.2 The Transferee Company shall record the reserves as mentioned in clause 1.1.9(d) at the amounts appearing in the books of Transferor Company as on the Appointed Date, transferred as part of the Mumbai Power Division pursuant to the Scheme.
- 3.4.3 The deficit or excess, if any, remaining after recording the aforesaid entries specified in clause 3.4.1 and 3.4.2 above over the value of the lumpsum Consideration payable to the Transferor Company shall be debited by the Transferee Company to goodwill or credited to the capital reserve account, as the case may be.

SECTION 2C

4.1 TRANSFER AND VESTING OF SAMALKOT POWER STATION DIVISION OF THE TRANSFEROR COMPANY INTO THE TRANSFeree COMPANY

- 4.1.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the SamalkotPower Station Division of the Transferor Company shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company, as a going concern, in the following manner:
 - a) With effect from the Appointed Date, the whole of the undertaking and properties of the SamalkotPower Station Division shall pursuant to the provisions contained in Sections 391 to 394 and all other applicable provisions, if any, of the Act and without any further act, deed, matter or thing, stand transferred to and vested in and / or be deemed to be transferred to and vested in the Transferee Company on going concern basis so as to vest in the Transferee Company all rights, title and interest pertaining to the SamalkotPower Station Division.

- b) With effect from the Appointed Date and upon the Scheme becoming effective, all the immovable properties of the Samalkot Power Station Division, whether freehold or leasehold and any documents of title and rights thereto shall stand transferred and vested in Transferee Company and shall become the property and integral part of the Transferee Company, without any further act, instrument or deed required by either of the Transferee Company or Transferor Company and without any approval or acknowledgement of any third party.
- c) In respect of such of the assets and properties forming part of the Assets pertaining to the Samalkot Power Station Division as are movable in nature or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and / or delivery, the same shall stand transferred by the Transferor Company upon coming into effect of the Scheme and shall, ipso facto and without any other order to this effect, become the assets and properties of the Transferee Company.
- d) In respect of assets other than those dealt with in Clause(c) above and forming part of the Assets, including but not limited to sundry debts, receivables, bills, credits, loans, advances and deposits if any, pertaining to the Samalkot Power Station Division, whether recoverable in cash or in kind or for value to be received, the same shall stand transferred to and vested in the Transferee Company without any notice or other intimation to any Person in pursuance of the provisions of the Sections 391 to 394 of the Companies Act, 1956, read with other relevant provisions of the Act to the end and intent that the right of the Transferor Company to recover or realise the same stands transferred to the Transferee Company. The Transferee Company shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such person, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred and vested in the Transferee Company and that appropriate modification should be made in their respective books / records to reflect the aforesaid changes and the Transferor Company shall provide all necessary assistance required in this regard.
- e) With effect from the Appointed Date, all debts, liabilities and accrued interest thereon, contingent liabilities, duties and obligations of every kind, nature and description of the Transferor Company pertaining to Samalkot Power Station Division under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company, so as to become from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.

4.2 CONSIDERATION

Upon the Scheme coming into effect and in consideration of the transfer and vesting of the Samalkot Power Station Division in the Transferee Company on a going concern basis pursuant to provisions of this Scheme and applicable law, the Transferee Company shall pay a lump sum cash consideration of Rs563 crores (Rupees Five Hundred and Sixty Three Crores) to the Transferor Company.

4.3 ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEROR COMPANY

- 4.3.1 The Transferor Company shall reduce from its books, the book value of assets and liabilities, as on the Appointed Date, transferred as part of the Samalkot Power Station Division pursuant to the Scheme.
- 4.3.2 The Transferor Company shall transfer the revaluation reserve pertaining to the Samalkot Power Station Division, at the amount appearing as on the Appointed Date, to the General Reserves of the Transferor Company.
- 4.3.3 The statement of the profit and loss account of the Transferor Company shall be debited/credited with the difference between the value of net assets i.e. book values of assets as reduced by the liabilities pertaining to the Samalkot Power Station Division over the value of the lumpsum Consideration receivable by the Transferor Company.

4.4 ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFeree COMPANY

- 4.4.1 Upon coming into effect of this Scheme and upon the arrangement becoming operative, the Transferee Company shall record the Assets and Liabilities comprised in the Samalkot Power Station Division transferred to and vested in it pursuant to this Scheme, at the fair market value as on the Appointed Date.
- 4.4.2 The deficit or excess, if any, remaining after recording the aforesaid entries over the value of the lumpsum Consideration payable to the Transferor Company shall be debited by the Transferee Company to goodwill or credited to the capital reserve account, as the case may be.

