

**COMPOSITE SCHEME OF
AMALGAMATION AND ARRANGEMENT
BETWEEN
SE BLADES LIMITED
AND
SE ELECTRICALS LIMITED
AND
SUZLON WIND INTERNATIONAL LIMITED
AND
SUZLON STRUCTURES LIMITED
WITH
SUZLON ENERGY LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

(UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956 AND OTHER
APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956 AND COMPANIES ACT 2013)

PREAMBLE

(A) SE Blades Limited (“SEBL”, or the “First Transferor Company”), a public limited company, has its registered office at “Suzlon”, 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad – 380009, Gujarat, having Corporate Identification



Number U28999GJ2006PLC091978. SEBL is engaged in the business of manufacturing of rotor blades for wind turbine generators.

(B) SE Electricals Limited (**"SEEL"**, or the **"Second Transferor Company"**), a public limited company, has its registered office at "Suzlon", 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad – 380009, Gujarat, having Corporate Identification Number U31108GJ2006PLC091977. SEEL is engaged in the business of manufacturing of Generators, Transformers and Panels for wind turbine generators.

(C) Suzlon Wind International Limited (**"SWIL"**, or the **"Third Transferor Company"**), a public limited company, has its registered office at "Suzlon", 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad – 380009, Gujarat, having Corporate Identification Number U40108GJ2006PLC092233. SWIL is engaged in the business of manufacturing of Nacelles, Hubs and Nose Cones for wind turbine generators.

(D) SEBL, SEEL, and SWIL are collectively referred to as **"Transferor Companies"**.

(E) Suzlon Structures Limited (**"SSL"**, or the **"Demerged Company"**), a public limited company, has its registered office at "Suzlon", 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad – 380009, Gujarat, having Corporate Identification Number U27109GJ2004PLC044170. SSL is engaged in two



businesses, being manufacturing of fabricated structural products of Iron and Steel (Tubular towers for wind turbine generators) and generation and sale of electricity.

(F) Suzlon Energy Limited (“SEL”, or the “**Transferee Company**” or the “**Resultant Company**”), a public limited company, has its registered office at “Suzlon”, 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad – 380009, Gujarat and having Corporate Identification Number L40100GJ1995PLC025447. The equity shares of the Transferee Company are listed on the BSE Limited (“**BSE**”) and on the National Stock Exchange of India Limited (“**NSE**”), together with BSE, referred to as the “**Stock Exchanges**”). The transferee company is engaged in the business of manufacturing wind turbine generators and related components of various capacities.

(G) SEBL, SEEL, SWIL and SSL are wholly owned subsidiaries of SEL.

Rationale for the Amalgamation and Demerger

- 1 The scheme provides for consolidation of the manufacturing operations of the Group through (a) Merger of SEBL, SEEL and SWIL into SEL and (b) demerger of Tower Business of SSL into SEL.
- 2 The above consolidation will result in -
 - a) Achieving business and administrative synergies for the Group;
 - b) Reducing administrative costs and avoiding duplication of efforts;



c) Pooling of managerial, technical and financial resources of the Transferee Company, the Transferor Companies and the Demerged Company leading to increased competitive strength, cost reduction, and efficiencies, productivity gains and logistic advantages to the business operations; optimising the working capital usage, which is very critical for the operations considering circumstances for availing working capital credit.

d) Result in enhancing the scale of operations and reduction in overheads, administrative, managerial and other expenditure, operational rationalisation, organizational efficiency and optimal utilisation of various resources by avoiding duplication of efforts.

This Composite Scheme of Amalgamation and Arrangement is divided into the following parts:-

Part I: Definitions of the terms used in this Composite Scheme of Amalgamation and Arrangement, and the share capital of SWIL, SEBL, SEEL, SSL and SEL.

Part II: Dealing with the amalgamation of SEBL, SEEL, SWIL into SEL.

Part III: Dealing with the transfer and vesting of Tower Business of SSL into SEL.

Part IV: General Terms and Conditions that would be applicable to the Scheme.



PART – I

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned herein below:

1.1 **“Act” or “The Act”** means the Companies Act, 1956, or the Companies Act, 2013 as in force from time to time. As on the date of approval of this Scheme by the respective Board of Directors of the Transferor Companies, the Demerged Company and SEL, Sections 391 and 394 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the Companies Act, 2013 not having been notified. References in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 1956 unless stated otherwise. Upon such provisions standing re-enacted by enforcement of provisions of the Companies Act, 2013, such references shall unless a different intention appears be construed as references to the provisions so re-enacted;

1.2 **“Appointed Date”** means, for the purpose of this Scheme be as follows:-

- i. For the Purposes of Part II of this Scheme, the 1st day of January 2016.
- ii. For the Purposes of Part III of this Scheme, the 1st day of April 2016.



