

DRAFT
SCHEME OF ARRANGEMENT
UNDER SECTIONS 230 TO 232
AND
OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013
BETWEEN
WEIZMANN FOREX LIMITED
(the “Demerged Company” or the “Transferor Company” or WFL)
AND
KARMA ENERGY LIMITED
(the “Resulting Company” or “KEL”)
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

(A) This scheme of Arrangement provides for:

- a. Demerger of the Wind Power Division of WEIZMANN FOREX LIMITED, the demerged company into KARMA ENERGY LIMITED, the Resulting Company pursuant to provisions of Sections 230 to 232 and other applicable provisions of the Act.
- b. The demerger of the Demerged Undertaking into the Resulting Company under this Scheme will be effected under the provisions of Section 230 to 232 of the Companies Act, 2013 and in accordance with

the provisions of Section 2(19AA) of the Income Tax Act, 1961, such that:

- (i) All the properties of the Wind Power Division of the Demerged Company (as defined hereinafter as WFL) being transferred by the Demerged Company becoming the properties of the Resulting Company by virtue of the demerger;
- (ii) All the liabilities relating to the Wind Power Division of the Demerged Company being transferred by the Demerged Company becoming the liabilities of Resulting Company by virtue of the demerger;
- (iii) The properties and liabilities, if any, relating to the Demerged Company being transferred by the Demerged Company are transferred to the Resulting Company at the values entered in the books of accounts of the Demerged Company before the Demerger;
- (iv) The Resulting Company issues shares to the shareholders of the Demerged Company in consideration of the demerger in the same proportion in which shares are held by them in the Demerged Company subject to the terms hereof except where the resulting company itself is a shareholder of the demerged company;
- (v) All the shareholders of the Demerged Company become the shareholders of the Resulting Company by virtue of the demerger;



and

(vi) The transfer and vesting of the Demerged Company is on a going concern basis.

(B) Description of the company

- a. **WEIZMANN FOREX LIMITED** (hereinafter referred to as "**WFL**") is a limited company incorporated under the provisions of the Companies Act, 1956. WFL Company is mainly engaged in the business of purchase and sale of foreign exchange as Reserve bank of India registered Authorized dealer Category – II and also as RBI registered Agent for overseas Money Transfer Entities for International Inbound Money transfer.
- b. **KARMA ENERGY LIMITED** (hereinafter referred to as "**Resulting Company**") is a limited company incorporated under the provisions of the Companies Act, 1956. KEL Company is engaged in the specific business of Wind power generation.

(C) Rationale of the Scheme

The proposed Scheme would result in segregation of and the transfer of WFL's wind power division (Demerged undertaking) which is a non core business activity of WFL and at the same time for KEL wind power generation is the main business activity and therefore the demerger could



facilitate both the companies for future expansion with proper financial arrangement, better management and increase in profitability. The scheme between the companies would *inter alia* have the following benefits:

- a. The Wind Division Undertaking of WFL is a non core business of WFL. The nature of risk, permissions and competition involved in this undertaking is distinct from other undertaking or businesses of WFL and consequently Wind Division Undertaking is capable of attracting different sets of investors, strategic partners, lenders and other stakeholders. In order to achieve a distinct focus of the investors to invest in some of the key businesses and to lend greater focus to the operation of Wind Division Undertaking, WFL proposes to re-organize and segregate, by way of demerger, its Wind Division Undertaking. The proposed Scheme is in the interest of all the parties to the Scheme and their respective shareholders and creditors and will in the long term, be in the interest and welfare of the employees;
- b. The Wind Power generation in particular and Renewable Energy Development in general is being given great impetus by Central and State Governments and over a period the business has good growth and profitability potential and it requires focused leadership and management attention.
- c. It is believed that the proposed segregation will create enhanced value for shareholders and allow a focused strategy in operations, which



would be in the best interest of WFL, its shareholders, creditors and all persons connected with WFL. The demerger proposed by this Scheme of Arrangement will enable investors to separately hold investments in businesses with different investment characteristics thereby enabling them to select investments which best suit their investment strategies and risk profiles.

