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**MEMORANDUM OF ASSOCIATION  
AND  
ARTICLES OF ASSOCIATION  
OF  
JSW ENERGY LIMITED**

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 **Energy Limited**  
  
**Monica Chopra**  
**Company Secretary**

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सत्यमेव जयते

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

Central Processing Centre  
Manesar, Plot No. 6,7, 8, Sector 5, IMT Manesar, Gurgaon, Haryana, 122050, India

Corporate Identity Number: L74999MH1994PLC077041 / L74999MH1994PLC077041

**SECTION 13(1) OF THE COMPANIES ACT, 2013**

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

The shareholders of M/s JSW ENERGY LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 05/07/2024 altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section 13(1) of the Companies Act, 2013.

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

Given under my hand at ROC, CPC this EIGHTH day of AUGUST TWO THOUSAND TWENTY FOUR

Document certified by DS CPC 1  
<VIVEK.MEENA@GOV.IN>

Digitally signed by  
DS CPC 1  
Date: 2024.08.08 16:36:48 IST

N Chinnachamy

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

Central Processing Centre

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

**JSW ENERGY LIMITED**

**JSW CENTRE, BANDRA KURLA COMPLEX BANDRA (EAST), NA, MUMBAI, Mumbai City- 400051, Maharashtra,  
India**



**GOVERNMENT OF INDIA**

**MINISTRY OF COMPANY AFFAIRS**

Maharashtra, Mumbai

Everest, 100, Marine Drive, , Mumbai - 400002, Maharashtra, INDIA

Corporate Identity Number : U74999MH1994PLC077041

**SECTION 18(1)(A) OF THE COMPANIES ACT, 1956**

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

The share holders of M/s JSW ENERGY LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 28/11/2006 altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section (18)(1) of the Companies Act, 1956 (No. 1 of 1956).

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

Given under my hand at Mumbai this TWENTY NINTH day of DECEMBER TWO THOUSAND SIX.



  
(MILIND VITTHALRAO CHAKRANARAYAN)

dy, Registrar of Companies  
Maharashtra, Mumbai

 JSW Energy Limited  
  
Monica Chopra  
Company Secretary

No. 11- 77041

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

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

In the matter of JINDAL THERMAL POWER COMPANY  
LIMITED

I hereby approve and signify in writing under Section 21 of the Companies Act, 1956 (Act of 1956) read with the Government of India, Department of Company Affairs, Notification No. G.S.R. 607E dated the 24th June 1985 the change of name of the Company,

from JINDAL THERMAL POWER COMPANY LIMITED

to JSW Energy Limited

and I hereby certify that

JINDAL THERMAL POWER COMPANY LIMITED


which was originally incorporated on TENTH  
day of MARCH, <sup>1994</sup> under the Companies Act, 1956 and under the name  
JINDAL TRACTEBEL POWER COMPANY LIMITED having  
duly passed the necessary resolution in terms of section 21/22/(1)  
(a)/22(1) (b) of the Companies Act, 1956 the name of the said  
Company is this day changed to  
JSW Energy Limited

and this

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

Given under my hand at MUMBAI this SEVENTH

day of DECEMBER 2005.

  
(M. R. BHAT)  
Dy. Registrar of Companies  
Maharashtra, Mumbai.



**JSW Energy Limited**



Monica Chopra  
Company Secretary

No. 11- 77041

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

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

In the matter of JINDAL TRACTEBEL POWER COMPANY  
LIMITED

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

from JINDAL TRACTEBEL POWER COMPANY LIMITED

to JINDAL THERMAL POWER COMPANY LIMITED

and I hereby certify that JINDAL TRACTEBEL POWER  
COMPANY LIMITED,

which was originally incorporated on 10th  
day of MARCH 1994 under the Companies Act, 1956 and under the name  
JINDAL TRACTEBEL POWER COMPANY LIMITED having  
duly passed the necessary resolution in terms of section 21/22/(1)  
(a)/22(1) (b) of the Companies Act, 1956 the name of the said  
Company is this day changed to

JINDAL THERMAL POWER COMPANY LIMITED and this  
certificate is issued pursuant to Section 23(1) of the said Act/

Given under my hand at MUMBAI this 17th

JANUARY 2002

~~XXXXXXXXXXXXXXXXXXXX~~

(C.V. SAJEEVAN )  
ASST Registrar of Companies  
Maharashtra, Mumbai.



**JSW Energy Limited**

*Monica Chopra*

Monica Chopra  
Company Secretary

No. 11-77041



कारबार प्रारम्भ करने के लिए प्रमाण-पत्र  
Certificate for Commencement of Business

कम्पनी अधिनियम, 1956 की धारा 149(3) के अनुसार  
Pursuant of Section 149(3) of the Companies Act, 1956

मैं एतद्वारा प्रमाणित करता हूँ कि

जो कम्पनी अधिनियम, 1956 के अधीन तारीख ..... को नियमित की गई थी और जिसने आन विहित प्रकृत में सम्बन्ध रूप से स्थापित घोषणा फाइल कर दी है कि उक्त अधिनियम की धारा 149(1) (क) से लेकर (ख) तक/149(2) (क) से लेकर (ग) तक की शर्तों का अनुपालन किया गया है, कारबार प्रारम्भ करने की हकदार है।

I hereby certify that the, **JINDAL TRACTEBEL POWER COMPANY LIMITED**

which was incorporated under the Companies Act, 1956, on the **TENTH** day of **MARCH** 19**04**, and which has this day filed a duly verified declaration in this prescribed form that the conditions of Section 149(1)(a) to (d)/149(2)(a) to (c) of the said Act, have been complied with is entitled to commence business.

मेरे हस्ताक्षर से यह तारीख ..... को  
दिया गया।  
Given under my hand at... **BOMBAY**  
this **TWENTYEIGHTH** day of... **MARCH** ..... one thousand nine hundred and **NINETY FIVE**.

(G. SRINIVASAN)  
कम्पनियों का रजिस्ट्रार  
Registrar of Companies



ज० ए० सी०-10  
J.S.C-10

प्रभा (मुद्रक-230) सिविल/ 85-86-भासमुद्रक-3 (गो-71)-14-7-88-5,000.  
MGIPFC-230 CIVIL-85-86-भासमुद्रक-3 (गो-71)-14-7-88-5,000.

**JSW Energy Limited**  
*Monica Chopra*  
Monica Chopra  
Company Secretary



सत्यमेव जयते

प्रारूप ० आई ० आर ०  
Form I. R.

निगमन का प्रमाण-पत्र

**CERTIFICATE OF INCORPORATION**

ता०.....का सं०.....  
No. 11-77041.....of 1994.....

मैं एतद्वारा प्रमाणित करता हूँ कि आज.....

कम्पनी अधिनियम 1956 (1956 का 1) के अधीन निगमित की गई है और यह कम्पनी परिचीमित है।

I hereby certify that JINDAL TRACTEBEL POWER.....  
COMPANY LIMITED.....

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

मेरे हस्ताक्षर से आज का..... को दिया गया।  
Given under my hand at BOMBAY...this TENTH.....  
day of MARCH.... One thousand nine hundred and NINETYFOUR



(S.R.V.V. SATYANARAYANA)  
कम्पनियों का रजिस्ट्रार

ADDL Registrar of Companies  
Maharashtra

JSW Energy Limited

*Monica Chopra*

Monica Chopra  
Company Secretary

THE COMPANIES ACT, 1956

A COMPANY LIMITED BY SHARES

**MEMORANDUM OF ASSOCIATION  
OF  
JSW ENERGY LIMITED**

- I. The name of the Company is JSW ENERGY LIMITED.
- II. The Registered Office of the Company will be situated in the State of Maharashtra.
- III. The objects for which the Company is established are:
  - (A) THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY COMPANY ON ITS INCORPORATION ARE:
    1. To build, own and/or operate power plants either alone or in joint venture, especially in India.
    2. To generate, develop and accumulate electrical power at any place or places in India and to transmit, distribute and supply such power.
    3. To carry on the business of an electric power light and supply Company in all its branches and in particular to construct, lay down, establish, fix and carry out all necessary power stations, cables, wires, lines, accumulators, lamps and works, and to generate, accumulate, distribute and supply electricity, and to light cities, towns, streets, docks, markets, theatres, buildings and places both public and private.
    4. To enter into joint venture agreement, either directly or indirectly, with TRACTEBEL, S.A., a Company incorporated under the Law of Belgium, having its Registered Office at 1 Place Du-Trone, B-1000, Brussels Belgium) for the purpose of carrying out the above objects.

5. \*To build, own and/or operate, undertake, identify, formulate, design, develop, structure, promote, aid, procure, establish, equip, manage, construct, erect, operate, maintain, improve, control, regulate, modify, re-structure, re-organise, participate and/or assist in the designing, development, construction, manufacture, implementation, commissioning, operation and maintenance of power plants including nuclear and renewable energy power projects/plants (solar, wind or any other form/source of renewable energy) including pumped storage, and ancillary facilities and services for commercial use by itself, its members, shareholders and/or others, through itself or other companies promoted by the Company or promoters identified by the Company or through third parties or contractors and operators, on a commercial format by charging, demanding, collecting, auctioning, retaining and appropriating tariffs, charges, tolls, fees, prices, rents and all types of revenues, user fees from users of infrastructure facilities and projects and ancillary services and facilities, accept receivables towards dues, investments, returns, servicing / repayments of debts or capital, or such other mode of receivables and to provide Engineering, Procurement and Construction services, infrastructure and technical support, drive innovation, creating ecosystem and other infrastructure facilities as may be required for the purpose, either alone or in public private sector partnership mode or joint venture or any other formats as may be necessary and for this purpose to enter into all types of contracts with government and private entities through competitive bidding or any other mechanism and to engage in all businesses as may be related or ancillary to the aforesaid business areas.
6. \*To generate, develop, accumulate, purchase and sell through itself or other companies promoted by the Company or promoters identified by the Company or through third parties or contractors and operators, of all forms of electrical power, both conventional and non-conventional including coal, gas, lignite, oil, biomass, waste, thermal, nuclear, solar, hydel, geo-hydel, green hydrogen, wind and tidal waves and to transmit, distribute and supply such power or otherwise deal in all forms of electrical energy in all aspects.
7. \*To manufacture, deal in, let on hire, install, repair and maintain, through itself or other companies promoted by the Company or promoters identified by the Company or through third parties or contractors and operators, plant, machinery, equipment, appliances, components, materials, articles, apparatus, things and associated infrastructure of any nature whatsoever used or capable of being used in connection with generation, storage, supply, accumulation, distribution and application of electrical, renewable, nuclear and all other types of energy.

8. \*To undertake, carry on, engage in, either alone or jointly, through itself or other companies promoted by the Company or promoters identified by the Company or through third parties or contractors and operators, the business of manufacturers, producers, assemblers, dealers, importers, exporters, stockists, distributors, agents or otherwise deal in manufacture of energy storage including battery energy storage solutions (BESS), dry batteries, button batteries, battery plates, battery separators, battery containers, cells lids and any other battery components.

*\*Clauses 5 to 8 are inserted vide Special Resolution passed at the 30<sup>th</sup> Annual General Meeting of the Company held on 5<sup>th</sup> July, 2024.*

**(B) OBJECTS INCIDENTAL OR ANCILLIARY TO THE ATTAINMENT OF THE MAIN OBJECTS:**

9. To carry on the business of electricians, electrical and mechanical engineers, suppliers of electricity for the purpose of light, heat, motive power or otherwise, and manufacturers of and dealers in apparatus and things required for or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity, galvanism, magnetism or otherwise for the purpose of the business of the Company.
10. To enter into contracts, agreements and arrangements with any other company, firm or person for the carrying out by such other company, firm or person on behalf of the Company of the objects for which the Company is formed.
11. To carry on business as importers, buyers and sellers of, and merchants and dealers in and manufacturers of merchandise goods, materials and machinery of all kinds of spare parts, accessories and equipments in connection with the above objects of the Company.
12. To carry on any other business (whether manufacturing or otherwise), which in the opinion of the Board of Directors of the Company, is capable of being advantageously or conveniently carried on by the Company in connection with or as ancillary to any of the Company's objects or which it may be advisable to undertake with a view to developing, rendering valuable, prospecting or turning to account any property, real or personal, belonging to the Company or in which the Company may be interested.

13. To manufacture, buy, sell, exchange, alter, improve, manipulate, prepare for market and otherwise deal in all kinds of plant, machinery, apparatus, tools, utensils, receptacles, substances, materials, articles, and things necessary or convenient for carrying on any of the business or processes of the Company usually dealt in by person engaged in the like business or processes.
14. To buy, sell, manufacture, refine, manipulate, import, export and deal in substances, apparatus and things capable of being used in any business of the Company or required by any customers or persons having dealings with the Company.
15. To repair, alter, remodel, clean, renovate, convert, manipulate and prepare for release any goods from time to time belonging to the Company.
16. To employ experts to investigate and examine into the conditions, prospects, value, character and circumstances of any business concerns and undertaking and generally of any assets, property or rights.
17. To carry on any business or branch of a business which this Company is authorised to carry on by means, or through the agency of any company or companies, and to enter into any arrangement with such subsidiary company for taking the profits and bearing the losses of any business or branch so carried on, or for financing any such subsidiary company or guaranteeing its liabilities, or to make any other arrangement which may seem desirable with reference to any business or branch so carried on including power at any time and either temporarily or permanently to close any such branch or business.
18. To appoint Directors or Managers of any subsidiary company or of any other company in which this Company is or may be interested.
19. To take part in the management, supervision and control of the business or operation of any company or undertaking having similar objects.
20. For the purpose mentioned in the preceding clause, to appoint and remunerate directors, trustees, accountants or other experts and agents.