1.3 **"Composite Scheme of Amalgamation and Arrangement"** or **"this Scheme"** or **"the Scheme"** means this Scheme of amalgamation of SEBL, SEEL, SWIL with SEL and demerger of Tower Business of SSL into SEL;

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 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;

1.4 **"Demerged Business"** means the Tubular Tower manufacturing Business carried on by Suzlon Structures Limited, along with all related assets, liabilities, employees including specifically the below mentioned along with the common assets and liabilities to be transferred in order to give effect to the provisions of Section 2(19AA) of the Income-tax Act, 1961 and the manner provided therein on a going concern basis:

1.4.1 All assets, wherever situated, whether movable or immovable, leasehold or freehold, tangible or intangible, including all capital work-in-progress, plant & machinery, equipment including specialised equipment for broadcasting, technical software, patents, trademarks, trade names, industrial designs, brands, investments and other Intellectual Property rights, vehicles, furniture, fixtures,



office equipment, computer installations, electrical appliances, accessories pertaining to the Demerged Business;

1.4.2 All liabilities, present and future (including contingent liabilities pertaining to or relatable to the Demerged Business), as may be determined by the Board of Directors of SSL;

1.4.3 All rights and all assignments and grants thereof, all permits, registrations, rights (including rights under any agreement, contracts, applications, letters of intent, etc.), benefits of all licenses, contracts/ agreement, memorandum of understanding (including but not limited to contracts/ agreement with vendors, customer, government, etc.), approvals, regulatory approvals, entitlements, goodwill, investments, 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 Business;

1.4.4 All deposits and balances with Government, Semi-Government, local and other authorities and bodies, including all tax balances/ MAT Credit balances or any other balances with any tax authority or statutory body pertaining to the Demerged Business, customers



and other persons, earnest moneys and/ or security deposits paid or received by Suzlon Structures Limited, directly or indirectly in connection with or in relation to the Demerged Business;

1.4.5 All books, records, files, papers, directly or indirectly relating to the Demerged Business;

1.4.6 Any other asset / liability which is deemed to be pertaining to the Demerged Business by the Board of Suzlon Structures Limited but excluding any of the foregoing relating to the remaining business of Suzlon Structures Limited; and

1.4.7 All permanent employees employed by Suzlon Structures Limited pertaining to the Demerged Business, as identified by the Board of Directors of Suzlon Structures Limited, as on the Effective Date.

Any question that may arise as to whether a specific asset or liability pertains or does not pertain to the Demerged Business or whether it arises out of the activities or operations of the Demerged Business shall be decided by mutual agreement between the Board of Directors of Suzlon Structures Limited and Suzlon Energy Limited;

1.5 **“Demerged Company”** means Suzlon Structures Limited (“SSL”), a public company incorporated under the Act, having its registered office at “Suzlon”, 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad – 380009, Gujarat and having Corporate Identification Number U27109GJ2004PLC044170;



- 1.6 **“Effective Date”** means the last of the date on which the conditions specified in Clause 28 of this Scheme are fulfilled with respect to a particular part of the Scheme;
- 1.7 **“First Transferor Company”** means SE Blades Limited (“SEBL”), a public company incorporated under the Act, having its registered office at “Suzlon”, 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad – 380009, Gujarat and having Corporate Identification Number U28999GJ2006PLC091978;
- 1.8 **“High Court”** means the High Court of Gujarat, and shall include the National Company Law Tribunal, if applicable;
- 1.9 **“Record Date”** means the date to be fixed jointly by the Board of Directors of Suzlon Structures Limited and Suzlon Energy Limited for the purposes of determining the shareholders of Suzlon Structures Limited to whom consideration would be given for transfer and vesting of the Demerged Business, in accordance with this Scheme (as defined hereinafter);
- 1.10 **“SEBI Circular”** means the circular number CIR/CFD/CMD/16/2015 dated 30th November 2015, issued by Securities and Exchange Board of India;
- 1.11 **“Second Transferor Company”** means SE Electricals Limited (“SEEL”), a public company incorporated under the Act, having its registered office at “Suzlon”, 5, Shrimali Society, Near Shri Krishna



Complex, Navrangpura, Ahmedabad – 380009, Gujarat and having Corporate Identification Number U31108GJ2006PLC091977;

1.12 **“Third Transferor Company”** means Suzlon Wind International Limited (“SWIL”), a public company incorporated under the Act, having its registered office at “Suzlon”, 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad – 380009, Gujarat and having Corporate Identification Number U40108GJ2006PLC092233;

1.13 **“Transferee Company”** or the **“Resultant Company”** means Suzlon Energy Limited (“SEL”), a public company incorporated under the Act, having its registered office at “Suzlon”, 5, Shrimali Society, Near Shri Krishna Complex, Navrangpura, Ahmedabad – 380009, Gujarat and having Corporate Identification Number L40100GJ1995PLC025447;

1.14 **“Transferor Companies”** means SEBL, SEEL and SWIL.

2. 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 of Gujarat, shall be effective from the Appointed Date but shall be operative from the Effective Date.

Each Part of the Scheme shall be given effect to as per the chronology in which it has been provided for in the Scheme. Each



Part is independent of the other Part of the Scheme and is severable.

The Scheme shall be effective upon sanction of the High Court.

However, failure of any one part for lack of necessary approval from the shareholders / creditors / statutory / regulatory authorities or for any other reason that the Board of Directors may deem fit than this shall not result in the whole Scheme failing. It shall be open to the concerned Board of Directors to consent to sever such part(s) of the Scheme and implement the rest of the Scheme with such modification.