- d. The demerger will also provide scope for independent collaboration and expansion without committing the existing organization in its entirety.
- e. The Board of Directors of the Demerged Company is of the opinion that the demerger would benefit the shareholders, employees and other stakeholders of the Demerged Company.
- f. The proposed scheme is not prejudiced to the interest of the creditors or the employees of the Demerged Company.

(D) Upon the Scheme becoming effective, based on the exchange ratio all the shareholders of the Demerged Company on the record date will become shareholders of the Resulting Company except where the resulting company itself is a shareholder of the demerged company.

(E) Parts of the Scheme



The Scheme is divided into following parts:

- a. **Parts A** deals with the introduction and definitions and share capital of the Demerged Company and the Resulting Company;
- b. **Part B** deals with the Demerger and/or transfer and vesting of the Wind Division of Weizmann Forex Ltd. undertaking into Karma Energy Limited on a going concern basis.
- c. **Part C** deals with the Remaining Business in Weizmann Forex Limited.
- d. **Part D** deals with the issue of shares and accounting treatments in the Books of the Demerged Company and the Resulting Company.
- e. **Part E** deals with General, Terms and Conditions applicable to the Scheme.

PART A

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS:

In this Scheme, unless repugnant to the context, the following expressions shall have the following meanings:

- 1.1 “**Act**” or “**The Act**” means the Companies Act, 2013 and/or other applicable provisions of the Companies Act, 2013 or any statutory modifications, amendments or re-enactment thereof from time to time;



1.2 "**Appointed Date**" means the 1st day of April, 2017 or such other date as the National Company Law Tribunal, Mumbai Bench may direct.

1.3 "**Wind Division Undertaking**" or the "**Demerged Division Undertaking**" shall mean and include various properties of and all the Demerged Company's undertaking, business, activities and operations pertaining to the Wind Power division as segregated by the Demerged Company and comprising all the assets (moveable and immoveable) and liabilities, which relate thereto or are necessary therefore including specifically the following:

- i. Assets through which the Demerged Company carries on its business, activities and operations pertaining to Wind Power Division All the debts (whether secured or unsecured), liabilities (including contingent liabilities), duties and obligations of the Demerged Company of every kind, nature and description whatsoever and howsoever accruing or arising out of, and all loans and borrowings raised or incurred and utilized for its businesses, activities and operations pertaining to Wind Power Division;
- ii. All agreements, rights, contracts, entitlements, permits, licences, approvals, consents, engagements, arrangements and all other privileges and benefits of every kind, nature and description whatsoever relating to the Demerged Company's business, activities and operations pertaining to its Wind Power Division;



- iii. All intellectual property rights, records, files, papers, data and documents relating to the Demerged Company's business, activities and operations pertaining to its Wind Power Division; and
 - iv. All employees engaged in or relating to the Demerged Company's business, activities, and operations pertaining to Wind Power Division.
- 1.4 "**Board**" or "**Board of Directors**" means the Board of Directors or any committee there of the Demerged Company or the Resulting Company as the context may require.
- 1.5 "**NCLT**" means the National Company Law Tribunal or National Company Law Appellate Tribunal, if applicable.
- 1.6 "**Effective Date**" means the date on which certified copies of the National Company Law Tribunal, Mumbai Bench Orders sanctioning the Scheme of Arrangement are filed with the Registrar of Companies, Mumbai.
- 1.7 "**Remaining Businesses**" means all the undertakings, businesses, activities and operations of the Demerged Company other than those comprised in the Demerged Undertakings.