21. To purchase, take on lease or in exchange, hire or otherwise acquire any immoveable or moveable property and any rights or privileges which the Company may think necessary or convenient for the purposes of its business and in particular any land, building, easements, machinery, plant and stock-in-trade, and either to retain any property to be acquired for the purposes of the Company's business or to turn the same to account as may seem expedient.
22. To construct, improve, maintain, develop, work, manage, carry out or control any buildings, factories, or works, any roads, ways, tramways, railways, branches or sidings, bridges, wells, reservoirs, watercourses, wharves, warehouses, electric works, shops, stores, chawls and other buildings, for housing work people and others, or other works and conveniences which may seem calculated directly and indirectly to advance the Company's interests and to contribute to, subsidise or otherwise assist or take part in the construction, improvement, maintenance, developments, working, management, carrying out or control thereof.
23. To let on lease or on hire-purchase system or to lend or otherwise dispose of any property belonging to the Company, and to finance the purchase of any article or articles, whether made by the Company or not, by way of loans or by the purchase of any such article or articles and the letting thereof on the hire-purchase system or otherwise howsoever.
24. To sell, lease, grant licenses, easements and other right over and in any other manner deal with or dispose of the undertaking, property, assets, rights and effects of the Company, or any part thereof, for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any other Company.
25. To acquire and undertake the whole or any part of the business, property, and liabilities of any person, firm or Company carrying on or proposing to carry on any business which the Company is authorised to carry on, or possessed of property suitable for the purpose of this Company, or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company.
26. To amalgamate, enter into any partnership or partially amalgamate with or acquire interest in the business of any other company, person or firm carrying on or engaged in, or about to carry on or engage in any business or transaction included in the objects of the Company, or enter into any arrangement for sharing profits, or for co-operation, or

- limiting competition or for mutual assistance, with any such person, firm or company, or to acquire, carry on any other business (whether manufacturing or otherwise) auxiliary to the business of the Company or connected therewith or which may seem to the Company capable of being conveniently carried on in connection with the above, or calculated indirectly to enhance the value of or render more profitable any of the Company's property, and to give or accept by way of consideration for any of the acts or things aforesaid or property acquired, and shares, debentures, debenture-stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture-stock or securities, so received.
27. To enter into partnership, or into any arrangement for sharing profits or losses, or for any union of interest, joint-adventure, reciprocal concession or co-operation with any person or persons, or company or companies carrying on, or engaged in or about to carry on, or engage in or being authorised to carry on, or engage in any business or transaction capable of being conducted so as directly or indirectly to the benefit of this company.
  28. To underwrite, acquire, take up and hold shares, stocks, debentures, debenture-stock, bonds, obligation and securities issued or guaranteed by any company constituted or carrying on business in India or in any foreign country; and debentures, debenture-stock, bonds, obligations and securities issued or guaranteed by any Government, Sovereign Ruler, Commissioner, Public body or authority, supreme, municipal, local or otherwise whether in India or in any foreign country.
  29. To acquire any such shares, stocks, debentures, debenture-stock, bonds, obligation or securities by original subscription, tender, purchase, exchange or otherwise, and to subscribe for the same, either conditionally or otherwise, and to guarantee the subscription thereof, and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.
  30. To enter into any arrangement with any Government or authority, company or companies for the purpose of acquiring all or any of the property, rights and liabilities of the company or for any other purpose which may seem directly or indirectly calculated to benefit the company and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire all or any part of the shares, debentures or other securities of any such other company.

31. To enter into any arrangement with any Government or authority, supreme, municipal, local or otherwise or any person or company that may seem conducive to the Company's objects or any of them and to obtain from any such Government, authority, person or company any rights, privileges, charters, contracts, licences, and concessions which the Company may think fit desirable to obtain and to carry out, exercise and comply therewith.
32. To apply for, promote and obtain any act, charter, privilege, concession, licence, authorisation, if any, Government, State or Municipality provisional order or licence of any authority for enabling the Company to carry on any of its objects into effect, or for extending any of the powers of the Company, or for any other purpose which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.
33. To apply for, purchase, or otherwise acquire, and protect and renew in any part of the world any patents, patents rights, brevets d'invention, trademarks, designs, licences, concessions and the like conferring any exclusive or non-exclusive or limited right to their use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated, directly or indirectly to benefit the Company and to use exercise develop or grant licences in respect of or otherwise, turn to account the property, rights or information so acquired and to expend money in experimenting upon, testing or improving any such patents, inventions or rights.
34. To establish, provide, maintain and conduct, or otherwise subsidise research laboratories and experimental workshops for scientific and technical research and experiments and to undertake and carry on with all scientific and technical researches, experience, and tests of all kinds and to promote studies and research, both scientific and technical, investigations and invention by providing, subsidising endowing or assisting laboratories, workshops, libraries, lecture, meetings and conferences and by providing for the remuneration of scientific or technical professors or teachers and by providing for the award of exhibitions, scholarships, prizes and grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any of the business which the Company is authorised to carry on.

35. To make donations to such persons or institutions and in such cases, either of cash or any other assets, as may be thought directly or indirectly conducive to any of the Company's objects or otherwise expedient, and in particular to remunerate any person or corporation introducing business to this Company, and also to subscribe, contribute, or otherwise assist or guarantee money for charitable, scientific, religious or benevolent, national, public or cultural, educational, or other institutions, objects, or for any exhibition or for any public general or other objects, and to establish and support or aid in the establishment and convenience for the benefit of the employees or ex-employees (including Directors), of the Company, or its predecessors in business or of persons having dealings with the Company or the dependents, relatives or connection of such persons and in particular friendly or other benefit societies, and to grant pensions, allowances, gratuities and bonuses, either by way of annual payment or a lump sum, and to make payment towards insurance and to form and contribute to provident benefit funds and other welfare funds of or for such persons.
36. To refer or agree to refer any claim, demand, dispute or any other question by or against the Company, or in which the Company is interested or concerned, and whether between the Company and the member or members or his or their representatives, or between the Company and third parties, to arbitration in India or at any place outside India and to observe and perform and to do all acts, deeds, matters and things to carry out or enforce the awards.
37. To pay out of the funds of the Company all expenses which the Company may lawfully pay with respect to the promotion, formation and registration of the Company of the issue of its capital including brokerage and commission for obtaining application for or taking, placing or underwriting or procuring the underwriting of shares, debentures or other securities of the Company.
38. To pay all preliminary expenses of any company promoted by the Company or any company in which the Company is or may contemplate being interested, including such preliminary expenses all or any part of the costs and expenses of owners of any business or property acquired by the Company.
39. To pay for any right or property acquired by the Company and to remunerate any person or company for services rendered or to be rendered in placing of shares in the Company's capital or any debentures, debenture-stock or other securities of the company, in or about the formation or promotion of the Company, or the acquisition of

property by the Company or the conduct of its business, whether by cash payment or by the allotment of shares, debentures or other securities of the Company, credited as paid up in full or in part or otherwise.

40. To adopt such means of making known the business of the Company as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition or works of art or interest, by publications of books and periodicals, and by granting prizes, rewards and donations.
41. To lend and advance money or to give credit to such persons or companies and on such terms as may seem expedient and in particular to customers and others having dealings with the Company and to guarantee the performance of any contract or obligations and the payment of money of or by any such persons or companies and generally to give guarantees and indemnities.
42. To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined.
43. To receive money on deposit or loan and borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debentures, or debenture-stock and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the Company (both present and future) including its uncalled capital, and also by a similar mortgage charge or lien to secure and guarantee the performance by the Company of any other person or company of any obligation undertaken by the Company or any person or company as the case may be.
44. To undertake and execute any trusts the undertaking of which may seem to the Company desirable and either gratuitous or otherwise.
45. To draw, make, accept, endorse, discount, execute and issue bills of exchange, promissory notes, bills of lading, warrants, debentures and other negotiable or transferable instruments of securities.
46. To sell, improve, manage, develop, exchange, lease, mortgage, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the Company for the time being.

47. Subject to the provisions of the Companies Act 1956, in the event of winding up, to distribute among the members in specie any property of the Company, or any proceeds of sale or disposal of any property of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction, if any, for the time being required by law.
48. To insure the whole or any part of the property of the Company either fully or partially, to protect and indemnify the Company from liability or loss in any respect either fully or partially and also to insure and to protect and indemnify any part or portion thereof either on mutual principle or otherwise.
49. To carry out in any part of the world all or any part of the Company's objects as principles, agents, factors, trustees, contractor, or otherwise, either alone or in conjunction with any other person, firm, association, corporate body, municipality, province, state, body politic or government or colony or dependency thereof.
50. To exercise all or any of its corporate powers, rights privileges and to conduct its business in all or any of its branches in the Union of India and in any or all states, territories, possessions, colonies, and dependencies thereof and in any or all foreign countries, and for this purpose to have and maintain and to discontinue such number of offices and agencies therein as may be convenient.
51. To procure the Company to be registered with any association or recognised in any part of the world.
52. *\*To engage in, prospecting, business of mining, extraction of minerals, metals, coal, ores, things and other items attached to earth or forming part of earth and also to do all things and to engage generally in the business of mining and also to act generally as miners.*
53. *\*To purchase, acquire, take on lease or by grant, assignment, transfer from the Government and/or other agencies for any period, any mines, pits, pit-heads and other mineral bearing lands, mining rights, or concessions or prospecting or development rights, whether in India and / or abroad and to maintain, prospect minerals, metals, coal, and other items that may be found or mined and generally do all such acts and deeds to carry on the business of mining.*
54. *\*To carry on the business of manufacturing, making, selling, leasing, hiring, exchanging, converting in mines, mine heads, lands bearing minerals, metals, coal, coke, iron and precious and semi precious metals and*

*minerals in India and / or abroad and to crush, win, get, quarry, smelt, calcine, extract, recover, obtain, procure, refine, amalgamate, process or prepare for market ore, metal, mineral, mineral substances of all kinds whether from the earth, earth beds, outer space, river or sea and to carry on any other metallurgical or other operations and to get any or all of the above work done through agencies.*

55. *\*To import, export, deal, prospect, explore, mine, win, buy, sell, distribute and generally deal in earth and ore of all kinds including minerals, mineral water, metals, ores, coal, coke whether in raw or finished or in semi-finished stage and other minerals and to engage in training, developing manpower, human resources in the art of mining and other related fields.*

*\*Clause 48 to 51 inserted & consequently Clause 48 to 61 re-numbered to Clause 52 to 65, vide Special Resolution passed in the Extra ordinary General Meeting of the Company held on 28<sup>th</sup> November 2006.*

56. To do all and everything necessary, suitable or proper for the accomplishment or any of the purposes or the attainment of any of the objects or the furtherance of any of powers hereinbefore set forth, either alone or in association with other corporate bodies, firms or individuals, and to do every other act or acts, thing and things incidental or appurtenant to or growing out of, connected with the aforesaid business or powers or any part or parts thereof, provided the same be not inconsistent with the laws of the Union of India.

### (C) OTHER OBJECTS

57. To carry on the business of mechanical engineers and to design, construct, fabricate and manufacture all kinds of machines, tools, and implements, iron and brass founders, metal workers, machinists, iron and steel workers, smiths, metallurgists, producers of electric energy, appliances; to carry out research and development for any activity, operation, process or system; to act as consultants for any metallurgical, chemical or engineering work; to produce, purchase, refine, prepare, process, alter, import, export, sell and generally deal in ferro-alloys and in machinery, and connected therewith; to acquire, erect, construct, establish, operate and maintain factors, quarries, workshops; to construct, maintain, improve, manage, work, control and superintend any roads, underground tunnels, tramways and railway lines and siding mills crushing works, electric work factories, warehouses, shops, levels, shafts, coalign stations.

58. To carry on in India, and elsewhere, the business of mine owners, mineral contractors and/or agents and to purchase, take exchange, take on lease or otherwise acquire any mines, mining properties, mining products, mining licences or rights, concessions, claims, prospecting licences or rights, protected areas, ores, mineral products or by-products and substances from earth, iron, manganese, cobalt, nickel, tin, copper, silver, gold, alluvial deposits, raring concentrates, forests, water rights or grants, mineral or other lands, hereditaments, easements or premises in India or elsewhere and whether freehold, leasehold, or any other tenure or any other property of any description whatsoever, which the Company may consider advantageous for any of its objects or purposes and to prospect for, develop, work, improve, alter, modify or change, otherwise turn the same to account in any manner the Company may deem expedient and to search and prospect for, examine, explore, excavate, quarry, dredge, win, purchase, otherwise obtain area and substances of the earth, and to extract reduce, work, crush, refine, treat, smelt, amalgamate, manipulate, beneficiate or otherwise treat ores, metals, minerals, precious stones, or other valuable substances therefrom or prepare, render and make fit the same for the market.
59. To act as agents and brokers for sellers, buyers, exporters, importers, manufacturers, merchants, tradesmen, insurers and others generally to undertake and carry out agency work and commission business.
60. To carry on business as financiers, capitalists, commercial agents, mortgage brokers, financial agents and advisers.
61. To establish, acquire or carry on business of ginning and pressing factories, textile mills, sugar mills, paper mills, foundries, hardware factories, glass factories, poteries, rubber-factories, automobiles and other workshops as also the business of manufacturers of textiles, hosiery, chemicals sizing materials, starches, colours, iron and steel goods, tools and spare parts, machinery and other mechanical and electrical equipments, appliances, articles or goods.
62. To carry on business as manufacturers and importers of and wholesale dealers in, and retailers of china potteries, porcelain, glassware, eastern ware, terracotta, bottles, flasks, stoppers, vases, tumblers, glasses, windows, stained glass, plate glass, shelves, table tops, mirrors, glassware and similar goods.