3. SHARE CAPITAL

3.1 The Share Capital of SEL as on 31st March 2016 is as under:

Particulars	Amount (Rs.)
Authorised Capital	
750,00,00,000 equity shares of Rs. 2 each	1500,00,00,000
	1500,00,00,000
Issued Capital	
503,94,35,391 equity shares of Rs. 2 each	1007,88,70,782
	1007,88,70,782
Subscribed and Paid-up Capital	
502,05,03,414 equity shares of Rs. 2 each	1004,10,06,828
	1004,10,06,828

Post 31st March 2016, there has been no change in the issued, subscribed and paid-up capital of SEL.



3.2 The Share Capital of SEBL as on 31st March 2016 is as under:

Particulars	Amount (Rs.)
Authorised Capital	
1,50,00,000 equity shares of Rs. 10 each	15,00,00,000
5,63,00,000 preference shares of Rs. 100 each	563,00,00,000
	578,00,00,000
Issued, Subscribed and Paid-up	
1,50,00,000 equity shares of Rs. 10 each	15,00,00,000
5,23,98,000 9% redeemable cumulative preference shares of Rs. 100 each	523,98,00,000
	538,98,00,000

Post 31st March 2016, there has been no change in the issued, subscribed and paid-up capital of SEBL.

3.3 The Share Capital of SEEL as on 31st March 2016 is as under:

Particulars	Amount (Rs.)
Authorised Capital	
1,00,00,000 equity shares of Rs. 10 each	10,00,00,000
2,00,00,000 preference shares of Rs. 100 each	200,00,00,000
	210,00,00,000
Issued, Subscribed and Paid-up	
1,00,00,000 equity shares of Rs. 10 each	10,00,00,000
85,90,000 9% redeemable cumulative preference shares of Rs. 100 each	85,90,00,000
	95,90,00,000



Post 31st March 2016, there has been no change in the issued, subscribed and paid-up capital of SEEL.

3.4 The Share Capital of SWIL as on 31st March 2016 is as under:

Particulars	Amount (Rs.)
Authorised Capital	
1,00,00,000 equity shares of Rs. 10 each	10,00,00,000
2,00,00,000 preference shares of Rs. 100 each	200,00,00,000
	210,00,00,000
Issued, Subscribed and Paid-up	
1,00,00,000 equity shares of Rs. 10 each	10,00,00,000
1,93,29,550 9% redeemable cumulative preference shares of Rs. 100 each	193,29,55,000
	203,29,55,000

Post 31st March 2016, there has been no change in the issued, subscribed and paid-up capital of SWIL.



3.5 The share capital of SSL as on 31st March 2016 is as under:

Particulars	Amount (Rs.)
Authorised Capital	
3,50,00,000 equity shares of Rs. 10 each	35,00,00,000
10,00,000 preference shares of Rs. 100 each	10,00,00,000
	45,00,00,000
Issued, Subscribed and Paid-up	
2,93,66,800 equity shares of Rs. 10 each	29,36,68,000
10,00,000 8% redeemable cumulative preference shares of Rs. 100 each	10,00,00,000
	39,36,68,000

Post 31st March 2016, there has been no change in the issued, subscribed and paid-up capital of SSL.

PART – II

4. TRANSFER AND VESTING OF UNDERTAKING OF TRANSFEROR COMPANIES PURSUANT TO AMALGAMATION OF SEBL, SEEL & SWIL WITH SEL

4.1 With effect from the Appointed Date, the entire business and whole of the undertaking of the Transferor Companies, including but not limited to land and building, furniture and fixture, plant & machinery, capital work in progress, inventories, receivables, cash and bank balances, investments of all kinds, cash balances with banks, loans, advances, contingent right or benefits, receivables,



benefit of any deposits or trusts, financial assets, leases, sub-leases, hire purchase contracts and assets, factoring contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permits and consents, quotas, rights, entitlements, contracts, licenses, development rights, whether vested or potential and whether under agreements or otherwise, tenancies, and all advantages of whatsoever nature and where so ever situated belonging to or enjoyed by the Transferor Companies, including but without being limited to trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, authorisations, benefits, including but not limited to the benefit(s) under Income-tax Act, 1961 (including tax relief under the Income-tax Act, 1961 such as credit for advance tax, TDS, MAT Credit, etc.), service tax (including benefit of any unutilised CENVAT credits / service tax credits, etc.) permits, approvals, concessions, reliefs, rights to use and avail of assets shall, without any further act, instrument, approval (whether from any governmental/ regulatory authority or otherwise) or deed stand transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company, free from all encumbrances, but subject to subsisting charges and pledges, if any.



4.2 All tangible movable assets of the Transferor Companies, which are capable of being physically transferred including all movable plant and machinery and cash in hand, shall be delivered to the Transferee Company to the end and intent that the property therein passes to the Transferee Company. The Bank balances as appearing in the books of the Transferor Companies shall also be transferred to the Transferee Company.

4.3 All immovable properties would become the properties of the Transferee Company under and pursuant to order of the High Court approving this Scheme, without requiring the execution of any other deed or document or instrument of conveyance, and the order of the High Court shall for all purposes be treated as the instrument conveying such properties and assets to the Transferee Company.

4.4 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 any of the Transferor Companies is a party wherein the assets of the Transferor Companies have been or is offered or agreed to be offered as security for any financial assistance or obligations, then the same shall be construed as reference only to the assets pertaining to the Transferor Companies and shall be vested in the Transferee Company by virtue of this



Scheme to the end and intent that the charges shall not extend or deemed to extend to any assets of the Transferee Company.