SECTION 2D

5.1 TRANSFER AND VESTING OF WINDMILL DIVISION OF THE TRANSFEROR COMPANY INTO THE TRANSFeree COMPANY

- 5.1.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the Windmill Division of the Transferor Company shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company, as a going concern, in the following manner:
 - a) With effect from the Appointed Date, the whole of the undertaking and properties of the Windmill Division shall pursuant to the provisions contained in Sections 391 to 394 and all other applicable provisions, if any, of the Act and without any further act, deed, matter or thing, stand transferred to and vested in and / or be deemed to be transferred to and vested in the Transferee Company on going concern basis so as to vest in the Transferee Company all rights, title and interest pertaining to the Windmill Division.
 - b) With effect from the Appointed Date and upon the Scheme becoming effective, all the immovable properties of the Windmill Division, whether freehold or leasehold and any documents of title and rights thereto shall stand transferred and vested in Transferee Company and shall become the property and integral part of the Transferee Company, without any further act, instrument or deed required by either of the Transferee Company or Transferor Company and without any approval or acknowledgement of any third party.

- c) In respect of such of the assets and properties forming part of the Assets pertaining to the Windmill Division as are movable in nature or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and / or delivery, the same shall stand transferred by the Transferor Company upon coming into effect of the Scheme and shall, ipso facto and without any other order to this effect, become the assets and properties of the Transferee Company.
- d) In respect of assets other than those dealt with in Clause(c) above and forming part of the Assets, including but not limited to sundry debts, receivables, bills, credits, loans, advances and deposits if any, pertaining to the Windmill Division, whether recoverable in cash or in kind or for value to be received, the same shall stand transferred to and vested in the Transferee Company without any notice or other intimation to any Person in pursuance of the provisions of the Sections 391 to 394 of the Companies Act, 1956, read with other relevant provisions of the Act to the end and intent that the right of the Transferor Company to recover or realise the same stands transferred to the Transferee Company. The Transferee Company shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such person, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred and vested in the Transferee Company and that appropriate modification should be made in their respective books / records to reflect the aforesaid changes and the Transferor Company shall provide all necessary assistance required in this regard.
- e) With effect from the Appointed Date, all debts, liabilities and accrued interest thereon, contingent liabilities, duties and obligations of every kind, nature and description of the Transferor Company pertaining to Windmill Division under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company, so as to become from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.

5.2 CONSIDERATION

Upon the Scheme coming into effect and in consideration of the transfer and vesting of the Windmill Division in the Transferee Company on a going concern basis pursuant to provisions of this Scheme and applicable law, the Transferee Company shall pay a lump sum cash consideration of Rs35.50 crores (Rupees Thirty Five Crores and Fifty Lakhs) to the Transferor Company.

5.3 ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEROR COMPANY

- 5.3.1 The Transferor Company shall reduce from its books, the book value of assets and liabilities, as on the Appointed Date, transferred as part of the Windmill Division pursuant to the Scheme.
- 5.3.2 The Transferor Company shall transfer the revaluation reserve pertaining to the Windmill Station Division, at the amount appearing as on the Appointed Date, to the General Reserves of the Transferor Company.

- 5.3.3 The statement of the profit and loss account of the Transferor Company shall be debited/credited with the difference between the value of net assets i.e. book values of assets as reduced by the liabilities pertaining to the Windmill Division over the value of the lumpsum Consideration receivable by the Transferor Company.

5.4 ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFeree COMPANY

- 5.4.1 Upon coming into effect of this Scheme and upon the arrangement becoming operative, the Transferee Company shall record the Assets and Liabilities comprised in the Windmill Division transferred to and vested in it pursuant to this Scheme, at the fair market value as on the Appointed Date.
- 5.4.2 The deficit or excess, if any, remaining after recording the aforesaid entries over the value of the lumpsum Consideration payable to the Transferor Company shall be debited by the Transferee Company to goodwill or credited to the capital reserve account, as the case may be.