63. To carry on business as glass blowers, benders, bevellers, suverers, embosers and engravers, and as artists, potters, glazers, sand-blast workers, colliery proprietors, brick and tile makers, cement makers, quarry owners, metal and alloy makers, refiners and workers, engineers, joiners and woodworkers, manufacturing chemists owners, bargo owners, lightermen, storage proprietors, depository owners, ironmongers, and hardware dealers, carriers, garage proprietors and builders' and decorators' merchants.
64. To do business as manufacturers of heavy and pharmaceutical chemicals, tinctures, injections, and of such medical appliances, needed generally by hospitals, the medical profession or by the general public.
65. To carry on business as proprietors, printers, publishers and distributors of newspapers, journals, magazines, leaflets, pamphlets, diaries, books, periodicals and other literary or journalistic works of any description ad to acquire the goodwill and copyright of and continue the publication of any such existing publications or works.
66. To carry on in India and/or elsewhere business as importers, exporters, buyers, and sellers of and merchants and dealers in and manufacturers of cotton and other textiles, hessain jute, yarn, machinery of all kinds, mill stores, sizing materials, chemicals, colours, textile specialities, mill equipments and appliances, novelty, household, provision and presentation articles and merchandies and goods of all descriptions, and to a carry on the business of wholesale and retail merchants and manufacturers generally and all or any branches thereof.
67. To carry on business as importers, exporters, buyers, and sellers of and merchants and dealers in and manufacturers of merchandise, goods, materials and machinery of all kinds, spare parts, accessories, and equipments.
68. To undertake, carry out, promote and sponsor rural development including any programme for promoting the social and economic welfare of, or the uplift of the public in any rural area and to incur any expenditure on any programme of rural development and to assist in execution and promotion thereof either directly or through an independent agency or in any other manner. Without prejudice to the generality of the foregoing, "programme of rural development" shall also include any programme for promoting the social and economic welfare of or uplift of the public in any rural area which is likely to promote and assist rural development and that the words "rural area"

shall include such areas as may be regarded as rural areas under Section 35 CC of Income-tax Act, 1961 or any other law relating to rural development for the time being in force and in order to implement any of the above mentioned objects or purposes, transfer without consideration or at a fair or concessional value and divest the ownership of any property of the Company to or in favour of any Public or Local Body or Authority or Central or State Government or any Public Institutions or Trusts engaged in the programme of rural development.

69. To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of national economy and for discharging social and moral responsibilities of the Company to the public or any section of the public as also any activity which promote national welfare or social, economic or moral uplift of the public or any section of the public and undertake, carry out, promote and sponsor any activity for publication of any books, literature, newspapers etc. or for organising lectures or seminars likely to advance these objects or for giving merit awards, scholarships, loans or any other assistance to deserving students or other scholars or persons to enable them to prosecute their studies or academic pursuits or researches and for establishing conducting or assisting any institution, trust etc., having any one of the aforesaid objects as one of its objects, by giving donations or otherwise in any other manner and in order to implement any of the above mentioned objects or purpose, transfer without consideration or at a fair or concessional value and divest ownership of any property of the Company to or in favour of any public or local Body or Authority or Central or State Government or any Public Institutions or Trusts established or operating under or by virtue of or pursuant to any law for the time being in force.

And it is hereby declared that:

- (i) The objects incidental or ancillary to the attainment of the main objects of the Company as aforesaid shall also be incidental or ancillary to the attainment of the other objects of the Company herein mentioned.
- (ii) The word "company" (save when used with reference to this Company) in this Memorandum shall be deemed to include any partnership or other body or association of persons whether incorporated or not and wherever domiciled.

- (iii) The objects set forth in each of the several clauses of paragraph III hereof shall have the widest possible construction and shall extend to any part of the world.
- (iv) Subject to the provisions of the Companies Act, 1956, the object set forth in any clause of sub-paragraph (C) above shall be in no way limited or restricted by reference to or inference from the terms of any of the clause in sub-paragraph (A) or by the name of the Company. None of the clauses in sub-paragraph (C) or the objects therein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the objects mentioned in any of the clauses of sub-paragraph (A).
- (v) Nothing in this paragraph shall authorise the Company to do any business which may fall within the purview of the Banking Companies Act, 1949 or the Insurance Act, 1938.

IV. The liability of the members is limited.

V. **\*\***The Authorised Share Capital of the Company is Rs.5000 Crores (Rupees Five Thousand Crores only) divided into 500,00,00,000 Equity Shares of Rs.10/- (Rupees Ten only) each, with power to increase or reduce the same as per law.

*\*\* Altered vide Special Resolution passed in the Extra ordinary General Meeting of the Company held on 27<sup>th</sup> July 2009.*

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

Name, Address, Description and Occupation of each subscriber	Number of Equity Shares taken by each Subscriber	Signature of Subscriber	Name, Address, Description and Occupation of Witness
M/s. Jindal Strips Ltd. Delhi Road, Hissar - 125 005 Haryana	100 (One Hundred)	Sd/-	<p style="text-align: center;">Witness to all Sd/- C. AYYASWAMY Chartered Accountant 405, Shiv Centre, Sector-17, Vashi, New Bombay – 400 705</p>
M/s. Jindal Iron and Steel Company Ltd. Jindal Mansion, 5A, G. Deshmukh Marg, Bombay - 400 027	100 (One Hundred)	Sd/-	
Shri Sajjan Jindal S/o Omprakash Jindal Jindal House 32, Walkeshwar Road Bombay - 400 006 Industrialist	100 (One Hundred)	Sd/-	
Shri Prithvi Raj Jindal S/o Omprakash Jindal 42/45, Punjabi Baug, New Delhi Industrialist	100 (One Hundred)	Sd/-	
Shri Ratan Jindal S/o Omprakash Jindal Jindal House, 6, Prithvi Raj Road, New Delhi - 110 011 Industrialist	100 (One Hundred)	Sd/-	
Shri Girish Ghate S/o Prabhakar Ghate 403/7A, Patel Apartment, Near Campa Cola, Worli, Bombay - 400 018. Service	100 (One Hundred)	Sd/-	

Name, Address, Description and Occupation of each subscriber	Number of Equity Shares taken by each Subscriber	Signature of Subscriber	Name, Address, Description and Occupation of Witness
M/s. Tractebel S.A., 1 Place Du Trone B-1000 Brussels Belgium	600 (Six Hundred)	Sd/-	Witness to all Sd/- C. AYYASWAMY Chartered Accountant 405, Shiv Centre, Sector-17, Vashi, New Bomaby – 400 705
Total	1200 (One thousand two hundred Equity Shares)		

Dated this 10<sup>th</sup> Day of March, 1994

THE COMPANIES ACT, 2013 AND THE COMPANIES ACT, 1956 (AS APPLICABLE)A COMPANY LIMITED BY SHARES

**ARTICLES OF ASSOCIATION**  
**(adopted at the Annual General Meeting held on 22.7.2015)**  
**OF**  
**JSW ENERGY LIMITED**

Table A not to apply but Company to be governed by these articles

1. No Regulation contained in Table F in the First Schedule to the Companies Act, 2013 or in analogous schedule to any previous or subsequent analogous law shall apply to this Company, except in regard to matters not specifically provided in these Articles, but the regulations for the management of the Company and for the observance of the members thereof and their representatives, shall subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to, its resolutions by Special Resolution as prescribed by the said Companies Act 2013 be such as are contained in these Articles.

**INTERPRETATION**

Interpretation clauses

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

"The Company" or "This Company"

'The Company' or 'this Company' means JSW ENERGY LIMITED.

"The Act"

'The Act' means 'The Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force.

"Auditors"

'Auditors' means and includes those persons appointed as such for the time being by the Company.

"Beneficial Owner"

'Beneficial Owner' means a person or persons whose name is recorded as such with a depository;

"Board" or "Board of Directors"

'Board' or 'Board of Directors' means a meeting of the Directors duly called and constituted, or, as the case may be, the Directors assembled as the Board of Directors of the Company collectively.

"Capital"

'Capital' means the share capital for the time being raised or authorized to be raised for the purpose of the Company.

"Debenture"

'Debenture' includes debenture-stock.

"Depository"

'Depository' means a company formed and registered under the Companies Act, 1956 / the Act, and which has been granted a certificate of registration to

act as a depository under the Securities and Exchange Board of India Act, 1992;

"Directors"	'Directors' means the Directors for the time being of the Company or, as the case may be, the Directors assembled at a Board.
"Dividend"	'Dividend' includes bonus.
"Gender"	Word importing the masculine gender also includes the feminine gender.
"In Writing" and "Written"	'In writing' and 'Written' include printing, lithography and other modes of representing or reproducing words in a visible form.
"Member"	'Member' means the duly registered holder from time to time of the shares of the Company and includes the subscribers of the Memorandum of the Company.
"Meeting" or "General Meeting"	'Meeting' or 'General Meeting' means a meeting of members.
"Annual General Meeting"	'Annual General Meeting' means a general meeting of the members held in accordance with the provisions of Section 96 of the Act.
"Extraordinary General Meeting"	'Extraordinary General Meeting' means an extraordinary general meeting of the members duly called and constituted and any adjourned holding thereof.
"Month"	'Month' means a calendar month.
"Office"	'Office' means the registered office for the time being of the Company.
"Paid-up"	'Paid-up' includes credited as paid up.
"Persons"	'Persons' includes corporations and firms as well as individuals.
"Register of Members"	'Register of Members' means the register of members to be kept pursuant to the Act.
"The Registrar"	'The Registrar' means the Registrar of Companies of the State in which the office of the Company is for the time being situated.
"Secretary"	'Secretary' includes a temporary or Assistant Secretary or any person or persons appointed by the Board to perform any of the duties of a Secretary.
"Seal"	'Seal' means the Common Seal for the time being of the Company.
"SEBI"	'SEBI' means the Securities and Exchange Board of India;

"Security"	'Security' means such security as may be specified by SEBI from time to time.
"Share"	'Share' means share in the share capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.
"Singular Number"	Words importing the singular number include, where the context admits or requires, the plural number and vice-versa.
"Ordinary Resolution" and "Special Resolution"	'Ordinary Resolution' and 'Special Resolution' shall have the meanings assigned thereto by Section 114 of the Act.
"Year" and "Financial Year"	'Year' means the calendar year and 'Financial Year' has the meaning assigned thereto by Section 2(41) of the Act.

The marginal notes used in these Articles shall not affect the construction thereof.

Save as aforesaid, any words or expressions defined in the Act shall if not inconsistent with the subject or context, bear the same meaning in these Articles.

### **CAPITAL AND INCREASE AND REDUCTION OF CAPITAL**

"Amount of Capital"	<p><b>3.</b> The Authorised Capital of the Company will be as stated in Clause V of the Memorandum of Association, with the right and power to increase or reduce its Share Capital from time to time and to divide the Shares in the Share Capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Act and the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company and to acquire, purchase, hold, re-sell, any of its own fully/ partly paid equity and / or preference Shares whether redeemable or not and to make any payment out of Share Capital or out of funds at its disposal, for and in respect of such purchase, subject to the provisions of the Act in force from time to time.</p> <p>The Company shall be entitled to dematerialize its existing shares, rematerialize its shares held in the Depositories and/ or to offer its fresh shares in a dematerialized form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.</p>
Increase of Capital by the Company and how carried	<p><b>4.</b> The Company in General Meeting may, from time to time, increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the</p>

into effect	<p>resolution shall prescribe. Subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Directors shall determine and in particular, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company, and with a right of voting at general meetings of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 64 of the Act.</p>
New Capital same as existing capital	<p><b>5.</b> Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.</p>
Redeemable Preference Shares	<p><b>6</b> Subject to the provisions of Section 55 of the Act, the Company shall have the power to issue from time to time, Redeemable Cumulative and / or Non-Cumulative, Convertible and / or Non-Convertible Preference Shares and such Preference may confer upon the holders thereof: (i) the right to be paid a fixed preferential dividend either as a fixed amount or at a fixed rate specified by the terms of issue of such from time to time in respect of the amount paid –up on the ; (ii) the right to attend meetings and vote on resolutions directly affecting their rights, resolutions for the winding up of the Company, resolutions for the repayment or reduction of equity or preference Shares Capital; (iii) right to attend meetings and vote on all resolutions where the dividend due on the Shares is in arrears for not less than two years before the meetings; and (iv) in case of winding-up or repayment of Capital, a preferential right of return of the Share Capital paid-up or deemed to be paid up together with arrears of cumulative preferential dividend due thereon, but without any further right or claim over the assets of the Company.</p>
Provision to apply on issue of Redeemable Preference Shares	<p><b>7.</b> On the issue of Redeemable Preference Shares under the provisions of Article 6 hereof the following provisions shall take effect:</p> <p><b>(a)</b> no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;</p> <p><b>(b)</b> no such share shall be redeemed unless they are fully paid;</p> <p><b>(c)</b> the premium if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Securities Premium Account (as applicable in terms of Section 55 of the Act) before the shares are redeemed;</p> <p><b>(d)</b> where any such share are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the 'Capital Redemption Reserve Account', a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of</p>

the share capital of the Company shall, except as provided in Section 55 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.