Provided that the Scheme shall not operate to enlarge the security for the said liabilities of the Transferor Companies which shall vest in the Transferee Company by virtue of the Scheme and the Transferee Company shall not be obliged to create any further, or additional security thereof after the amalgamation has become effective or otherwise. Further, the Scheme shall not operate to enlarge the security for any liabilities of the Transferee Company, in as much as the security shall not extend to the assets transferred by the Transferor Companies to the Transferee Company in terms of Clause 4.1 above.

4.5 The liabilities of the Transferor Companies shall also, without any further act, instrument or deed be and 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.

4.6 The Transferee Company may at any time after the coming into effect of the Scheme in accordance with the provisions of this



Scheme, if so required, under any law or otherwise, execute necessary writings, in favour of the creditors of the Transferor Companies or in favour of any other party to any contract or arrangement to which the Transferor Companies 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 under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Companies and to implement or carry out all such formalities or compliances referred to above on the part of the Transferor Companies to be carried out or performed.

4.7 With effect from the Appointed Date and upon coming into effect of this Scheme, all the rights, licenses, permissions, approvals, consents, undertakings, etc. to carry on the operations and business of the Transferor Companies shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company. The benefit of all statutory and regulatory permissions, approvals, registrations or other licenses and consents shall vest in and become available to the Transferee Company pursuant to this Scheme.



5. CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC.

5.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, insurance policies, indemnities, guarantees, arrangements and other instruments, whether pertaining to movable or immovable properties or otherwise of whatsoever nature to which the Transferor Companies are a party or to the benefit of which the Transferor Companies may be eligible including but not limited to the exemptions under Chapter III of the Income-tax Act, 1961, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, SEL and may be enforced as fully and effectually as if, instead of the Transferor Companies, SEL had been a party or a beneficiary or an obligee thereto or there under.

5.2 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Scheme becoming effective, all consents, permissions, licenses, certificates, clearances, rights, titles, authorities, power of attorney given by, issued to or executed in favour of the Transferor Companies shall stand transferred to SEL, as if the same were originally given by, issued to or executed in favour of SEL and SEL shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to SEL. SEL shall make applications and do all such acts



or things which may be necessary to obtain relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.

5.3 SEL, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement to which the Transferor Companies are a party in order to give formal effect to the above provisions. SEL shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Companies and to carry out or perform all such formalities or compliances, referred to above, on behalf of the Transferor Companies.

6. LEGAL PROCEEDINGS

6.1 All legal proceedings of whatsoever nature by or against the Transferor Companies pending and/ or arising on or after the Appointed Date and relating to the Transferor Companies 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 SEL in the manner and to the same extent as would or might have been continued and



enforced by or against the Transferor Companies, if this Scheme had not been made.

- 6.2 SEL undertakes to have all legal or other proceedings or claims initiated by or against the Transferor Companies referred to in Clause 6.1 above transferred in its name respectively and to have the same continued, prosecuted and enforced by or against SEL to the same extent as would or might have been continued and enforced by or against the Transferor Companies, to the exclusion of the Transferor Companies. Any amount receivable under the pending suits, actions and proceedings shall solely belong to the Transferee Company. Similarly the Transferee Company will be responsible for discharging the liability in future in pending suits, actions and proceedings.

7. EMPLOYEES

- 7.1 On the Scheme becoming effective, all the employees of the Transferor Companies in service on the Effective Date shall be deemed to have become employees of SEL with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with SEL shall not be less favourable than those applicable to them with reference to the Transferor Companies on the Effective Date. SEL further agrees that for the purpose of payment of any retirement benefit / compensation,



such immediate uninterrupted past services with the Transferor Companies shall also be taken into account.

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 Companies (collectively referred to as the “**Funds**”), the Funds and such of the investments made by the Funds which pertains / relates to the employees of the Transferor Companies shall be transferred to SEL 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 SEL, either be continued as separate funds of SEL for the benefit of the employees of the Transferor Companies or be transferred to and merged with other similar funds, if any, of SEL. In the event that SEL does not have its own funds in respect of any of the above, SEL may, subject to necessary approvals and permissions, continue to contribute to the relevant Funds of the Transferor Companies, until such time that SEL creates its own fund, at which time the Funds and the investments and contributions pertaining to the employees of the Transferor Companies shall be transferred to the funds created by SEL. It is clarified that the services of the employees of the Transferor Companies will be treated as having been continuous for the purpose of the said fund or funds.



8. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

With effect from the Appointed Date and up to and including the Effective Date:

8.1 The Transferor Companies undertake to preserve and carry on its business, with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber or otherwise deal with or dispose of any undertaking or any part thereof save and except in each case:

- (a) 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
- (b) if the same is expressly permitted by this Scheme; or
- (c) if the prior written consent of the Board of Directors of SEL has been obtained.

8.2 The Transferor Companies shall carry on and be deemed to have carried on all business and activities and shall stand possessed of all the assets, rights, title and interest of the Transferor Companies for and on account of, and in trust for SEL.

8.3 All profits and cash accruing to or losses arising or incurred (including the effect of taxes if any thereon), by the Transferor Companies, respectively, shall for all purposes, be treated as the profits/ cash, taxes or losses of SEL.



9. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations pertaining /relating to the Transferor Companies, pursuant to this Scheme, and the continuance of the proceedings by or against SEL, under Clause 6 hereof shall not affect any transactions or proceedings already completed by the Transferor Companies, on and after the Appointed Date to the end and intent that SEL accepts all acts, deeds and things done and executed by and/ or on behalf of the Transferor Companies, as acts, deeds and things done and executed by and on behalf of SEL.

10. CONSOLIDATION OF AUTHORISED SHARE CAPITAL AND CORRESPONDING AMENDMENT IN THE MEMORANDUM AND ARTICLES OF ASSOCIATION

10.1 On coming into effect 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 Registrar of Companies fees, by the authorised share capital of the Transferor Companies which is Rs. 998,00,00,000 (Rupees Nine Hundred and Ninety Eight Crores Only) and the Memorandum of Association of the Transferee Company shall stand amended accordingly without



any further act or deed and stand altered, modified and amended, and the consent of the shareholders of the Transferee Company, if any required and obtained, shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Section 13, Section 61, Section 64 or any other applicable provisions of the Act, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Companies towards their authorised share capital shall be utilised and applied to the increased authorised share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such consolidated authorised share capital and, accordingly, the Transferee Company shall not be required to pay any fees/ stamp duty on the authorised share capital so increased.

10.2 Pursuant to the Scheme and after the Scheme becomes effective, the increased authorised share capital of the Transferee Company will be divided into such number of Equity Shares of Rs. 2 (Rupees Two Only) each.

10.3 It is clarified that the approval of the members of the Transferee Company, if any required and obtained, to the Scheme shall be deemed to be their consent/approval also to the alteration of the Memorandum of Association of the Transferee Company as may be required under the Act, and Clause V of the Memorandum of



Association of the Transferee Company shall respectively stand amended by virtue of the Scheme.

11. CONSIDERATION

This Scheme does not involve any issue of shares (equity or preference shares) pursuant to the Transferor Companies being wholly owned subsidiaries of the Transferee Company. The proposed Amalgamation of SEBL, SEEL and SWIL with SEL is in the nature of acquisition, wherein the Transferee Company acquires the business in the Transferor Companies for which the adjustments shall be as follows:

For Equity shareholders

11.1 Since the entire equity share capital of the Transferor Companies is held by SEL (i.e. the Transferor Companies are wholly owned subsidiaries of SEL), no shares of the Transferee Company shall be allotted in respect of its holding in the Transferor Companies pursuant to amalgamation, due to the operation of law.

11.2 Upon the Scheme becoming effective, the entire equity share capital of the Transferor Companies, as held by the Transferee Company shall be cancelled and extinguished.

11.3 The investment in the equity shares of the Transferor Companies appearing in the books of account of the Transferee Company shall,



without any further act or deed; stand cancelled and be adjusted in accordance with clause 12.2.

For Preference shareholders

11.4 Since the entire preference share capital of the Transferor Companies is held by SEL, no shares of the Transferee Company shall be allotted in respect of its holding in the Transferor Companies pursuant to amalgamation, due to the operation of law.

11.5 Upon the Scheme becoming effective, the entire preference share capital of the Transferor Companies, as held by the Transferee Company shall be cancelled and extinguished inclusive of any unclaimed rights and obligation related thereto.

11.6 The investment in the preference shares of the Transferor Companies appearing in the books of account of the Transferee Company shall, without any further act or deed; stand cancelled and be adjusted in accordance with clause 12.2.

12. ACCOUNTING TREATMENT FOR AMALGAMATION

Upon the Scheme becoming effective and with effect from the Appointed Date, the Amalgamation of the Transferor Companies with the Transferee Company shall be accounted as per the below method:

12.1 With effect from the Appointed Date, all the assets and liabilities appearing in the books of account of the Transferor Companies shall



stand transferred to and vested in the Transferee Company at their respective fair values, as the case may be pursuant to the Scheme.

12.2 The value of the investments in the equity shares as well as preference shares of the Transferor Companies held by the Transferee Company shall stand cancelled in the books of the Transferee Company, without further act or deed. The cost of acquisition of such equity and preference shares in the hands of the Transferee Company, shall be treated as the consideration paid for the acquisition of business of the Transferor Companies.

12.3 The reserves (whether capital or revenue or on revaluation) of the Transferor Companies should not be recorded in the financial statements of the Transferee Company.

12.4 The loans and advances inter-se between the Transferor Companies and the Transferee Company appearing in the books of accounts of either the Transferor Companies or the Transferee Company, if any, shall stand cancelled.

12.5 In case of any difference in accounting policy between the Transferor Companies and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in the balance in the statement of profit and loss of the Transferee Company to ensure that the financial statements of the Transferee Company will reflect the financial position on the basis of consistent accounting policy.



12.6 The difference arising between the net assets value taken over (i.e. assets minus external liabilities) of the Transferor Companies and the value of investments as mentioned in clause 12.2 in the books of the Transferee Company with respect to shares held by the Transferee Company in the Transferor Companies shall be debited to/ credited to the Goodwill Account/ Capital Reserve respectively in the books of the Transferee Company. Such goodwill, if any, shall be amortised on a straight line basis for full five years (i.e. 60 months) and shall accordingly be amortised proportionately for a part of any financial year, if so required.