- 1.8 "**Scheme**" or "**the Scheme**" or "**this Scheme**" means this Scheme of Arrangement in its present form or with any modification(s) made under Clause 11 of this Scheme as approved or directed by the National Company Law Tribunal or any other appropriate authority.
- 1.9 The "**Transferor Company**" or "**the Demerged Company**" or "**WFL**" means Weizmann Forex Limited, a Company incorporated under the Companies Act, 1956 on October 9, 1985 as Chanakya Holdings Private Limited . The name was changed from Chanakya Holdings Private Limited to Chanakya Holdings Limited on August 23, 1996. The name was subsequently changed from Chanakya Holdings Limited to Weizmann Forex Limited on December 29, 2010 having its registered office at 214, Empire House, Dr. D. N. Road, Fort, Mumbai-400001
- 1.10 The "**Transferee Company**" or "**Resulting Company**" or "**KEL**" means **KARMA ENERGY LIMITED**, a Company incorporated under the Companies Act, 1956 on March 15, 2007 as Karma Wind Power Private Limited. The name of Karma Wind Power Private Limited was changed to Karma Wind Power Limited w.e.f March 12, 2010 and later the name of the company was again changed to Karma Energy Ltd on December 29, 2010 and having its registered office at 214, Empire House, Dr. D. N. Road, Fort, Mumbai-400001.



2. SHARE CAPITAL

2.1 Demerged Company:

The Share Capital structure of the Demerged Company as on 31.03.2017 is as under:

<u>Authorised Capital</u>	<u>Rupees</u>
15,000,000 Equity Shares of Rs.10/- each	150,000,000
<u>Issued, Subscribed and Paid –up</u>	
11,564,357 Equity Shares of Rs. 10/- each	115,643,570

2.2 Resulting Company:

The Share Capital structure of the Resulting Company as on 31.03.2017 is as under:

<u>Authorised Capital</u>	<u>Rupees</u>
18,000,000 Equity Shares of Rs.10/- each	180,000,000
<u>Issued, Subscribed and Paid – up</u>	
11,569,918 Equity Shares of Rs. 10/- each	115,699,180

PART B

3. DEMERGER AND/OR TRANSFER AND VESTING OF THE WIND



DIVISION UNDERTAKING INTO THE RESULTING COMPANY

3.1 Transfer of assets:

- i. Upon the coming into effect of this Scheme and with effect from the Appointed Date, all the estate, assets rights, claims, title, interest and authorities including accretions and appurtenances of the Wind Division Undertaking shall, pursuant to the provisions of Sections 230 to 232 of the Act, without any further act, deed matter or thing be and stand transferred to and vested in and shall be deemed to be transferred to and vested in Karma Energy Limited, the Resulting Company herein.
- ii. All assets and properties, whether movable or immovable, real or personal, in possession or reversion, leasehold land, buildings, corporeal or incorporeal, tangible or intangible, present or contingent of whatsoever nature and where so ever situated, belonging to or in the ownership, power or possession and / or in the control of or vested in or granted in favour of or enjoyed by the Wind Division Undertaking of WFL such as licenses, permits, approvals, registrations, contracts, registration with various government, semi government, local bodies, or any other corporate or enterprises or undertakings, agreements, bonds, understandings, engagements, deeds and instruments of whatever nature relating to the Demerged Undertaking and to which the Demerged Company is a party or to the benefit of which the



Demerged Company is eligible and subsisting or having effect on the Effective Date, shall in force and effect against or in favour of the Resulting Company as fully and effectually as if, instead of Demerged Company, the said Resulting Company had been a party or beneficiary or oblige thereto to there under, all deposits including security deposits, inventories/ stocks, funds, electrical installation, office equipment, Air-conditioning, plant, fixtures, computers, appliances, accessories, vehicles, incentives, if any, and all other rights, title, interest, labels and brand registrations, trademarks, patents and copyrights, technical know-how, trade names and other industrial rights of any nature whatsoever, contracts, agreements, consent, approvals or powers of every kind nature and description.

- iii. All arrangements with remisiers, clients, hire purchase arrangements, bids, tenders, letters of intent, expressions of interest, municipal and other statutory permissions, approvals, consents, registrations, subsidies, Bank Guarantees, Fixed Deposit Receipts, Bonds, concessions, exemptions, remissions, tax deferrals, tenancies in relation to office, bank accounts, lease rights, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of v-sats, lease-lines, internet connections, telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all other interests in connection



with or relating to the Wind Division Undertaking of WFL be transferred to and vested in the Resulting Company.