Reduction of Capital

**8.** The Company may (subject to the provisions of Section 52, 55, 66 and other applicable provisions of the act ), from time to time by Special Resolution, reduce its capital and any Capital Redemption Reserve Account or Securities Premium Account in any manner for the time being authorised by law, and in particular, capital may be paid off on the footing that it may be called upon again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.

Sub-division, Consolidation and Cancellation of Shares

**9.** Subject to the provisions of Section 61 of the Act the Company in general meeting may, from time to time, alter its memorandum to increase its Share Capital; sub-divide or consolidate its shares, or any of them, convert shares into stock and vice-versa; the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division one or more such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others or subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

**9A.** The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law –

- a) Its Share capital;
- b) Any capital redemption reserve account; and
- c) Any Securities premium account

Modification of rights

**10.** Whenever the capital, by reason by the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class, may, subject to the provisions of Section 48 of the Act, and the terms of issue of such class of shares, and whether or not the Company is being wound up be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourths in nominal value of the issued shares of the class or is sanctioned by a special resolution passed at a separated general meeting of the holders of shares of that class.

Issue of further *pari passu* Shares not to affect the right of Shares already issued

**10A.** The rights conferred upon the holder of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of futher Shares ranking *pari passu* therewith.

## SHARES AND CERTIFICATES

Register and Index of Members

**11.** The Company shall cause to be kept a Register and Index of Members, debenture-holders and other security holders in accordance with Section 88 of

the Act. The Company shall be entitled to keep in any State or country outside India a branch Register of Members resident in that State or country.

Shares to be numbered progressively and no share to be sub-divided

**12.** The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

Further Issue of Capital

**13.**

- (a) Where at any time the Company proposes to increase its Subscribed Capital by the issue of further Shares, then such further Shares shall be offered to the persons who at the date of the offer, are holders of the equity Shares of the Company, in proportion, as nearly as circumstances admit, to the Shares Capital paid-up on these Shares in accordance with Section 62 of the Act.
- (b) Notwithstanding anything contained in the preceeding sub-clause the Company may by a special resolution offer further to any persons (including employees under a scheme of employees' stock option) and such person or persons may or may not include the persons who at the date of the offer are the holder of the equity Shares of the Company.
- (c) Notwithstanding anything contained in sub-clause (a) above but subject however, to Section 62(3) of the Act, the Company may increase its Subscribed Capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into Shares, or to subscribe for Shares, or to subscribe for Shares in the Company.

Share under control of Directors

**14.** Subject to the provisions of these Articles and of the Act, the Shares (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors, who may allot or otherwise dispose of the same to such persons in such proportion or such terms and conditions and at such times as the Directors think fit and subject to the sanction of the Company in General Meeting with full power, to give any person the option to call for or be allotted shares of any class of the Company either (subject to the provisions of Section 52 and 53 of the Act) at a premium or at a discount and such option being exercisable for such time and for such consideration as the Directors think fit.

The Board shall cause to be filed the return as to allotment as provided for in the Act.

Power also to Company in General Meeting to issue shares

**15.** In addition to and without derogating from the powers for that purpose conferred on the Board under Article 13 and 14 the Company in general meeting may, subject to the provisions of Section 62 of the Act determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such person (whether members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Section 52 and 53 of the Act) at a premium

or at par or at a discount, such option being exercisable at such times and for a such consideration as may be directed by such General Meeting or the Company in general meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares.

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|--|--|
| Acceptance of Shares                                   | <b>16.</b> Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be a acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register of members[or the register of beneficial owners maintained by depository] shall, for the purposes of these Articles, be a Member.  |
| Deposit and call etc. to be a debt payable immediately | <b>17.</b> The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holders of such shares become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly  |
| Liability of Members                                   | <b>18.</b> Every member, or his heirs, executors or administrators, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon in such amount, at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require or fix for the payment thereof.  |
| Shares Certificate                                     | <p><b>19.</b> Subject to the provisions of Section 46 and the rules made thereunder:</p> <p><b>(a)</b> Every member or allottee of shares shall be entitled without payment, to receive one certificate specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid-up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letters of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits it, at least one of the aforesaid two Directors shall be a person other than a Managing or a whole time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued, indicating the date of issue.</p> <p><b>(b)</b> Any two or more joint allottees or a share shall, for the purpose of this Article, be treated as a single member, and the certificate of any share, which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupee One. The Company shall comply with the provisions of Section 46 of the Act and the rules made thereunder.</p> |

## Renewal of Share Certificate

**(c)** A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

**20.** Subject to the provisions of Section 46 of the Act and the made thereunder:**(a)** No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the pages on the reverse for recording transfers have been duly utilised, unless the certificate in lieu of which it is issued is surrendered to the Company.

**(b)** When a new share certificate has been issued in pursuance of clause (a) of this Article it shall state on the face of it and against such counterfoil to the effect that it is "issued in lieu of share certificate No..... Sub-divided/replaced/on consolidation of shares".

**(c)** If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board or any Committee of the Board and / or on such terms, if any, as to evidence and indemnity as to the payment of out-of-pocket expenses incurred by the Company investigating evidence, as the Board or Committee thinks fit.

**(d)** When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it or counterfoil to the effect that it is 'duplicate issued in lieu of share certificate No. ....' The word 'Duplicate' shall be stamped or punched in bold letters across the face of the share certificate.

**(e)** When a new share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate certificates indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in the 'Remarks' Column.

**(f)** All blank forms to be issued for issue of share certificate shall be printed and printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consequently machine numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or such other person as the Board may appoint for the purpose; and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.

**(g)** The Secretary of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates.

**(h)** All books referred to in sub-Article (g) shall be preserved in good order

permanently.

The first named joint holders deemed sole holder

**21.** If any share stands in the names of two or more persons, the person first named in the Register shall as regards receipt of dividends, bonus or service of notices and all or any other matter connected with the Company, except voting at meetings, and the transfer of the shares, be deemed the sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares and for all incidents thereof according to the Company's regulations.

Company not bound to recognise any interest in share other than that of registered holder

**22.** Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound or compelled to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Article otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles in the person from time to time registered as the holder thereof; but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

Funds of Company may not be applied in purchase of shares of the Company

**23.** None of the funds of the Company shall be applied in the purchase of any shares of the Company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding company save as provided by Section 67 of the Act. The Company may, however, undertake a buy-back of its securities in accordance with Section 68,70 and other applicable provisions of the Act.

## UNDERWRITING AND BROKERAGE

Commission may be paid

**24.** Subject to the provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure, subscriptions (whether absolute or conditional) for any shares or debentures in the Company, but so that the commission shall not exceed in the case of shares or debentures the rate or amount of commission prescribed in rules made under the Act or any other regulations / rules / guidelines, as may be applicable. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or the other

Brokerage

**25.** The Company may pay a reasonable sum for brokerage.

## CALLS

Director may make calls

**26.** The Board may, from time to time subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at meeting of the Board (and not by circular resolution) make such calls as it thinks fit upon the members in respect of all money unpaid on the shares held by them respectively and each member shall pay the amount of every call so made on him to the person or persons and at the times and

places appointed by the Board. A call may be made payable by installments.

Notice of calls	<b>27.</b> Fifteen days' notice in writing of any call shall be given by the Company specifying the time, place of payment, and the person or persons to whom such call shall be paid.
Calls to date from resolution	<b>28.</b> A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board.
Call may be revoked or postponed	<b>29.</b> A call may be revoked or postponed at the discretion of the Board.
Liability of joint holders	<b>30.</b> The joint-holders of share shall be jointly and severally liable to pay all calls in respect thereof.
Directors may extend time for call	<b>31.</b> The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who from, residence at a distance or other cause, the Board may deem fairly entitled to such extension save as a matter of grace and favour.
Calls to carry interest	<b>32.</b> If any member fails to pay any call due from him on the day appointed for the payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 18 percent per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.
Sums deemed to be calls	<b>33.</b> Any sum, which by the terms of issue of a share becomes payable on allotment or at fixed date, whether on account of the nominal value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
Proof of trial of Suit for money due on shares	<b>34.</b> On the trial or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered is alleged to have become due on the shares in respect of which such money is sought to be recovered; that the resolution making the call is duly recorded in the Minute Book; and that notice of such call was duly given to the member or his representatives sued in pursuance of these Articles; and that it shall not be necessary to prove the appointment of the Directors who made such call, or that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call made was duly convened or constituted nor any matters whatsoever, but the proof of the matters aforesaid

shall be conclusive evidence of the debt that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call made was duly convened or constituted nor any matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Partial payment  
not be preclude  
forfeiture

**35.** Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

Payment in  
anticipation of  
calls may carry  
interest

**36. (a)** The Board may, if it thinks fit, agree to and receive from any member willing to advance the same all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or at any time repay the same upon giving to the member three month's notice in writing. Providing that moneys paid in advance of calls on any shares may carry interest but shall not confer a right to dividend or to participate in profits.

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

## LIEN

Company to have  
lien on shares

**37.** The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with other) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares, and on all Shares (other than fully paid-up Shares) standing registered in the name of single person, for all monies presently payable by him or his estate to the Company, and no equitable interest in any shares shall be created except upon the footing and upon the condition that Article 22 hereof is to have full effect. Any such lien shall extend to all dividends and bonuses declared from time to time declared in respect of such shares.

Unless otherwise agreed for registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, in such shares.

Enforcing lien for  
sale

**38.** For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise any person to execute a transfer thereof on behalf of and in the name of such member. No sale shall be made until fourteen days notice in writing of the intention to sell shall have been served on such member or his representatives and default shall have been made by him or them in payment,

fulfillment or discharge of such debts, liabilities or engagements for fourteen days after such notice.

38A. The purchaser shall be registered as the holder of the Shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Application of proceeds or sale

**39.** The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the persons entitled to the share at the date of the sale.

### FORFEITURE OF SHARES

Notice to the member who has not paid call

**40.** If any member fails to pay any call or installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may at any time thereafter, during such time as the call or installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued, and all expenses that may have been incurred by the Company by reason of such non-payment.

Form of Notice

**41.** The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment thereon at such rate not exceeding 18 percent per annum as the Directors shall determine from the day on which such call or installment ought to have been paid and expense as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable, will be liable to be forfeited.

In default of payment shares to be forfeited

**42.** If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter before payment of calls or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.

Notice of forfeiture to a member

**43.** When any share shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

Forfeited share to be property of the Company and may be sold etc.

**44.** Any share so forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.

- Member still liable to pay money owing at time of forfeiture and interest **45.** Any member whose shares have been forfeited shall cease to be a member in respect of the forfeited Shares. Such member shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture, until a payment, at such rate not exceeding 18 percent per annum as the Board may determine and the Board may enforce the payment thereof, if it thinks fit.
- Effect of forfeiture **46.** The forfeiture of a share shall involve extinction at the time of the forfeiture, of all interest in and all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.
- Evidence of forfeiture **47.** A declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claimed to be entitled to the shares.
- Validity of sale under Articles 38 and 44 **48.** Upon any sale after forfeiture or for enforcing a lien purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of member in respect of the share sold, and the purchaser shall not be bound to see the regularity of the proceedings, or to the applications of the purchase money, and after his name has been entered in the Register of member in respect of such shares the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
- Cancellation of share certificates in respect of forfeited shares **49.** Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.
- Power to annul forfeiture **50.** The Board may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

### **TRANSFER AND TRANSMISSION OF SHARES**

- Register of Transfers **51.** The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share.

Form of transfer	<b>52.</b> Shares in the Company may be transferred by an instrument in writing as provided by the provisions of the Act, such instrument of transfer shall be in the form prescribed and shall be duly stamped and delivered to the Company within the prescribed period.
Transfer form to be completed and presented to the Company	<b>53.</b> The instrument of Transfer duly stamped and executed by the Transferor and the Transferee shall be delivered to the Company in accordance with the provisions of the Act. The instrument of Transfer shall be accompanied by such evidence as the Board may require to prove the title of Transferor and his right to transfer the shares and every registered Instrument of Transfer shall remain in the custody of the Company until destroyed by order of the Board. The Transferor shall be deemed to be the holder of such shares until the name of the Transferee shall have been entered in the Register of Members in respect thereof. Before the registration of a transfer the certificate of the shares must be delivered to the Company.
Transfer Books and Register of Members when close	<b>54.</b> The Board shall have power on giving not less than seven day's previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situated, to close the Transfer Books, the Register of Members or Register of Debenture-holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year.
Directors may refuse to register transfers	<b>55.</b> Subject to the provisions of Section 58 of the Act, Board may, in due and strict accordance and compliance with the provisions of the Securities Contract (Regulation) Act 1956, decline to register or acknowledge any transfer of shares, whether fully paid or not, (notwithstanding that the proposed transferee be already a member), but in such cases it shall, within thirty days from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer. The registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on shares.
Notice of application when to be given	<b>56.</b> When in the case of partly paid shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.
Death of one or more joint holders of shares	<b>57.</b> In the case of the death of any one or more of the persons named in the Register of Members as the joint-holders of any share, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.
Nomination of Shares / Debentures	<b>57A.</b> <b>1)</b> Every holder/joint holder of shares in or holder/joint holder of debentures of the Company, may at any time, nominate, in accordance with the provisions of and in the manner provided by Section 72 of the Companies Act, 2013 or any

amendments thereof from time to time, a person to whom all the rights in the relevant securities of the Company shall vest in the event of death of the holder/joint holder.