13. TREATMENT OF TAXES

13.1 Any tax liabilities under the Income-tax Act, 1961, Wealth-tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Central Sales Tax Act, 1956 , any other state Sales Tax / Value Added Tax laws, Service Tax, stamp laws, registration fees or any other applicable laws/ regulations (hereinafter in this Clause referred to as "Tax Laws") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Companies to the extent not provided for or covered by tax provision in the Accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.

13.2 All taxes (including income tax and tax deducted at source, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid



or payable by the Transferor Companies in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.

13.3 Any refund under the Tax Laws due to the Transferor Companies consequent to the assessments made on the Transferor Companies and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

13.4 Without prejudice to the generality of the above, all benefits including claim of tax deduction at source, tax collection at source, advance tax and self-assessment tax and any similar credits or balances under the income tax, sales tax, excise duty, customs duty, service tax, VAT, etc., to which the Transferor Companies are entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee



Company. Similarly, the unabsorbed depreciation and brought forward losses of the Transferor Companies as considered for the purposes of Explanation 1 to Section 115JB (2) of the Income-tax Act, 1961 shall stand transferred to the Transferee Company and the Transferee Company shall consolidate the same with its unabsorbed depreciation and brought forward losses for the purpose of Explanation 1 to Section 115JB (2) of the Income-tax Act, 1961.

13.5 The Amalgamation as contemplated in this Scheme would be completed in a manner so as to comply with the conditions relating to 'amalgamation' as specified under section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at the later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income-tax Act, 1961. Such modification will however not affect the other parts of the Scheme. Furthermore, all credits or balances eligible for roll-over, set-off or carry forward under the Income-tax Act, 1961 including under Chapter VI of the Income-tax Act, 1961 shall be given effect to in compliance with the applicable provisions of the Income-tax Act, 1961.



PART – III

14. TRANSFER AND VESTING OF THE DEMERGED BUSINESS

14.1 With effect from the Appointed Date and upon the Scheme becoming effective, the whole of the undertaking and assets and liabilities of the Demerged Business, shall, under the provisions of Sections 391 to 394, of the Companies Act, 1956 and all other applicable provisions, if any, of Companies Act, 1956 and Companies Act 2013, without any further act, instrument, deed, matter or thing stand vested in and/or deemed to be vested in SEL, so as to vest in SEL all the rights, title and interest pertaining to the Demerged Business. In so far as the immovable properties, if any, of the Demerged Business are concerned, SEL shall register the true copy of the Order of the High Court approving the Scheme with the relevant authorities. The Demerged Business of SSL, as defined in clause 1.4, shall stand vested in or deemed to be transferred to and vested in SEL, as a going concern, in compliance with Section 2(19AA) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to



the extent determined necessary to comply with Section 2(19AA) of the Income-tax Act, 1961. The vesting of the Demerged Business of SSL in SEL shall happen in the following manner:

14.2 Without prejudice to the generality of Clause 14.1, in respect of such of the assets of the Demerged Business as are moveable in nature or are otherwise capable of transfer and vesting by manual delivery or by endorsement and/or delivery or by physical possession including plant, machinery and equipment, the same may be transferred to and vested into SEL, as follows:

- (i) All the moveable assets capable of being transferred and vested by delivery, including plant and machinery, shall be handed over by physical delivery (together with duly executed transfer forms or other documents as may be required) to SEL along with such other documents as may be necessary towards the end and intent that the property therein passes to SEL on such delivery without requiring any deed or instrument of conveyance for the same and shall become the property of SEL accordingly. The investments held in dematerialised form, if any, will be transferred to SEL by issuing appropriate delivery instructions to the depository participant with whom SSL has an account. Such delivery and transfer shall be made on a date mutually agreed upon between the respective Boards of Directors of SSL and SEL, being a date after the sanction of the Scheme by the High Court.



(ii) The moveable assets, other than those specified in Clause 14.2

(i) above, including intangible assets, actionable claims, sundry debtors, outstanding loans and advances, including tax relief under the Income-tax Act, 1961 such as credit for advance tax, TDS, MAT credit, unabsorbed depreciation, all credits or balances eligible for set-off or carry forward under Chapter VI of the Income-tax Act, 1961, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits including deposits paid in relation to outstanding litigations, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall, without any further act, instrument or deed, be transferred to and vested into as the property of SEL. SEL may, if required, give notice in such form as it may deem fit and proper to each person or debtor that, pursuant to the Scheme, the said person or debtor should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of SEL to recover or realise the same is in substitution of the right of SSL and that appropriate entry should be passed in their respective books to record the aforesaid charges.

14.3 With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of SSL relatable to the Demerged Business shall, without



any further act or deed be and stand transferred to SEL so as to become as from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of SEL 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. After the Effective Date, SEL undertakes to meet, discharge and satisfy the said liabilities to the exclusion of SSL and to keep SSL indemnified at all times from and against all such liabilities and from and against all actions, demands and proceedings in respect thereto.

- 14.4 With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions or approvals or consents held by SSL required to carry on operations in the Demerged Business, shall stand vested in SEL without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of SEL, and that the order of the High Court shall be binding upon all other authorities / bodies / other establishments. 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 SEL pursuant to the Scheme. In so far as 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 SSL relating to the Demerged Business are concerned, the same shall vest with and be available to SEL on the same terms and conditions.