SECTION 3

GENERAL CLAUSES, TERMS AND CONDITIONS

6.1 PERMITS, REGULATORY APPROVALS, TAX INCENTIVES AND TAX CREDITS

- 6.1.1 With effect from the Appointed Date, all the statutory licenses, permissions, approvals, consents held by the Transferor Company pertaining to the Transferred Divisions without any further act or deed shall be deemed to be transferred to and vested in the Transferee Company and the concerned licensor and grantors of such Licenses shall endorse where necessary, and record the Transferee Company on such Licenses so as to empower and facilitate the approval and vesting of the Transferred Divisions of the Transferor Company in the Transferee Company and continuation of operations pertaining to the Transferred Divisions of the Transferor Company in the Transferee Company without any hindrance, and shall be appropriately mutated by the authorities concerned therewith in favour of the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and Transferee 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 Transferee Company. The benefit of all Licenses, statutory and regulatory, including tax registrations, permissions or approvals or consents required to carry on the operations of the Transferred Divisions shall without any other order to this effect, vest into and become available to the Transferee Company pursuant to the sanction of this Scheme.
- 6.1.2 In so far as the immovable properties pertaining to the Transferred Divisions held by the Transferor Company is concerned, parties shall register the true copy of the order of the High Court approving the Scheme or if so required or advised conveyance deed(s) entered into by the Transferor Company and Transferee Company for the purpose of transferring the immovable properties, as the case may be, with the offices of the relevant sub-registrar of assurance or similar registering authority. All the rights of the Transferor Company in such immovable properties of the Transferred Divisions shall on the Scheme becoming effective stand transferred to the Transferee Company and where required such authorities shall make necessary mutation entries and changes in the land or revenue or other applicable records to reflect the name of the Transferee Company as owner of the immovable properties.

6.1.3 The Transferor Company in relation to the Transferred Divisions may be entitled to various incentive schemes and pursuant to this Scheme, it is declared that the benefits under all such schemes and policies pertaining to the Transferred Divisions shall stand transferred to and vested in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever including benefits, deductions, exemptions under the income tax, excise, sales tax, service tax, exemptions, concessions, remissions, subsidies and other incentives in relation to the Transferred Divisions, to the extent statutorily available, shall be claimed by the Transferee Company.

6.1.4 The Transferee Company will be the successor of the Transferor Company vis-à-vis the Transferred Divisions. Hence, it will be deemed that the benefit of any tax credits whether central, state or local, availed vis-à-vis the Transferred Divisions and the obligations if any for payment of the tax on any assets forming part of Transferred Divisions or their erection and / or installation, etc. shall be deemed to have been availed by the Transferee Company or as the case may be deemed to be the obligations of the Transferee Company. Consequently, and as the Scheme does not contemplate removal of any asset by the Transferee Company from the premises in which it is installed, no reversal of any tax credit needs to be made or is required to be made by the Transferor Company.

6.2 REMAINING BUSINESS OF THE TRANSFEROR COMPANY

6.2.1 It is clarified that, the Remaining Business and all the assets, liabilities and obligations of the Transferor Company other than those transferred pursuant to this Scheme shall continue to belong to and be managed by the Transferor Company.

6.2.2 All legal and other proceedings by or against the Transferor Company under any statute, whether pending on the Appointed Date or which may be initiated in future, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business of the Transferor Company (including those relating to any property, right, power, liability, obligation or duty, of the Transferor Company in respect of the Remaining Business of the Transferor Company) shall be continued and enforced by or against the Transferor Company.

6.2.3 With effect from the Appointed Date and including the Effective Date –
a. The Transferor Company shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Remaining Business of the Transferor Company for and on its own behalf;
b. all profit accruing to the Transferor Company thereon or losses arising or incurred by it relating to the Remaining Business of the Transferor Company shall, for all purposes, be treated as the profit, or losses, as the case may be, of the Transferor Company.

6.3 CONDUCT OF BUSINESS OF TRANSFERRED DIVISIONS UNTIL THE EFFECTIVE DATE

6.3.1 With effect from the date of filing the Scheme in the High Court and up to and including the Effective Date except in the ordinary course of business the Transferor Company shall not without the prior written consent of the Board of Directors of the Transferee Company or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage or encumber or otherwise deal with or dispose-off any of the Transferred Divisions or any material assets or part thereof.