2) Any person, being a nominee, becoming entitled to a security by reason of the death of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the security except that he shall not before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Title of deceased Member

**58.** The executors or administrators or holder of a Succession Certificate or the legal representatives of a deceased member (not being one or two or more joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member and the Company shall not be bound to recognise such executors or administrators or holders of a Succession Certificate or the legal representatives unless such Executors or administrators or legal representatives shall have first obtained Probate or Letter of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India; provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of probate or Letters of Administration or Succession Certificate, upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and under Articles 61, register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.

No transfer to infant etc.

**59.** No share shall in any circumstances be transferred to any infant, insolvent or person of unsound mind.

Registration of person entitled to shares otherwise than by transfer

**60.** Subject to the provisions of the Act and Articles 57 and 58 any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Articles or of such title as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board registered as such holder, provided nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the shares.

Person entitled may receive dividend without being registered as Member

**61.** A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may give a discharge for, any dividend or other moneys payable in respect of the share. Such person shall not, before registered as a member in respect of the Share, be entitled in respect of it exercise any right conferred by membership in relation to meetings of the Company.

Fee on transfer or

**62.** There shall be paid to the Company in respect of the transfer or

transmission transmission of any number of Shares such fee, if any, as the Directors may require.

Company not liable for disregard of a notice prohibiting registration of a transfer **63.** The Company shall incur no liability or responsibility whatsoever in consequence of its giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of person having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such Equitable right, title or interest or notice prohibiting registration of such transfer, and may have such notice, referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

### **DEMATERIALISATION OF SECURITIES**

#### **63 A.**

Dematerialisation of securities 1. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996.

Option for investors 2. Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates of Securities.

If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

Securities in depositories to be in fungible form 3. All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 187 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

Rights of Depository and Beneficial Owners 4. a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

	c)Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.
Service of Documents	5. Notwithstanding anything to the contrary contained in the Act or these Articles, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.
Allotment of Securities dealt with by a depository	6. Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
Distinctive numbers of Securities held in a depository	7. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.
Register and Index of Beneficial Owners	8. The Register and Index of beneficial owners maintained by a depository under Depositories Act, 1996 and any other amendments made thereto from time to time shall be deemed to be Register and Index of Members and Security holders for the purposes of these Articles.

#### **COPIES OF MEMORANDUM AND ARTICLES OF ASSOCIATION TO BE SENT TO MEMBERS**

Copies of Memorandum and Articles of Association to be sent by the Company	<b>64.</b> Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every member at his request within seven days of the request on payment of such sum as may be prescribed for each copy.
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#### **BORROWING POWERS**

Power to borrow	<b>65.</b> Subject to the provisions of Sections 179 and 180 of the Act the Board may, from time to time at its discretion by a resolution passed at a meeting of the Board, accept deposits from members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company, provided however, that where the moneys, to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board shall not borrow such moneys without the consent of the Company in General Meeting.
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Payment or repayment of moneys borrowed	<b>66.</b> Subject to the provisions of Article 66 hereof, the payment or re-payment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Special Resolution shall prescribe including by the issue of debentures or debenture-stock of the Company, charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being; and debentures, debenture-stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
Terms of issue of Debentures	<b>67.</b> Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into share of any denomination, and with any privileges and condition as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at general meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the general meeting by a Special Resolution.
Register of Mortgage etc. to be kept	<b>68.</b> The Board shall cause a proper Register to be kept in accordance with the provision of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company; and shall cause the requirements of Section 77 to 87 (both inclusive) of the Act in that behalf to be duly complied with, so far as they fall to be complied with by the Board.
Register and Index of Debenture holders	<b>69.</b> The Company shall, if at any time it issues debentures or other securities, keep a Register and Index of Debenture holders or security-holders in accordance with Section 88 of the Act. The Company shall have the power to keep in any state or country outside India a branch Register of Debenture holders or security-holders resident in that State or Country.

### SHARE WARRANTS

Power to issue share warrants	<b>70.</b> The Company may issue share warrants subject to, and in accordance with the provisions of the Act and accordingly the Board may in its discretion with respect to any share which is fully paid, upon application in writing signed by the persons registered as holder of the share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application, and on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.
Deposit of Share Warrants	<b>71. (1)</b> The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition of calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the share included in the deposited warrant.  <b>(2)</b> Not more than one person shall be recognised as depositor of the share

warrant.

**(3)** The Company shall, on two days' written notice, return the deposited share warrant to the depositor.

Privileges and disabilities of the holder of Share warrant

**72. (1)** Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privileges of a member at a meeting of the Company, or be entitled to receive any notice from the Company.

**(2)** The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the share included in the warrant; and he shall be a member of the Company.

Issue of new share warrant coupon

**73.** The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

### **CONVERSION OF SHARES INTO STOCK AND RECONVERSION**

Shares may be converted into stock

**74.** The Company in general meeting may convert any paid-up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interest, in the same manner and subject to the same regulations as, and subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place, or as near thereto as circumstances will admit. The Company may at any time reconvert any stock into paid-up shares of any denomination.

Right of stock holders

**75.** The holders of stock, shall, according to the amount of stock held by them, have same rights, privileges as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company, and in the assets on winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

### **MEETINGS OF MEMBERS**

Annual General Meeting Annual Summary

**76.** The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year. All General Meetings other than Annual General Meeting shall be called Extra-ordinary General Meetings. The first Annual General Meeting shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for at a

time during business hours, i.e 9.00 a.m to 6.00 p.m on a day that is not a national holiday, and shall be held at the registered office of the Company or at some other place within the city in which the registered office of the Company is situated as the Board may determine and the Notice calling the Meeting shall specify it as the Annual General Meeting. The Company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting. Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concern him as Auditor. At every Annual General Meeting of the Company, there shall be laid on the table the Director's Report and financial statements as required under the Act , Auditor's Report (if not already incorporated in the Audited Statements of Account), the Proxy Register with proxies and the Register of Directors shareholdings which later Register shall remain open and accessible during the continuance of the meeting. The Board shall cause to be prepared the Annual List of members, Summary of the Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with Section 92 and 129 of the Act.

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| Extra-ordinary General Meeting   | <b>77.</b> The Board may, whenever it thinks fit, call an Extra ordinary General Meeting and it shall do so upon a requisition in writing by any member or members holding in the aggregate not less than one-tenth of such of the paid-up capital as at that date carries the right of voting in regard to the matter in respect of which the requisition has been made.  |
| Requisition of Members to state object of meeting  | <b>78.</b> Any valid requisition so made by members must state the object or objects of the Extraordinary General meeting proposed to be called, and must be signed by the requisitioner and be deposited at the office provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.   |
| On receipt of requisition Directors to call Meeting and in default requisitionists may do so | <b>79.</b> Upon the receipt of any such requisition, the Board shall forthwith call an Extra-ordinary General Meeting and if they do not proceed within twenty-one days from the date of the requisition being deposited at the registered office to cause an Extraordinary General meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid-up share capital held by all of them may themselves call the Extraordinary General meeting, but in either case any Extraordinary General meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid. |
| Meeting called by requisitionists  | <b>80.</b> Any Extraordinary General meeting called under foregoing articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which Extraordinary General meetings are to be called by the Board.  |
| Twenty-one day's notice of meeting to be given   | <b>81.</b> Twenty-one clear days' notice in writing or through electronic mode at least of every General Meeting, Annual or Extra-ordinary, and by whosoever called specifying the date, day, place and hour of meeting, and the general nature of the business to be transacted thereat, shall be given, to such persons as are under these Articles entitled to receive notice from the Company. Provided that in the case of a General Meeting with the consent in writing or through   |

electronic mode by not less than ninety-five percent of the members entitled to vote at such meeting, a meeting may be convened by a shorter notice. In the case of an Annual General Meeting, if any business other than (i) the consideration of financial statements and Reports of the Board of Directors and Auditors, (ii) the declaration of dividend, (iii) the appointment of Directors in place of those retiring, (iv) the appointment of and fixing of the remuneration of the Auditors, is to be transacted, and in the case of any other meeting in any event there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any therein of every Director, and the Manager (if any), key managerial personnel and relatives of such persons where any such item of special business relates to or affects any other Company, the extent of share-holding interest in other company of every promoter, director and the manager, if any, of the company shall also be set out in the statement if the extent of such shareholding interest is not less than 2(two) percent of the paid-up share capital of that other Company. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Omission to give notice not to invalidate a resolution passed

**82.** The accidental omission to give any such notice as aforesaid to any of the members, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

Meeting not to transact business not mentioned in notice

**83.** No General Meeting, Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.

Quorum at General Meeting

**84.** The quorum for a General Meeting shall be as set out in Section 103 of the Act.

Body corporate deemed to be personally present

**85.** A body corporate being a member shall be deemed to be personally present if it is duly represented by an authorized representative.

If quorum not present, meeting to be dissolved or adjourned

**86.** If at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the meeting, if convened by or upon requisition of members, shall stand cancelled, but in any other case the meeting shall stand adjourned to the same day of the next week or if that day is a national holiday until the next succeeding day which is not a national holiday at the same time and place or to such other day, and at such other time and place in the city or town in which the registered office of the Company is for the time being situate, as the Board may determine and if at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present shall constitute quorum and may transact the business for which the meeting was called.

Chairman of

**87.** The Chairman (if any) of the Directors shall be entitled to take the Chair at

General Meeting	every General Meeting whether Annual or Extra-ordinary. If there be no such Chairman of the Directors, or, if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he shall be unable or unwilling to take the Chair, then the Vice-Chairman (if any) of the Directors shall be entitled to take the Chair and if there be no such Vice-Chairman or if he be not so present, the members present shall elect another director as Chairman, and if no Director be present or if all the Directors present decline to take the Chair, then the members present shall elect one of their member to be the Chairman.
Business confined to election of Chairman whilst Chair vacant	<b>88.</b> No business shall be discussed at any General Meeting except the election of a Chairman, whilst the Chair is vacant.
Resolution by Postal Ballot	<p><b>88A.</b> Subject to applicable law but notwithstanding anything contained in the Articles of the Company, the Company may adopt the mode of passing a resolution by the members of the Company by means of postal ballot and /or other ways as may be prescribed by the Act and /or by the Central Government in this behalf from time to time in respect of the following matters instead of transacting such business in a General Meeting of the Company:</p> <ul style="list-style-type: none"> <li>• Any business (other than ordinary business and any business in respect of which directors or auditors have a right to be heard at any meeting) that can be transacted by the Company in a General Meeting; and</li> <li>• Particularly resolutions relating to such business as the Act, or the Central Government has by notification, declared to be conducted only by postal ballot and /or other ways and the Company shall comply with procedure for such postal ballot and/or other ways prescribed by the Central Government in this regard.</li> </ul>
Chairman with consent may adjourn meeting	<b>89.</b> The Chairman with the consent of the members may adjourn any meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which adjournment took place.
Question in General meeting how decided	<b>90.</b> At any General Meeting, a resolution put to vote of the meeting shall be decided on a show of hands, unless voting is carried out electronically or poll is (before or on declaration of the result of the show of hands) demanded by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than five lakh rupees or such higher sum as may be prescribed by law has been paid-up and unless a poll is demanded, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.
Chairman's	<b>91.</b> In the case of an equality of votes, the Chairman shall both on show of hands and at a poll (if any) have a casting vote in addition to the vote or votes

Casting vote	to which he may be entitled as member.
Poll to be taken, if demanded	<b>92.</b> If a poll is demanded as aforesaid, the same shall be taken at such time (not later than forty-eight hours) from the time when the demand was made) and place in the city or town in which the Office of the Company is for the time being situated and either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment, or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.
Scrutineers at poll	<b>93.</b> Where a poll is to be taken, the Chairman of the meeting shall appoint such number of persons, as he deems necessary, to scrutinise the poll process and votes given on the poll and to report thereon to him in the manner as may be prescribed. One of the Scrutineers so appointed shall always be a member (not being an officer or employee of the Company) present at the meeting provided such a member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and fill vacancies in the office of the scrutineer arising from such removal or from any other cause.
In what case poll taken without adjournment	<b>94.</b> Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting forthwith.
Demand for poll not to prevent transaction of other business	<b>95.</b> The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question which the poll has been demanded.
Members in arrears not to vote	<b>96.</b> No members shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, and exercised, any right of lien.
Number of votes to which member entitled	<b>97.</b> Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every member, not disqualified by the last preceding Articles shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company. Provided, however, if any preference shareholder be present at any meeting of the Company save as provided in sub-section (2) of Section 47, of the Act, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares.
Casting of votes by a member	<b>98.</b> On a poll taken at a meeting of the Company, a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case

entitled to more than one vote	may be, need not, if he votes, use all his votes or cast in the same way all votes he uses.
How members non-composment is and minor may vote	<b>99.</b> A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction, may vote, whether on a show of hands or on a poll by his committee or other legal guardian. Similarly, the guardian, or any one of his guardians, if more than one, to be selected in case of dispute by the Chairman of the meeting, shall vote on any shares held by minor member.
Votes of joint-members	<b>100.</b> If there be joint registered holders of any shares, any one of such persons may vote at any meeting or may appoint another person (whether a member or not) as his proxy but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, that one of the said person so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrator of a deceased member in whose name shares stand shall for purpose of these Articles be deemed joint-holders thereof.
Voting in person or by proxy	<b>101.</b> Subject to the provisions of these Articles votes may be given either personally or by proxy. A body corporate being a member may vote either by a representative duly authorised in accordance with the Act and such representative shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual member.
	<b>101A.</b> A member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once.
Votes in respect of shares of deceased and insolvent Members	<b>102.</b> Any person entitled under Article 61 to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.
Appointment of proxy	<b>103.</b> Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation, or be signed by an officer or any attorney duly authorised by it and any committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meetings.
Proxy for specified meeting	<b>104.</b> An instrument of proxy may appoint a proxy for the purpose of a particular meeting specified in the instrument and any adjournment thereof.
Proxy to vote only	<b>105.</b> A member present by proxy shall be entitled to vote only on a poll.

on a poll

Deposit of instrument of appointment

**106.** The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarially certified copy of that power of authority, shall be deposited at the registered office not later than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument or proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.