14.5 The transfer and vesting of the Demerged Business as aforesaid shall be subject to the existing securities, charges, mortgages and other encumbrances if any, subsisting over or in respect of the property and assets or any part thereof relating to the Demerged Business to the extent such securities, charges, mortgages, encumbrances are created to secure the liabilities forming part of the Demerged Business.

15 CONSIDERATION

15.1 For the purposes of this Scheme, it is hereby clarified that as on the Appointed Date, the Demerged Company is a wholly owned subsidiary of the Resultant Company.

15.2 Since the entire equity share capital of the Demerged Company is held by SEL and its nominees, no shares of the Resultant Company shall be allotted in respect of its holding in the Demerged Company pursuant to demerger, due to the operation of law.



16 ACCOUNTING TREATMENT

In the books of SEL

16.1 SEL shall, upon the Scheme becoming effective, record the assets and liabilities of the Demerged Business of SSL vested in it pursuant to this Scheme, at respective book values, as appearing in the books of SSL at the close of business on the day immediately preceding the Appointed Date.

16.2 The intercompany balances, if any, appearing in the books of accounts of SEL and the Demerged Business being transferred, will stand cancelled;

16.3 The amount of the net assets/ (liabilities) of the Demerged Business transferred to SEL (being the difference between the value of assets and value of liabilities of the Demerged Business, as recorded in the books of SEL as per clause 16.1 above), would be recorded as Capital Reserve/ Goodwill respectively. The said Goodwill/ Capital Reserve shall be separate and independent of the Goodwill/ Capital Reserve as mentioned in clause 12.

In the books of SSL

16.4 Upon the Scheme becoming effective, SSL shall reduce the book value of assets and liabilities pertaining to the Demerged Business transferred to SEL.



16.5 The excess of the book value of assets transferred over the book value of liabilities transferred (i.e. net book value of assets transferred), shall be credited to/ debited to the Profit and Loss Surplus Account.

17 PROFITS, DIVIDEND, BONUS/RIGHT SHARES

SSL shall not utilise profits or income, if any, pertaining to the Demerged Business for any purpose including declaring or paying any dividend in respect of the period falling on and after the Appointed Date. SSL shall also not utilise profits, adjust or claim adjustment of the profits/loss as the case may be earned/incurred or suffered in respect of the Demerged Business after the Appointed Date.

18 CONDUCT OF THE DEMERGED BUSINESS OF SSL TILL THE EFFECTIVE DATE

With effect from the Appointed Date and up to and including the Effective Date:

18.1 SSL shall be deemed to have been carrying on and shall carry on its business and activities relating to the Demerged Business and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its properties and assets pertaining to the Demerged Business for and on account of and in trust for SEL. SSL



hereby undertakes to hold its said assets with utmost prudence until the Effective Date.

18.2 SSL shall carry on its business and activities relating to the Demerged Business with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of SEL, alienate charge, mortgage, encumber or otherwise deal with or dispose of the Demerged Business or part thereof.

18.3 All the profits or income accruing or arising to SSL or expenditure or losses arising or incurred or suffered by SSL pertaining to the Demerged Business shall for all purposes be treated and be deemed to be accrued as the income or profits or losses or expenditure as the case may be of SEL.

18.4 SEL 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 SEL may require pursuant to this Scheme.

19 EMPLOYEES

19.1 On the Scheme becoming operative, all staff and employees of SSL pertaining to the Demerged Business in service on the Effective Date shall be deemed to have become staff and employees of SEL without

any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with SEL shall not be less favourable than those applicable to them with reference to their employment in SSL.

19.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts, if any, created or existing for the benefit of the staff and employees of SSL pertaining to the Demerged Business or 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 SSL in relation to the Demerged Business in relation to such Fund or Funds shall become those of SEL. It is clarified that the services of the staff and employees of SSL pertaining to the Demerged Business will be treated as having been continuous for the purpose of the said Fund or Funds.

19.3 SEL shall not vary the terms and conditions of employment of any of the employees of SSL pertaining to the Demerged Business except in the ordinary course of business.



20 LEGAL PROCEEDINGS

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

20.2 In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against SSL in relation to the Demerged Business, SEL shall be made party thereto and any payment and expenses made thereto shall be the liability of SEL.

21 CONTRACTS, DEEDS, ETC.

21.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance, Letters of Intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature pertaining to the Demerged Business to which SSL is a party and which is subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of and may be enforced



by or against SEL as fully and effectually as if, instead of SSL, SEL had been a party thereto.

21.2 SEL shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which SSL will, if necessary, also be party in order to give formal effect to the provisions of this Scheme. SEL shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of SSL for the Demerged Business and to implement or carry out all formalities required to give effect to the provisions of this Scheme.

22 SAVING OF CONCLUDED TRANSACTIONS

The transfer of the Demerged Business of SSL into SEL under Clause 14 above and the continuance of proceedings by or against SEL under Clause 20 above shall not affect any transaction or proceedings already concluded by SSL for the Demerged Business on or after the Appointed Date till the Effective Date, to the end and intent that SEL accept and adopts all acts, deeds and things done and executed by SSL for the Demerged Business in respect thereto as done and executed on behalf of SEL.



23 REMAINING BUSINESS OF SSL

23.1 The remaining business of SSL and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by SSL.

23.2 All legal and other proceedings by or against SSL under any statute, whether pending on the Appointed Date or which may be instituted in future, whether or not in respect of any matter arising before the Effective Date and relating to the remaining business of SSL (including those relating to any property, right, power, liability, obligation or duty of SSL in respect of the remaining business of SSL) shall be continued and enforced by or against SSL.