3.2 Transfer of Liabilities:

- i. Upon the coming into effect of this Scheme, all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties or obligations of any kind, nature or description related to the Wind Division Undertaking of the Demerged Company (as on the Appointed Date) be and stand transferred to the Resulting Company.
- ii. For the purpose of this Scheme, it is clarified that liabilities pertaining to the Wind Division Undertaking of WFL are:
 - a. The liabilities which arise out of the activities or operations of the Wind Division Undertaking of WFL,
 - b. Specific loans and borrowings raised, incurred and utilized solely for the activities or operation of the Wind Division Undertaking of WFL and
 - c. Liabilities other than those referred to in sub-clauses (a) and (b) above, if any, being the amounts of general or multipurpose borrowings of WFL prior to the Appointed Date, related to the Wind Division Undertaking of WFL.



- iii. All employees of WFL employed for the Wind Division Undertaking of WFL as on the Effective Date be transferred to and vested in the Resulting Company.

- iv. Any question that may arise as to whether a specific assets or liabilities pertains or does not pertain to the Wind Division Undertaking of WFL or whether it arises out of the activities or operations of the Wind Division Undertaking shall be decided by mutual agreement between the Boards of Directors of WFL and KEL.

PART C

REMAINING BUSINESS

4. REMAINING BUSINESS TO CONTINUE WITH DEMERGED COMPANY

- 4.1 **“Remaining Business Undertaking”** means all the business, undertaking, activities, operations and all the properties and investment and liabilities of WFL (Demerged Company) after demerger /Transfer by transfer of the Wind Division Undertaking pursuant to this scheme.



- 4.2 The Remaining Business Undertaking 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.
- 4.3 All legal, taxation or other proceeding whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the remaining undertaking (Including those relating to any property right, power, liability, obligation or duties of the Demerged Company in respect of the remaining undertaking) shall be continued and enforced by or against the Demerged Company after the effective date. The Resulting Company shall in no event be responsible or liable in relation to any such legal, taxation or other proceeding against the Demerged Company, which relate to the Remaining Undertaking.
- 4.4 If proceedings are taken against the Resulting Company in respect of the matters referred to above, it shall defend the same in accordance with the advice of the Demerged Company and at the cost of the Demerged Company, and the latter shall reimburse and indemnify the relevant Resulting Company against all liabilities and obligations incurred by the Resulting Company in respect thereof.



4.5 With effect from the Appointed Date and up to and including the effective date:

- (a) The Demerged Company shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Undertaking for and on its own behalf.
- (b) All profits accruing to the Demerged Company thereon or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the remaining undertaking shall for all purpose, be treated as the profits & losses, as the case may be, of the Demerged Company; and
- (c) All assets and properties acquired by the Demerged Company in relation to the remaining undertaking on and after the Appointed Date shall belong to and continue to remain vested in the Demerged Company.

4.6 DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) and amendment(s) made under Clause 11 of the Scheme shall be effective from the Appointed Date but shall be operative from the Effective Date.



PART D

ISSUE OF SHARES AND ACCOUNTING TREATMENT

5 CONSIDERATION BY KEL

- 5.1 Upon this Scheme becoming operative and upon vesting of the whole of the Wind Business of WFL in KEL in terms of this Scheme read with vesting of the Wind Power Division Undertaking as mentioned in Part B of this Scheme, KEL shall without any further application or deed, issue and allot Equity Shares of the face value of Rs.10/- each (Rupees Ten each) credited as fully paid-up to the members of WFL (Demerged Company) and whose name appears in the Register of Members of the Demerged Company on the record date his/her heirs, executors, administrators, successors in the title as the case may be in the ratio of
- 5 (Five shares) (Equity shares of Resulting Company of the Face Value of Rs.10/- (Rupees Ten each) credited as fully paid up for every 11 (Eleven) Equity shares of Rs. 10/- each (Rupees Ten Each) fully paid held by each such member is/her heirs, executors, administrators, successors in the Demerged Company ("**Share Entitlement Ratio**") except where the resulting company itself is a shareholder of the demerged company. However, the fully paid up shares in the Resulting Company to the shareholders of the Demerged Company are to be allotted in absolute numbers only after application of the swap ratio. No