Form of proxy

**107.** Every instrument of proxy shall as nearly as circumstances will admit, be in any of the forms set out in the Act and the rules made thereunder.

Validity of votes given by proxy notwithstanding death of Member

**108.** A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity or revocation or transfer shall have been received at the office before the meeting.

Time for objections of votes

**109.** No objection shall be made to the validity of any vote, except at any meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

Chairman of the meeting to be judge of validity of any vote

**110.** The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present on the taking of poll shall be the sole judge of the validity of every vote tendered at such poll.

Minutes of General Meeting and inspection thereof by Members

**111.(1)** The Company shall cause minutes of all proceedings of every General Meeting and every resolution passed by way of postal ballot to be kept by making within thirty days of the conclusion of every such meeting, entries thereof in books kept for that purpose with their pages consecutively numbered.

**(2)** Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within that period or by a Director duly authorised by the Board for the purpose.

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

**(4)** The minutes of each meeting shall contain a fair and correct summary of the proceeding thereat.

**(5)** All appointments of officers made at any meeting aforesaid shall be included in the minutes of the meeting.

(6) Nothing herein contained shall require or be deemed to require the inclusion in any such minute of any matter which in the opinion of the Chairman of the meeting (a) is or could reasonably be regarded as, defamatory of any person, or (b) is irrelevant or immaterial to the proceedings, or (c) is detrimental to the interests of the Company.

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

(7) Any such minute shall be evidence of this proceedings recorded therein.

(8) The book containing the minutes of proceedings of General Meetings or resolution passed by postal ballot shall be kept at the registered office of the Company and shall be open during business hours, for such periods not being less than two hours in each day as the Directors determine, to the inspection of any Member without charge.

(9) Any Member, debenture holder, security holder or beneficial owner or any other person may require a copy of any register, or part thereof, maintained by the Company in accordance with Section 88 of the Act by the payment of a fee of Rs.10 (Rupees Ten only) per page.

## DIRECTORS

Number of  
Directors

**112.(1)** Until otherwise determined by a General Meeting of the Company by way of special resolution and subject to the provisions of Section 149 of the Act, the number of Directors shall not be less than three nor more than fifteen.

(2) The first Directors of the Company shall be:

1. Shri Sajjan Jindal
2. Shri Henri Mayers
3. Shri Florent Gheeraert
4. Shri Prithvi Raj Jindal

Power to appoint  
ex-officio Directors

**113.** Whenever directors enter into a contract with any Government, Central, State or Local, any bank or financial institution or any person or persons (hereinafter referred to as "**the appointer**") for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever, the Directors shall have, subject to the provisions of Section 152 of the Act, the power to agree that such appointer shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more persons, who are acceptable to the Board, as Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director

or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The Directors may also agree that any such Director or Directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or other in his or their place and also fill in vacancy, which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatever. The Directors appointed or nominated under this Articles shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer.

Debenture  
director

**114.** Subject to provision of Section 152 of the Act, if it is provided by the Trust Deed, securing or otherwise, in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the Company, then in case of any and every such issue of debentures, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as Debenture Director. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares.

Appointment of  
Alternate Director

**115.** At the request of the concerned Director, the Board may appoint an Alternate Director to act for requesting Director (hereinafter called "**the Original Director**") during his absence for a period of not less than three months from India. Alternate Director appointed under the Article shall not hold office for a period longer than that permissible to the Original Director in which place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for the automatic re-appointment of retiring Director in defaulting of another appointment shall apply to the Original Director and not to the Alternate Director.

Director's power  
to add to the  
Board

**116.** Subject to the provisions of Section 161 of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be additional Director, but so that the total number of Directors shall not at any time exceed the maximum fixed under Article 112. Any such additional Director shall hold office only up to the date of the next Annual General Meeting or last date on which such Annual General Meeting should have been held.

Director's power  
to fill casual  
vacancies

**117.** Subject to the provisions of Section 161, and other applicable provisions of the Act, the Board shall have power at any time and from time to time to appoint any other qualified and eligible person to be Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated by him.

Qualification of

**118.** A Director of the Company shall not be bound to hold any qualification

Directors	share(s).
Remuneration of Directors	<p><b>119.(1)</b> Subject to the provisions of the Act, a Managing Director and Directors, in the whole-time employment of the Company, may be paid remuneration either by way of a monthly payment, fee for each meeting or participation in profits or by any or all these modes and/or any other mode not expressly prohibited by the Act.</p> <p><b>(2)</b> Subject to the provisions of the Act a Director, who is neither in the whole-time employment nor a Managing Director may be paid remuneration either;</p> <p style="padding-left: 40px;"><b>(i)</b> by way of monthly, quarterly and annual payment with the approval of the Central Government (if such approval is required); or</p> <p style="padding-left: 40px;"><b>(ii)</b> by way of commission if the Company by a special resolution authorised such payment.</p> <p><b>(3)</b> Unless otherwise determined by the Company in general meeting, the fee payable to a Director for attending a meeting of the Board or Committee thereof shall be such amount as may be fixed by the Board of Directors, from time to time, subject to such limits, if any, as may be prescribed under the Act.</p>
Travelling Expenses incurred by Director not a bonafide resident or by Director going out on Company's business	<p><b>120.</b>The Board may allow and pay to any Director, who is not a bonafide resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation or for travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified; and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses incurred in connection with the business of the Company.</p>
Director may act notwithstanding a vacancy	<p><b>121.</b>The continuing Directors may act notwithstanding any vacancy in their body but if, and so long as their number is reduced below the minimum number specified in Article 112 hereof the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number or of summoning a General Meeting, but for no other purpose.</p>
When office of Directors to become vacant	<p><b>122.</b> Subject to Section 164 and 167 of the Act the office of a Director shall become vacant if:</p> <ul style="list-style-type: none"> <li>• he is found to be of unsound mind by a Court of Competent jurisdiction; or</li> <li>• he applies to be adjudicated an insolvent;</li> <li>• he is adjudged an insolvent;</li> <li>• he fails to pay any call made on him in respect of shares of the Company held by him, whether alone or jointly with others, within six</li> </ul>

months from the date fixed for the payment of such call; or

- he absents himself from all the meetings of the Directors held during a period of twelve months with or without seeking leave of absence from the Board; or
- he becomes disqualified by an order of the Court or tribunal under Section 167 of the Act; or
- he is removed in pursuance of Section 169; or
- he acts in contravention of Section 184 of the Act relating to entering into contracts or arrangements in which he is directly or indirectly interested (or
- he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of Section 184 of the Act; or
- he is convicted by a Court of an offence, whether involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence; or
- he is convicted by court of an offence and sentenced in respect thereof to imprisonment for a period of seven years or more; or
- he has been convicted of the offence dealing with related party transactions under Section 188 of the Act at any time during the last preceding five years; or
- he has not complied with sub-section (3) of Section 152 of the Act; or
- he is disqualified from holding office in terms of sub-section(2) of Section 164 of the Act; or
- having been appointed a Director by virtue of his holding any office or other employment in the holding, subsidiary or associate Company, he ceases to hold such office or other employment in the Company;
- he resigns his office by a notice in writing or through electronic means addressed to the Company

Director may contract with Company

**123.** A Director or his relative, firm in which such Director or relative is a partner, any other partner in such firm or a private company of which the Director is a member or director may enter into any contract with the Company including for the sale, purchase or supply of any goods, materials, or services or for underwriting the subscription of any shares in or debentures of the Company, provided the requirements of Section 184, 185, 188 and other applicable provisions of the Act are complied with.

Disclosure of Interest	<b>124.</b> A Director of the company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Act; provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other Company where any of the Directors of the Company or two or more of them together holds not more than two per cent of the paid-up share capital in any such Company.
General Notice of Interest	<b>125.</b> A General Notice given to the Board by the Director, to the effect that he is a director or member of a specified body corporate or is a member of a specified firm or association of individuals and is to be regarded as concerned or interested in any contracts or arrangement so made shall be deemed to be a sufficient disclosure. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year at a time by a fresh notice given at the first meeting of the Board in the financial year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be effective unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.
Interested Directors not to participate or vote in Board's proceedings	<b>126.</b> No Director shall as a Director, take any part in the discussion of, or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way whether directly or indirectly, concerned or interested in such contract or arrangement;
Register of Contracts in which Directors are interested	<b>127.</b> The Company shall keep a Register in accordance with Section 189 and shall within the time specified in Section 189(2) enter therein such of the particulars as may be relevant having regard to the application thereto of Section 184 of the Act. The Register aforesaid shall also specify, in relation to each Director of the Company the names of the companies, bodies corporate, firms and associations of which notice has been given by him under Article 125. The Register shall be kept at the registered office of the Company and shall be open to inspection at such registered office, and extracts may be taken therefrom and copies thereof may be required by any member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 94 of the Act shall apply accordingly.
Directors may be directors of companies promoted by the Company	<b>128.</b> Subject to the provisions of the Act, a Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as director or share-holder of such company.
Retirement and rotation of Directors	<b>129.</b> At every Annual General Meeting of the Company one-third of such of the Directors for time being as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. The Debenture Director, if any, shall not be subject to retirement under

this clause.

**(a)** Not less than two thirds of the total number of directors, as understood under Section 152 of the Act, shall be persons whose period of office is liable for determination by retirement of Directors by rotation and save as otherwise expressly provided herein, be appointed by the Company in General Meeting.

**(b)** The remaining Directors not exceeding one-third of the total number of Directors, as understood under Section 152 of the Act, for the time being in office, shall not be liable to retire by rotation in terms of Section 152 of the Act read with provisions of Article 113 hereof

**(c)** The Director appointed as Managing Director of the Company shall not be liable to retire by rotation so long as he continues to hold such position.

**(d)** If the number of directors whose period of office is liable for determination by retirement by rotation is less than two thirds of the total number of directors then, notwithstanding anything contained in any agreement, any resolution of the Board or of the Members or in the Articles of Association, such number of Directors as are otherwise not liable to retire by rotation be also be liable to retire to comply with the provisions of Section 152 of the Act.

Ascertainment of Directors retiring by rotation and filling of vacancies

**130.** Subject to Section 152 of the Act, the Directors to retire by rotation under Article 129 at every General Meeting shall be those who have been longest in office since their last appointment, but as between persons who are to retire, shall, in default of and subject to any agreement among themselves, be determined by lot.

Eligibility for re-election

**131.** A retiring Director shall be eligible for re-election.

Company to appoint successors

**132.** the Company at the General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing a person thereto.

Adjournment of meeting

**133. (a)** If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.

**(b)** If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless.

**(i)** at the meeting or at the previous meeting resolution for the re-appointment of such Director has been put to the meeting and lost;

**(ii)** the retiring director has, by a notice in writing, addressed to the Company or its Board, expressed his unwillingness to be so re-

appointed;

- (iii) he is not qualified or is disqualified for appointment;
- (iv) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provision of the Act; or
- (v) the provision to sub-section (2) of Section 162 of the Act is applicable to the case.

Company may increase or reduce the number of Directors

**134.** Subject to Section 149 of the Act, the Company may by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may alter the qualifications and the Company may (subject to the provisions of Section 169 of the Act) remove any Directors before the expiration of his period of office and appoint another qualified person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have been held the same if he had not been removed.

Notice of candidate for office of Director except in certain cases

**135. (1)** No person not being a retiring director, shall be eligible for appointment to the office of Director at any General Meeting unless he or some member intending to propose him has, not less than fourteen days before the meeting, left the registered office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office. Such person or the member as the case may be, shall deposit an amount of One Lakh Rupees or such amount as may be prescribed under Section 160 of the Act, which shall be refunded to him or, as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than twenty-five per cent of the total valid votes cast either on show of hands or on a poll on such resolution.

**(2)** Every person proposed as a candidate for the office of a Director shall sign and file with the Company, his consent in writing to act as a Director, if appointed.

**(3)** A person shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such director.

Register of Directors etc. and notification of change to Register

**136.** The Company shall keep at its registered office a Register containing the particulars of its Directors and key managerial personnel as may be prescribed under Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.