6.4 LEGAL PROCEEDINGS

- 6.4.1 All legal proceedings of whatsoever nature by or against the Transferor Company pending and/or arising before the Effective Date and relating to the Transferred Divisions, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Transferee Company, as the case may be in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.
- 6.4.2 After the Effective Date, if any proceedings are taken against the Transferor Company in respect of the matters referred above, it shall defend the same at the cost of the Transferee Company, and the Transferee Company shall reimburse and indemnify the Transferor Company against all liabilities and obligations incurred by the Transferor Company in respect thereof.
- 6.4.3 The Transferee Company undertake to have all respective legal or other proceedings initiated by or against the Transferor Company as referred above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company as the case may be, to the exclusion of the Transferor Company.

6.5 CONTRACTS, DEEDS, ETC.

- 6.5.1 Notwithstanding anything to the contrary contained in the contract, deed, bond, agreement or any other instrument, but subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, memorandum of understandings and other instruments, if any, of whatsoever nature and subsisting or having effect on the Effective Date and relating to the Transferred Divisions of the Transferor Company, shall continue in full force and effect against or in favour of the Transferee Company and may be enforced effectively by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.
- 6.5.2 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.

6.6 SAVING OF CONCLUDED TRANSACTIONS

- 6.6.1 The transfer of properties and liabilities above and the continuance of proceedings by or against the Transferee Company above shall not affect any transaction or proceedings already concluded in the Transferor Company, in relation to the respective Transferred Divisions on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accept and adopt all acts, deeds and things done and executed by the Transferor Company, in relation to the respective Transferred Divisions in respect thereto as done and executed on their behalf.

6.7 STAFF, WORKMEN & EMPLOYEES

- 6.7.1 Upon the coming into effect of this Scheme, all employees of the Transferor Company engaged in or in relation to the Transferred Divisions of the Transferor Company and who are in such employment as on the Effective Date shall become the employees of the Transferee Company and, subject to the provisions of this Scheme, on terms and conditions not less favorable than those on which they are engaged by the Transferor Company and without any interruption of or break in service as a result of the transfer of the Transferred Divisions.
- 6.7.2 In so far as the existing provident fund, gratuity fund and pension and/or superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Company for the employees related to the Transferred Divisions (collectively referred to as the "Funds"), the Funds and such of the investments made by the Funds which are referable to the employees related to the Transferred Divisions being transferred to the Transferee Company, in terms of Clause 6.7.1 above shall be transferred to the Transferee Company and shall be held for their benefit pursuant to this Scheme in the manner provided hereinafter. The Funds shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees related to respective Transferred Divisions or be transferred to and merged with other similar funds of the Transferee Company. In the event that the Transferee Company do not have their own funds in respect of any of the above, the Transferee Company may, subject to necessary approvals and permissions, continue to contribute to relevant funds of the Transferor Company, until such time that the Transferee Company create their own fund, at which time the Funds and the investments and contributions pertaining to the employees related to Transferred Divisions shall be transferred to the funds created by the Transferee Company. Subject to the relevant law, rules and regulations applicable to the Funds, the Board of Directors or any committee thereof of the Transferor Company and the Transferee Company may decide to continue to make the said contributions to the Funds of the Transferor Company.

6.8 SECURITY CHARGE AGAINST LOANS

It is provided that unless otherwise determined by the Board of Directors of the Transferor Company and the Transferee Company, the security or charge relating to existing loans, borrowings or debentures of the Transferor Company, in relation to the Transferred Divisions shall without any further act or deed continue to relate to the existing security, whether forming part of the Transferred Divisions or not after the Effective Date irrespective of the fact that the asset being offered as security may be part of the Transferor Company or the Transferee Company.

SECTION 4

OTHER TERMS AND CONDITIONS

7.1 APPLICATION TO HIGH COURT

The Transferor Company and the Transferee Company shall as may be required make applications and/or petitions under Sections 391 to 394 of the Act and other applicable provisions of the Act to the High Court of Judicature at Bombay for sanction of this Scheme and all matters ancillary or incidental thereto.

7.2 MODIFICATION OR AMENDMENTS TO THE SCHEME

Subject to approval of High Court, the Transferee Company and the Transferor Company with the approval of their respective Boards of Directors may consent, from time to time, on behalf of all persons concerned, to any modifications/amendments or additions/deletions to the Scheme which may otherwise be considered necessary, desirable or appropriate by the said Boards of Directors to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds matters, and things necessary for bringing this Scheme into effect or agree to any terms and / or conditions or limitations that the Hon'ble Court or any other authorities under law may deem fit to approve of, to direct and or impose. The aforesaid powers of the Transferee Company and the Transferor Company to give effect to the modification/amendments to the Scheme may be exercised by their respective Boards of Directors or any person authorised in that behalf by the concerned Board of Directors subject to approval of the Hon'ble Court or any other authorities under applicable law.