fractional Share shall be issued by the Resultant Company in respect of the fractional Share entitlement, if any, arising out of such allotment which shall be rounded off to the nearest complete Share. The Board of Directors of the Resultant Company shall consolidate all fractional entitlements, if any, and allot new Equity Shares in lieu thereof to a Director or such other authorized representative(s) as the Board of Directors of Resultant Company shall appoint in this behalf, who shall hold the new Equity Shares issued in Resultant Company, in trust, on behalf of the members entitled to fractional entitlements with the express understanding that such Director(s) or any other authorized representative(s) shall sell the same in the market at such time or times and at such price or prices and to such person or persons, as it / he / they may deem fit, and pay to the resultant company, the net sale proceeds thereof, where upon the Resultant Company shall distribute such net sale proceeds, subject to taxes, if any, to the members in proportion to their respective fractional entitlements. The Board of Directors of the Resultant Company, if it deem necessary, in the interest of allottees, approve such other method in this behalf as it may, in its absolute discretion deem fit.

- 5.2 The equity shares in KEL to be issued to the shareholders of WFL pursuant to this scheme shall be subject to the Memorandum and



Articles of Association of 'KEL and shall rank *pari passu* with the existing equity shares of KEL.

5.3 The issue and allotment of equity shares by KEL to the Shareholders of WFL as provided in the Scheme is the integral part thereof and shall be deemed to have been carried out as if the procedure laid down under Section 42 of the Companies Act, 2013 and any other applicable provisions and rules thereof were duly complied with.

5.4 KEL shall, to the extent, if required, increase its Authorized Share Capital in order to issue Equity Shares under this Scheme.

5.5 The proposed issue of Equity Shares shall not be construed to result in change in dominant shareholding/control of either WFL or KEL.

6 ACCOUNTING TREATMENT IN THE BOOKS OF KEL

6.1 Upon the coming into the effect of this Scheme and with effect from the Appointed Date, KEL shall account the transfer of the Wind Power Division Undertaking based on following method of accounting, as more particularly specified in clauses 6.2 to 6.6.

6.2 Upon the coming into the effect of this Scheme and with effect from the Appointed Date, the assets of the Wind Power Division Undertaking of WFL shall be accounted and dealt with in the books of the KEL, at the book values of these assets in the books of WFL on the Appointed Date before the demerger.



- 6.3 Upon the coming into the effect of this Scheme and with effect from the Appointed Date, the liabilities of the Wind Power Division Undertaking of WFL shall be accounted and dealt with in the books of the KEL, at the book values of these liabilities in the books of WFL on the Appointed Date before the demerger.
- 6.4 KEL shall credit to the Share Capital Account in its books of Account, the aggregate face value of the Equity Shares of KEL issued and allotted by it to the members of WFL pursuant to demerger/transfer of Wind Division Undertaking to WFL.
- 6.5 The excess, if any remaining after recording the aforesaid entries shall be credited by the KEL to Capital Reserve and deficit, if any remaining after recording the aforesaid entries shall be debited by KEL to goodwill account.
- 6.6 The inter-company balance between KEL and the Wind Power Division Undertaking of WFL, if any, will be cancelled.

7 ACCOUNTING TREATMENT IN THE BOOKS OF WFL

- 7.1 Upon the coming into the effect of this Scheme and with effect from the Appointed Date, WFL shall account the transfer of the Wind Division Undertaking based on following method of accounting, as more particularly specified in clauses 7.2 to 7.4.