Board may appoint Managing Director or Managing Directors, etc

**137.** Subject to Section 196 and other applicable provisions of the Act and of these Articles, the Board shall have power to appoint from time to time any one or more of its number as the Managing Director or Managing Directors or Whole-time Directors or Directors (including Technical Director) of the Company for fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit., and subject to the provisions of Article 138 , the Board may, by resolution, vest in such Managing Director or

Managing Directors or Whole-time Director or Directors (including Technical Director) such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such conditions and subject to such restrictions as it may determine. The remuneration of a Managing Director or Managing Directors or Whole-time Director or Directors (including Technical Director) may be, by way of monthly payment, fee for each meeting or participation in profits, or by any or all these modes, and/or any other mode not expressly prohibited by the Act.

Managing director shall not exercise the powers without the consent of the Board

- 138.** The Managing Director shall not exercise the powers to,
- (a) make calls on shareholders in respect of money unpaid on the shares in the Company.
  - (b) Authorize the buy-back of securities
  - (c) Issue securities, including debentures, whether in or outside India;
  - (d) approve the financial statement and the Board's report ;
  - (e) diversify the business of the Company;
  - (f) approve an amalgamation, merger or reconstruction;
  - (g) takeover over a company or acquire a controlling or substantial stake in another company;
  - (h) take any action on a matter notified under Section 179(3)(k) of the Act, and expect pursuant to a resolution passed at the Board meeting under Section 179 of the Act shall not exercise the powers to:
    - (i) borrow moneys, otherwise than on debentures;
    - (j) invest the funds of the Company, and
    - (k) grant loans, give guarantee or provide security in respect of loans;

Certain person not to be appointed Managing Director

**139.** Subject to the provisions of Section 196(3), the Company shall not appoint or employ, or continue the appointment or employment of a person as its Managing Director or Whole-time Director who

- (a) is below the age of twenty-one years or has attained the age of seventy years (provided, however, that a person who has attained the age of seventy years may be appointed by way of special resolution);
- (b) is an undischarged insolvent, or has at any time been adjudged an insolvent

(c) suspends, or has at any time suspended, payment to his creditors, or makes or has at any time made, a composition with them makes or has at any time made, a composition with them; or

(d) has at any time been convicted by a Court of an offence and sentenced for a period of more than six months

Managing Director Non-retiring Director **140.** A Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, in accordance with Article 129 . If he ceases to hold the office of Director he shall ipso facto immediately cease to be a Managing Director.

Chairman and Managing Director can be same person **141.** Subject to applicable law, an individual may be appointed as both the Chairman as well as the Managing Director / Chief Executive Officer of the Company at the same time.

### **PROCEEDING OF THE BOARD OF DIRECTORS**

Meeting of Directors **142.** The Director may meet together as a Board for the dispatch of business from time to time and shall so meet at least once in every one hundred and twenty days and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.

Notice of Meetings **143.** Notice of every meeting of the Board shall be given in writing to every Director, at his usual address and as prescribed under Section 173 of the Act.

Quorum **144.** Subject to Section 174 of the Act, the quorum of a meeting of the Board shall be one third of its total strength (excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one third being rounded off as next number one) or two Directors whichever is higher; Provided that where at any time the number of interested directors exceeds or is equal to two-thirds of the strength, the number of the remaining Directors, who are not interested, present at the meeting being not less than two shall be the quorum during such time.

**144A.** The continuing Directors may act notwithstanding any vacancy in the Board; but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.

Adjournment of meeting for want of quorum **145.** If a meeting of the Board could not be held for want of a quorum, then the meeting shall automatically stand adjourned to such other date and time (if any) as may be fixed by the Chairman not being later than seven days from the date originally fixed for the meeting.

When meeting to be convened **146.** The Secretary shall, as and when directed by a Director to do so, convene a meeting of the Board by giving a notice in writing to every other Director.

Chairman	<b>147.</b> The Directors may, from time to time, elect from among their number, a Chairman of the Board and a Vice-Chairman of the Board and determine the period for which they are respectively to hold office. If at any meeting of the Board, the Chairman is not present within fifteen minutes after the time appointed for holding the same, the Vice-Chairman shall act as the Chairman of the meeting and if the Vice-Chairman be also not so present, the Directors present may choose one of their member to be Chairman of the Meeting.
Questions at Board Meeting how decided	<b>148.</b> Questions arising at any meeting of the Board of Directors shall be decided by majority of votes and in the case, of an equality of votes, the Chairman shall have a second or a casting vote.
Power of Board Meeting	<b>149.</b> A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or the Articles of the Company are for the time being vested in or exercisable by the Board generally.
Directors may appoint Committee	<b>150.</b> Subject to the restriction contained in Section 179(3) of the Act the Board may delegate any of their powers to Committees of the Board consisting of such Member or Members of its body as it thinks fit, and it may from time to time revoke and discharge any such Committee of the Board either wholly or in part and either as to person or purposes, but every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such relations and fulfillment of the purposes of their appointment, but not otherwise, shall have the like force and effect as if done by the Board.
Meeting of Committee how to be governed	<b>151.</b> The meeting and proceeding of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.
Resolution by circulation	<b>152.</b> No resolution shall be deemed to have been duly passed by the Board or by Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the directors, or to all the Members of the Committee, at their registered address in India, and has been approved by majority of the directors or members of the Committee as are entitled to vote on the resolution. Provided that, where not less than one-third of the total number of directors of the Company for the time being require that any resolution under circulation must be decided at a meeting of the Board, the Chairman shall put such resolution to be decided at a meeting of the Board and not by circulation.
Acts of Board or Committee valid notwithstanding informal appointment	<b>153.</b> All acts done by any meeting of the Board or by a committee of the Board or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any of provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was

qualified to be Director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

Minutes of  
proceeding of  
meeting of the  
Board

**154.(1)** The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in books kept for that purpose with, their pages consecutively numbered.

**(2)** Each page of every book shall be initialed or signed and the last page of the record of proceedings of each meetings in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

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

**(4)** The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

**(5)** All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.

**(6)** The minutes shall also contain

- (a) The names of the Directors present at the meeting and
- (b) In the case of each resolution passed at the meeting the names of Directors, if any dissenting from, or not concurring in the resolution.

**(7)** Nothing contained in sub-clause (1) to (6) shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting -

- (a) is or could reasonably be regarded as defamatory of any person.
- (b) Is irrelevant or immaterial to the proceedings, or
- (c) Is detrimental to the interests of the Company.

The Chairman shall be sole judge in case of difference in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause, without prejudice to the recourse available under the law.

**(8)** Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

Powers of

**155.**The Board may exercise all such powers of the Company and do all such

## Directors

acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the act, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not, except with the consent of the Company in General Meeting.

- (a) sell, lease or otherwise dispose of the whole, or substantially the whole of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking;
- (b) remit, or give time for the repayment of, any debt due by a Director;
- (c) invest otherwise than in trust securities the amount of compensation received by it as a result of any merger or amalgamation;
- (d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose;

Provided further that the Board shall not except with the consent of the Company in general meeting, contribute to *bonafide* charitable and other funds any amounts the aggregate of which will, in any financial year, exceed five per cent of its average net profits for the three immediately preceding financial years .

## Certain powers of the Board

**156.** Without prejudice to the general powers conferred by the last preceding article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have following powers, that is to say, power -

- (1) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- (2) Subject to Section 179 and 184 of the Act, to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.
- (3) At their discretion and subject to the provisions of the act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, mortgages or other securities of the Company and any such

shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

- (4) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of the Company and its uncalled capital for the time being or in such manner as they may think fit.
- (5) To accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.
- (6) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purposes and to execute and do all such deeds and things as may be required in relation to any trust, and provide for remuneration of such trustee or trustees.
- (7) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow the time, for payment or satisfaction of any debts, due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon.
- (8) To act on behalf of the Company in all matters relating to bankrupts and insolvents.
- (9) To make and give receipts, releases, and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- (10) Subject to the provisions of Section 179, 185, and 186 of the Act to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being shares of this Company) or without security and in such manner as they may think fit, and from time to time vary or realise such investments, save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.
- (11) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- (12) To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements,

cheques, dividend warrants, releases, contracts and documents and to give, the necessary authority for such purposes.

- (13) To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give to any officer or other person employed by the Company, a commission on the profits of any particular business or transactions; and to charge such bonus or commission as part of the working expenses of the Company.
- (14) To provide for the welfare of Directors or ex-Directors or employees and ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of the houses, dwelling or chawls, or by grants of money pension, gratuities, allowances, bonus or other payments, or by creating, and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit; and to subscribe or contribute or otherwise to assist or to guarantee to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise.
- (15) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund, or to an Insurance Fund, or as a Reserve Fund or Sinking Fund or any special fund to meet contingencies or to repay debentures or debenture-stocks, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes including the purposes referred to in the preceding clause, as the Board may, in their absolute discretion, think conducive to the interest of the Company and subject to provisions of the Act, to invest the several sums so set aside or so much thereof as require to be invested, upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with or vary such investments and dispose of, apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company, Notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of Reserve Fund or division of a Reserve Fund to another Reserve Fund or division of a Reserve Fund and with power to employ the assets constituting all or any of the above funds including the Depreciation Fund in the business of the Company or in the purchase or repayment of Debentures, debenture-stock and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, not exceeding nine per cent per

annum.

- (16)** To appoint and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties and fix their salaries or emoluments or remuneration and to require security in such instances and to such amount as they may think fit. And also from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provisions contained in the four next following general powers conferred by this sub-clause.
- (17)** To comply with the requirements of any local law which in their opinion shall in the interests of the Company be necessary or expedient to comply with.
- (18)** From time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such Local Boards, and to fix their remuneration.
- (19)** Subject to Section 179 of the Act, from time to time, and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the board, other than their power to make calls or to make loans or borrow moneys, and to authorise the Members for the time being of any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed and may annual or vary any such delegation.
- (20)** At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of the members of any local board established as abovesaid or in favour of any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such Power of Attorney may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.
- (21)** Subject to the provisions of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on

behalf of the Company as they may consider expedient.

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

### MANAGEMENT

Prohibition of simultaneous appointment of different categories of managerial personnel

**157.** The Company shall not appoint or employ at same time more than one of the following categories of managerial personnel namely;

- (a) Managing Director,
- (b) Manager

### CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

Secretary

**158.** Subject to Section 203(1) of the Act, the Directors may from time to time appoint, and at their discretion, remove any individual (hereinafter called "the Secretary") to perform any functions, which by the Act are to be performed by the Secretary and to execute any other purely ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be a Secretary) to keep the registers required to be kept by the Company.

### THE SEAL

The Seal, its custody and use

**159.** The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.

Deeds how executed

**160.** Every Deed or other instrument, to which the Seal of the Company is required to be affixed, shall, unless the same is executed by a duly constituted attorney, be signed by a Director and by Secretary or some other person appointed by the Board for the purpose; Provided that in respect of Share Certificates the Seal shall be affixed in accordance with Article 19(a).

### DIVIDENDS

Division of profits

**161.** The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles, and subject to the act, may be paid out to the members in proportion to the amount of share capital paid-up or credited as paid-up on the shares held by them respectively.

The Company in General Meeting

**162.** The Company in General Meeting may declare dividends to be paid to members according to their respective rights, but no dividend shall exceed the

may declare a dividend	amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.
Dividends only to be paid out of profits	<b>163.</b> No dividend shall be declared or paid for any financial year otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act or out of the profits of the Company for previous financial year or Years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both;
Interim Dividend	<b>164.</b> The Board may, from time to time, pay to the Members, such interim dividend as in their judgement the position of the Company justifies.
Capital paid up in advance at interest, not to earn dividend	<b>165.</b> Where capital is paid in advance of calls, such share capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits.
Dividends in proportion to amount paid-up	<b>166.</b> All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.
Retention of dividends until completion of transfer under Article 58	<b>167.</b> The Board may retain the dividend payable upon shares in respect of which any person is, under Article 60 entitled to become a Member, or which any person under that Article is entitled to transfer, until such person shall become a member, in respect of such shares or shall duly transfer the same.
Dividend etc to joint-holders	<b>168.</b> Any one of several persons who are registered as the joint-holders of any share may give effectual receipt for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares.
No member to receive dividend whilst indebted to the Company and Company's right to reimbursement thereof	<b>169.</b> No Member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise however, either alone or jointly with any other person or persons; and the Board may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.
Transfer of Share must be registered	<b>170.</b> A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
Dividend how remitted	<b>171.</b> Unless otherwise directed, any dividend may be paid by cheque or warrant or electronic mode or by a payslip or receipt having the force of a cheque or warrant or bank order sent through post to the registered address, of the member or person entitled or in case of joint-holders to that one of them first named in the Register in respect of the joint-holdings. Every such cheque

or warrant or bank order or electronic transfer shall be made payable to the order of the person to whom it is sent or electronically transmitted. The Company shall not be liable for non receipt, lost in transmission, or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any payslip or the fraudulent recovery of the dividend by any other means.