7.3 CONDITIONALITY OF THE SCHEME

7.3.1 This Scheme is and shall be conditional upon and subject to:

- a) The Scheme being approved by the requisite majorities in number and value of such classes of persons including the members and / or creditors of the Transferor Company and the Transferee Company as may be directed by the High Court of Judicature at Bombay or any other competent authority, as may be applicable.
- b) Receipt of written approval from the Maharashtra Electricity Regulatory Commission for Section 2B to the Scheme, either unconditionally or in a form and substance satisfactory to the Transferor Company and Transferee Company (each acting reasonably) with respect to the transactions envisaged under this Scheme and any conditions contained in such approval required to be met taking place whether through the action of the Transferee Company or the Transferor Company;
- c) The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, other than as mentioned above in this Clause, which by law or otherwise may be necessary for the implementation of this Scheme;
- d) The Scheme being sanctioned by the High Court of Judicature at Bombay or any other authority under Sections 391 to 394 of the Companies Act, 1956.
- e) Certified copies of the Orders of the High Court of Judicature at Bombay sanctioning the Scheme being filed with the Registrar of Companies, Mumbai by the Transferor Company and the Transferee Company.

7.3.2 Each of the Sections of the Scheme pertaining to transfer & vesting of Transferred Divisions (Section 2A to 2D of the Scheme) is independent. Each Section of the Scheme would be effective as and when the aforesaid requisite approvals are received. Therefore, the non implementability of each of the said Sections for non receipt of necessary approvals shall not affect the implementability or otherwise of the other Sections of the Scheme, wherein requisite approvals are obtained. The Board of Directors of the Transferor Company and the Transferee Company, shall mutually resolve as to whether and when each Section of the Scheme becomes effective.

7.3.3 The non – receipt of any of the aforesaid approvals for a particular asset or liability forming part of any of the Transferred Divisions getting transferred pursuant to this Scheme, shall not affect the effectiveness of the said Section of the Scheme, if the Board of Directors of the Transferor Company and the Transferee Company so decide.

If permitted by law, the asset pending transfer shall be held by the Transferor Company in trust for and on behalf of the Transferee Company. In the event of non receipt of approval of any lender / creditor for the transfer of any liability, then at the option of the Board of Directors of the Transferee Company, it may issue a security / recognize a liability in favour of the Transferor Company on the same terms. The transfer of such asset or liability, shall become effective with effect from the Appointed Date as and when the said requisite approvals are received or aforesaid liability being recognized / security being issued and the provisions of the Scheme shall apply appropriately to the said transfer/ issue / recognition.

- 7.3.4 In the event all of the aforesaid approvals not being received by 31st March, 2017 or such other date as may be decided by the Board of Directors of the Transferor Company and the Transferee Company, they may resolve that the said Section or transfer of that particular asset or liability shall stand revoked, cancelled and be of no effect save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise be expedient and be agreed by the Board of the Transferor Company and the Transferee Company.

7.4 REPEALS AND SAVINGS

Any matter filed with Registrar of Companies, Regional Director or the Central Government under the Companies Act, 1956, before the notification of the corresponding provisions under the Companies Act, 2013 and not fully addressed at that time shall be concluded by the Registrar of Companies, Regional Director or the Central Government, as the case may be, in terms of the Act. Any direction or order given by the Hon'ble High Court under the provisions of the Act and any act done by the Transferee Company and the Transferor Company, based on such directions or order shall be deemed to be in accordance with and consistent with the provisions of the Companies Act, 2013. Accordingly, the provisions of the Companies Act, 2013, shall not apply to acts done by the Transferee Company and the Transferor Company and as per direction or order of the Hon'ble High Court sanctioning the Scheme.

7.5 COSTS, CHARGES & EXPENSES

- 7.5.1 All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of, or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by the Transferor Company and the Transferee Company respectively.
- 7.5.2 Stamp duty on the orders of the High Court, if any, and to the extent applicable, shall be borne by the Transferee Company.