- 7.2 Upon the coming into the effect of this Scheme and with effect from the Appointed Date, the assets of the Wind Power Division Undertaking, at the book values of these assets in the books of WFL on the Appointed Date before the demerger shall be removed, transferred and vested in KEL.
- 7.3 Upon the coming into the effect of this Scheme and with effect from the Appointed Date, the liabilities of the Wind Power Division Undertakings of WFL on the Appointed Date before the demerger shall be removed, transferred and vested in KEL .
- 7.4 The difference between the Book value of the assets and the book value of the liabilities as appearing in the books of accounts of WFL on the appointed dated before demerger and transferred as part of wind power division undertaking to KEL would be debited first to the Capital Reserve account, if any, then to General Reserve Account, then to the Balance in Profit & Loss Account and Balance, if any, to Goodwill Account of WFL. If the net result is a credit then the same shall be credited to Capital Reserve Account of WFL

PART E

8 GENERAL TERMS AND CONDITIONS/APPROVALS

8.1 Conduct of Business by WFL till Effective Date

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



Date:

- a) WFL shall be deemed to have been carrying on and shall carry on the respective business and activities of the Wind Power Division Undertaking and shall be deemed to have and stood possessed of and shall hold and stand possessed of the assets pertaining to the Wind Power Division Undertaking, respectively, for and on account of and in trust for the Resulting Company. WFL hereby undertakes to hold the said assets with utmost prudence until the Effective Date.
- b) WFL shall carry on the business and activities of the Wind Power Division Undertaking with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of the Resulting Company, as the case may be, alienate, charge, mortgage, encumber or otherwise deal with or dispose off the Wind Power Division Undertaking or any part thereof otherwise than in the normal course of business.
- c) All the profits or income accruing or arising to WFL or expenditure or losses arising or incurred or suffered by WFL pertaining to the Wind Power Division Undertaking for all purposes be treated and be deemed to be and accrue as the income or profits or losses or expenditure, as the case may be, of the Resulting Company.



- d) WFL shall not vary the terms and conditions of employment of any of the employees engaged in and for the Wind Power Division Undertaking except in the ordinary course of business or without the prior consent of the Resulting Company or pursuant to any pre-existing obligation undertaken by WFL as the case may be, prior to the Appointed Date.
- e) The Resulting Company shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government, Union Territories, and all other agencies, departments and authorities (statutory, regulatory or otherwise) concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which any or all of them may require to own and to operate respectively the Wind Power Division Undertaking.

8.2 Profits, Dividend, Bonus/Right Shares

- 8.2.1 WFL shall not utilize profits, if any, of the Wind Power Division Undertaking for any purpose including declaring or paying any dividend in respect of the period falling on and after the Appointed Date. WFL



shall also not utilize profits, adjust or claim adjustment of the profits/loss as the case may be earned/incurred or suffered in respect of the Wind Power Division Undertaking after the Appointed Date.

- 8.2.2 Until the Effective Date, WFL shall not issue or allot any further equity shares either rights or bonus or otherwise without prior consent of the Resulting Company.

8.3 Employees of the Wind Division Undertaking

- 8.3.1 On the Scheme becoming effective all the employees of WFL in respect of the Wind Power Division Undertaking, as may be identified by the Board of Directors of WFL shall become the employees of the Resulting Company, without any break or interruption in their services, on same terms and conditions on which they are engaged as on the Effective Date. The Resulting Company further agree that for the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted past services with WFL in respect of the Wind Power Division Undertaking shall also be taken into account. The Resulting Company undertakes to continue to abide by the terms of agreement/settlement entered into by WFL in respect of the Wind Power Division Undertaking with any outside agency in respect of the Wind Power Division Undertaking.



8.3.2 The accounts/ funds of the employees, whose services are transferred under Clause 8.3.1 above, relating to superannuation, provident fund and gratuity fund shall be identified, determined and transferred to the respective Trust/ Funds of the Resulting Company and such employees shall be deemed to have become members of such Trusts/ Funds of the Resulting Company.