23.3 With effect from the Appointed Date and including the Effective Date-

- (a) SSL shall be deemed to have been carrying on and to be carrying on all business and activities relating to the remaining business of SSL for and on its own behalf;
- (b) all profit accruing to SSL thereon or losses arising or incurred by it relating to the remaining business of SSL shall, for all purposes, be treated as the profit, or losses, as the case may be, of SSL.



24 TREATMENT OF TAXES

24.1 It is clarified that all taxes, levies, imposts, fines and duties payable by SSL, accruing and relating to the operations of the Demerged Business from the Appointed Date onwards, including all advance tax payments, tax deducted at source, any refund and claims shall, for all purposes, be treated as advance tax payments, tax deducted at source or refunds and claims of SEL. Accordingly, upon this Scheme becoming effective, SSL is expressly permitted to revise, and SEL is expressly permitted to file their respective income tax returns, including tax deducted at source certificates, sales tax/ value added tax returns, excise returns, service tax returns and other tax returns for the period commencing on and from the Appointed Date, and to claim refunds/ credits, pursuant to the provisions of this Scheme. Similarly, the unabsorbed depreciation and brought forward losses of the Demerged Company as are relating to the Demerged Business as considered for the purposes of Explanation 1 to Section 115JB (2) of the Income Tax Act, 1961 shall stand transferred to the Resulting Company and the Resulting Company shall consolidate the same with its unabsorbed depreciation and brought forward losses for the purpose of Explanation 1 to Section 115JB (2) of the Income-tax Act, 1961.

24.2 All expenses paid by SSL under Section 43B of the Income-tax Act, 1961, in relation to the Demerged Business, shall be claimed as a



deduction by SEL and the transfer of Demerged Business shall be considered as succession of business by SEL.

24.3 The Demerger as contemplated in this Scheme would be completed in a manner so as 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 are found or interpreted to be inconsistent with the provisions of the said section at the later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(19AA) of the Income-tax Act, 1961. Such modification will however not affect the other parts of the Scheme. Upon approval of the scheme of amalgamation the accumulated losses and unabsorbed depreciation allowance of the Demerged Company shall be available to the Resulting Company under section 72A of the Income-tax Act, 1961.



PART – IV

25 APPLICATION TO THE HIGH COURT

SEBL, SEEL, SWIL, SSL and if required, SEL, shall, with all reasonable dispatch, make necessary applications to the High Court pursuant to Sections 391 - 394 of the Act, for convening and/or seeking exemption to convene meetings of the shareholders, for sanctioning and carrying out of this Scheme and for consequent dissolution of the Transferor Companies without winding up and shall apply for and obtain such other approvals, as required by law. Any such application shall, upon constitution of the National Company Law Tribunal under Section 10FB of the Act, be made and/or pursued before the National Company Law Tribunal, if so required. In such event references in this Scheme to the High Court shall be construed as references to the National Company Law Tribunal and/or appropriate Benches thereof as the context may require.

26 MODIFICATIONS/AMENDMENTS TO THE SCHEME

SEBL, SEEL, SWIL, SSL and SEL by their respective Board of Directors may assent to any modifications/amendments to the Scheme or to any conditions or limitations that the High 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 respective Board of Directors of SEBL, SEEL, SWIL, SSL



and SEL). SEBL, SEEL, SWIL, SSL and SEL by their respective Board of Directors be and are hereby authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, 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. The aforesaid powers of the Board shall be exercised with the approval of the High Court.

27 DISSOLUTION OF THE TRANSFEROR COMPANIES

On the Scheme becoming effective, the Transferor Companies shall stand dissolved without being wound up under Section 394 of the Act.

28 CONDITIONALITY OF THE SCHEME

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

- 28.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of SEBL, SEEL, SWIL, SSL and SEL as prescribed under the Act and as may be directed by the High Court or any other appropriate authority as may be applicable.



- 28.2 Pre filing and post sanction approval of the Stock Exchanges and the Securities and Exchange Board of India in terms of the SEBI circular being obtained, if applicable.
- 28.3 The sanction of this Scheme by the High Court or any other appropriate authority under Sections 391 to 394 and other applicable provisions, if any of the Act in favour of SEBL, SEEL, SWIL, SSL and SEL.
- 28.4 Certified or authenticated copy of the Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, Gujarat at Ahmedabad by SEBL, SEEL, SWIL, SSL and SEL.

29. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in Clause 28 not being obtained and/ or the Scheme not being sanctioned by the High Court or such other appropriate authority, if any, 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 and agreed between the respective parties to this Scheme. Each party shall bear and pay



its respective costs, charges and expenses for and / or in Connection with the Scheme unless otherwise mutually agreed.

30. COSTS, CHARGES AND EXPENSES

All costs, shortages, charges, taxes including duties, levies and stamp duty leviable as on Effective Date, under the respective applicable stamp duty laws, pursuant to the certified final order of the High Court sanctioning the Scheme and all other expenses, if any (save as expressly otherwise agreed) of SEBL, SEEL, SWIL, SSL and SEL arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Resulting Company/ Transferee Company.

For Suzlon Energy Limited

H.A. Kanungo

Company Secretary