8.4 Legal Proceedings

8.4.1 All legal proceedings of whatsoever nature by or against WFL, if any, in respect of any or all of the Wind Power Division Undertaking pending on and/or arising after at the Appointed Date, as and from the Effective Date shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme of Arrangement 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 manner and to the same extent as would or might have been continued and enforced by or against WFL.

8.4.2 After the Appointed Date, proceedings, if any are taken against WFL in respect of any or all of the Wind Power Division Undertaking, it shall prosecute or defend the same, as the case may be, at the cost of the respective Resulting Company, and the said Resulting Company shall reimburse and indemnify WFL against all liabilities and obligations incurred by WFL in respect thereof.



8.4.3 The Resulting Company undertake to have all legal or other proceedings initiated by or against WFL referred to in Clauses 8.4.1 and/or 8.4.2 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of WFL.

8.5 Contracts, Deeds, etc.

8.5.1 Subject to the other provisions of this Scheme, all contracts for annual maintenance or for any other purpose, deeds, bonds, insurance, Letters of intent, bank guarantee, letter of credit, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature relating to any or all of the Wind Power Division Undertaking and to which WFL is party and subsisting or having effect on the Effective date, shall be in full force and effect against or in favour of the Resulting Company, as the case may be, and may be enforced by or against Resulting Company as fully and effectually as if, instead of WFL, such Resulting Company had been a party thereto.

8.5.2 The Resulting Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which WFL will, if necessary, also be party in order to give formal effect to the provisions



of this Scheme, if so required or becomes necessary. The Resulting Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of WFL and to implement or carry out all formalities required on the part of WFL to give effect to the provisions of this Scheme.

9 APPLICATION TO THE HON'BLE NCLT

WFL and KEL shall with all reasonable dispatch make applications/petitions under Sections 230 to 232 and other applicable provisions of the Act to the National Company Law Tribunal, Mumbai Bench for sanctioning of this Scheme of Arrangement under Sections 230 to 232 of the Act and for such other or further order or orders there under as the Tribunal may deem fit for carrying the Scheme into effect.

10 SCHEME CONDITIONAL ON APPROVALS/SANCTIONS

This Scheme is conditional upon the receipt of and subject to:

- 10.1 The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.
- 10.2 The sanction of the NCLT, Mumbai Bench or any other authority under Section 230 to 232 of the Act for demerger/transfer of the Wind Power



Division Undertaking of the Demerged company in favour of the Resulting Company under the said provisions and to the necessary order or orders under Section 230 to 232 of the said Act being obtained and the same being filed with the Registrar of Companies.

11 MODIFICATIONS/AMENDMENTS TO THE SCHEME

WFL and KEL (by any of its Directors or authorized representatives) may in its full and absolute discretion assent to any modifications or amendments of this Scheme or to any conditions which the said Tribunal may deem fit to approve of or impose, and WFL and KEL (by any of its Directors or its authorized representatives) may do all acts, deeds, matters and thing as may be necessary, desirable or proper for carrying this Scheme into effect or to resolve any doubts, difficulties or questions whether by reason of any order of the NCLT or of any directive or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerned therewith. All amendments / modifications to the scheme shall be subject to approval of the Tribunal.

12 EFFECT OF NON RECEIPT OF APPROVALS/SANCTIONS

In the event of any of the said sanctions and/or approvals referred to in the preceding Clause 11 above not being obtained and/or this Scheme not being sanctioned by the National Company Law Tribunal, Mumbai Bench and/or the order or orders not being passed as aforesaid before March 31,



2019 or within such further period or periods as may be agreed upon between the Board of Directors each of the WFL and KEL who are hereby empowered and authorized, to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegates 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 contemplated hereunder or as to any right, liability or obligation which has arisen and or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in this Scheme or as may otherwise arise in law.

13 EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses, in connection with the Scheme, incurred upto the stage of the Scheme becoming effective or in the event the Scheme does not take effect or stands withdrawn for any reason whatsoever shall be borne and paid by WFL. Subsequent to the said stage, KEL shall pay and bear the costs.