No interest on dividends	<b>172.</b> Subject to Section 124 of the Act, No unpaid dividend shall bear interest as against the Company.
No forfeiture of unclaimed dividends	<b>172a.</b> There shall be no forfeiture of unclaimed dividends unless the claim becomes barred by law and unless such forfeiture is permitted by law.
Powers to make call in General Meeting while Declaring dividend	<b>173.</b> Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend; and the dividend may, if so arranged between the Company and the member be set off against the calls.
Capitalisation	<p><b>174.(a)</b> The Company in General Meeting may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Account, or in the hands of Company and available for dividend (or representing premium received on the issue of shares and standing to the credit of the Share Premium Account) be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend ad in the same proportions and on the footing that they become entitled thereto as capital and on that all or any part of such capitalized fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or debentures or debenture-stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares or debentures or debenture-stock and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum. Provided that a Share Premium Account and a Capital Redemption Reserve Account may, for the purposes of the Article, only be applied in the paying of any unissued shares to be issued to members of the Company as fully paid bonus shares.</p> <p><b>(b)</b> General Meeting may resolve that any surplus moneys, arising from the realisation of any capital assets of the Company or any investments representing the same or any other undistributed profits of the Company not subject to charge for income tax be distributed among the members on the footing that they receive the same as capital.</p> <p><b>(c)</b> For the purpose of giving effect to any resolution under the preceding paragraphs of this Article the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any</p>

members upon the footing of the value so fixed or that fraction of less value than Rs. 10/- may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the person entitled to the dividend or capitalised fund as may seem expedient to the Board. Where requisite, a proper contract shall be delivered to the Registrar for registration and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

## ACCOUNTS

Directors to keep true accounts

**175.**The Company shall keep at the office or at such other place in India as the Board thinks fit, proper Books of Account in accordance with Section 128 of the Act including with respect to -

- (a) all sums of money received and expended by the Company and the matters in respect of which the receipts and expenditure take place;
- (b) all sales and purchases of goods by the Company; and
- (c) the assets and liabilities of the Company

Where the Board decides to keep all or any of the Books of Account at any place other than the office of the Company, the Company shall within seven days of the decision file with the Registrar a notice in writing giving full address of that other place.

Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarised returns, updated at intervals of not more than three months, are sent by the branch office to the Company at its registered office or other place in India at which the Company's Books of Account are kept as aforesaid.

The Books of Account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transactions. The Books of Account and other books and papers shall be open to inspection by any Director during business hours.

As to inspection of accounts or books by Members

**176.** The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors, and no member (not being a Director) shall have any right of inspecting of any account or books or document of the Company except as conferred by law or authorised by the Board.

Statement of Accounts to be

**177.**The Directors shall from time to time, in accordance with Section 129(2) and other applicable provisions of the Act, cause to be prepared and to be laid

furnished to General Meeting before the Company in General Meeting, such Balance Sheets, Profit and Loss Accounts and Reports as are required by the Act.

Copies shall be sent to each Member **178.** Subject to Section 136 of the Act, A copy of every such Profit and Loss Account and Balance Sheet and reports referred to in the preceding article(including the Auditor's Report and every other document required by law to be annexed or attached to the Balance sheet), shall at least twenty one days before the meeting at which the same are to be laid before the members, be sent to the members of the Company; the trustees for debenture-holders of debentures and to all persons entitled to received notice of General Meeting of the Company.

### AUDIT

Accounts to be audited **179.** Auditors shall be appointed and their rights and duties regulated in accordance with Section 139 to 147 of the Act and the rules made thereunder.

First Auditor or Auditors **180.**The First Auditor or Auditors of the Company shall be appointed by the Board within 30 days of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the First Annual General Meeting provided that the Company may, at a General Meeting, remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons who have been nominated for appointment by any member of the Company and of whose nomination notice has been given to the members of the Company not less than fourteen days before the date of the Meeting provided further that if the Board fails to exercise its powers under this Article, the Company in General Meeting may appoint the first Auditor or Auditors.

### DOCUMENTS AND NOTICE

Service of documents or notices on members by Company **181. (1)** Subject to Section 20 of the Act, a document or notice may be served or given by the Company on any member either personally or by sending it by post, registered post or courier or electronic or any other mode permitted by the law, to him to his registered address or (if he has no registered address in India) to the address, if any, supplied by him to the Company for serving documents or notice on him.

Document or notice by post **(2)** Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a member has intimated to the Company in advance that documents or notices should be sent to him by registered post with or without acknowledge due and has deposited with the Company a sum sufficient to defray the expenses of doing so; service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member and such service shall be deemed to have been effected in the case of a notice of a meeting at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case, at the time, at which the letter would be delivered in the ordinary course of post.

- By advertisement **182.** A document or notice advertised in a newspaper circulating in the neighbourhood of the registered office shall be deemed to be duly served or sent on the day on which the advertisement appears on or to every member who have no registered address and has not supplied to the Company an address for the serving of documents on or the sending of notices to him.
- On joint-holders **183.** A document or notice may be served or given by the Company on or to the joint-holder named first in the Register of Members in respect of the share, and such notice shall be deemed to be notice to each of such joint-holders.
- On personal representatives etc. **184.** A document or notice may be served or given by the Company on or to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through post in prepaid letter addressed to them by name or by the title or representatives of the deceased, or assignee of the insolvent or by any like description at the address (if any) supplied for the purpose by the persons claiming to be entitled, or (until any such address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.
- To whom documents or notices must be served or given **185.** Documents or notices of every General Meeting shall be served or given in same manner herein-before authorised on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member, (c) the Auditor or Auditors for the time being of the Company and (d) every director of the Company.
- Members bound by documents or notices served on or given to previous holders **186.** Every person who, by operation of law, transfer or other means whatsoever shall become entitled to any share, shall be bound by every document or notice in respect of such share, which previously to his name and address being entered on the Register of members, shall have been duly served on or given to the person from whom he derives his title to such shares.
- Document of notice by company and signature thereto **187.** Any documents or notice to be served or given by the Company may be signed by a director or some person duly authorised by the Board of Directors for such purpose and the signature thereto may be written, printed or lithographed.
- Service of document or notice by Member **188.** All documents or notices to be served or given by members on or to the Company or any officer thereof shall be served or given by sending it to the Company or officer by registered post or speed post or courier service or by leaving it at registered office of the Company or electronically or by such other mode as may be prescribed.

### **WINDING UP**

- Liquidator may divide assets in specie **189.** The liquidator on any winding-up (whether voluntary, under supervision or compulsory) may, with the sanction of a special resolution, but subject to the rights attached to any preference share capital, divide among the contributories in specie any of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories as the liquidator with the like sanction shall think fit.

## INDEMNITY AND RESPONSIBILITY

Directors and  
other's right of  
indemnity

**190.** Every Officer or Agent for the time being of the Company shall be indemnified out of the assets of the Company against all liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 463 of the Act in which relief, is granted to him by the Court.

Directors,  
Managers etc.  
not liable for  
acts of others

Subject to provisions of the Act no Director, Manager or other Officer of the Company shall be liable for the act, receipts, neglects of any other Director or Officer or for joining in any receipts or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors, for and on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the company shall be invested or for any loss or damage arising from bankruptcy, insolvency or tortious act of any person with whom any moneys, securities, or effects shall be deposited or for any loss occasioned by an error of judgement or oversight on his part, or for any other loss, damages or misfortunes whatever which shall happen in the execution of the duties of this officer or in relation thereto unless the same happens through his own dishonesty.

## SECURITY CLAUSE

**191.(a)** Every Director, Manager, Auditor, Treasurer, Trustee, member of Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

**(b)** No member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

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

Name, Address, Description and Occupation of each subscriber	Number of Equity Shares taken by each Subscriber	Signature of Subscriber	Name, Address, Description and Occupation of Witness
M/s. Jindal Strips Ltd. Delhi Road, Hissar - 125 005, Haryana	100 (One Hundred)	Sd/-	Witness to all Sd/- C. AYYASWAMY Chartered Accountant 405, Shiv Centre, Sector-17, Vashi, New Bombay - 400 705
M/s. Jindal Iron and Steel Company Ltd. Jindal Mansion, 5A, G. Deshmukh Marg, Bombay - 400 026	100 (One Hundred)	Sd/-	
Shri Sajjan Jindal S/o Omprakash Jindal Jindal House, 32, Walkeshwar Road, Bombay - 400 006 Industrialist	100 (One Hundred)	Sd/-	
Shri Prithvi Raj Jindal S/o Omprakash Jindal 42/45, Punjabi Baug, New Delhi Industrialist	100 (One Hundred)	Sd/-	
Shri Ratan Jindal S/o Omprakash Jindal Jindal House, 6, Prithvi Raj Road, New Delhi - 110 011 Industrialist	100 (One Hundred)	Sd/-	
Shri Girish Ghate S/o Prabhakar Ghate 403/7A, Patel Apartment, Near Campa Cola, Worli, Bombay - 400 018. Service	100 (One Hundred)	Sd/-	
M/s. Tractebel S.A., 1 Place Du Trone, B-1000 Brussels Belgium	600 (Six Hundred)	Sd/-	
Total	1200 (One thousand two hundred Equity Shares)		

Dated this 10<sup>th</sup> Day of March, 1994

*JSW* Energy Limited



Monica Chopra  
Company Secretary

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

COMPANY PETITION NO.343 OF 2007  
CONNECTED WITH  
COMPANY APPLICATION NO.682 OF 2007

In the matter of scheme of arrangement  
between JSW Energy Limited and JSW  
Energy Investments Pvt Ltd and their  
respective share holders.

JSW Energy Ltd., .. Petitioner co.

WITH

COMPANY PETITION NO.344 OF 2007  
CONNECTED WITH  
COMPANY APPLICATION NO.483 OF 2007

In the matter of scheme of Arrangement  
between JSW Energy Limited and JSW  
Energy Investments Pvt Ltd and their  
respective share holders.

JSW Energy Investments  
Pvt Ltd. .. Petitioner co.

Shri Janak Dwarkadas with Shri Sham Benta with Mr Virag  
Tolzapurkar with Mr Rajesh Shah 1/b Rajesh Shah & Co.  
for the petitioner.

Shri Aspi Chitoy with Mr Sahari Dutt with Ms Merlyn  
Monteiro for REOL.

Shri S.U.Kandari with Ms Merlyn Monteiro for second  
unsecured creditors i.e. Raytheon Company.

Ms Bharati Mahant with C.J.Joy with Mr G.D. Mishra for  
R.D.

FORAM: D.B.BHOSALE, J.  
DATED: 1ST NOVEMBER, 2007.

P.C.:

1. Heard learned senior counsel for the parties.

Leave to amend. Amendment to be carried out forthwith.

2. The sanction of the Court is sought to a Scheme



of Arrangement between JSW Energy Ltd. (for short, "transferor/demerged company") and JSW Energy Investments Private Ltd. (for short, "transferee company") under Sections 391 to 394 of the Companies Act, 1956. Under the scheme, the petitioners are seeking demerger of the Investment Division of the transferor company into transferee company. The transferee is wholly owned subsidiary of the transferor.

3. Counsel appearing on behalf of the Petitioner has stated before the Court that insofar as the transferor is concerned: all the equity shareholders have granted their consents; and individual notices were despatched to all the secured and unsecured creditors in pursuance of the directions issued by this court while dispensing with the convening of the meeting of the secured and unsecured creditors.

4. Insofar as the transferee is concerned, the Court has been informed by the learned Counsel that: all the equity shareholders have granted their consents; there were no secured creditors; and individual notices were despatched to the unsecured creditors in pursuance of the directions issued by this Court while dispensing with the meeting of the unsecured creditors.



# HIGH COURT, BOMBAY

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5. M/s. Raytheon Company, USA (hereinafter "Raytheon Company") has raised an objection to the scheme. Learned counsel for the parties state that I need not deal with the objections on merits and they have tendered draft minutes of order duly signed by their respective advocates on record. The minute of order is taken on record and marked "X" for identification. The terms and conditions which the parties have agreed, as incorporated in the draft minutes of order, read thus:

"JSW Energy Limited ('JSW Energy' or 'the Petitioner') will deposit with the Prothonotary and Senior Master of this Hon'ble Court out of Rs.23,32,19,199 being the amount received from the Income Tax Department a sum of Rs.22,38,75,476 (Rs.23,32,19,199 - Rs.93,43,723) within 10 days of receipt of the Order. The sum of Rs.93,43,723 is the tax withholding at source in respect of the interest component which shall be deposited simultaneously by JSW Energy with the Income Tax Department and TDS Certificate shall be provided to Raytheon. Out of the said sum of Rs.22,38,75,476 amount of Rs.20,81,84,091 (Rs.22,38,75,476 less Rs.1,56,91,384) would be remitted by Prothonotary and Senior Master to Raytheon Company, USA (Raytheon Company) in United States Dollars (US Dollars) at the current exchange rate on the following terms:

"(i) Raytheon Ebasco Overseas Ltd. hereby gives its consent to the above payment being made to Raytheon Company in accordance with the Heads of Agreement dated December, 16, 2003.

(ii) JSW Energy undertakes that it shall within 10 days from the date of receipt of this Order, simultaneously apply to the Reserve Bank of India (RBI), Mumbai, seeking their approval for remittance in US Dollars and shall make all reasonable and best efforts to obtain the approval from the RBI for remitting Rs.20,81,84,091 in US Dollars to Raytheon Company. JSW Energy shall also simultaneously with the application to the RBI give a letter



of authority to Mr. Rajiv Tiwari, Power of Attorney holder of Raytheon Company to follow up with the RBI.

(iii) That the amount of Rs.1,56,91,384 shall be retained by Prothonotary and Senior Master and kept in a fixed deposit. In the event there is a demand by the Income Tax Department, in respect of this amount or any other amount of tax, interest and penalty on amount of refund received shall be released to JSW Energy to be paid to the Income Tax Department. In the event no demand is raised or raised for a lesser amount, then the same shall be remitted to Raytheon by the Prothonotary and Senior Master on April 1, 2011 after obtaining any approval of JSW Energy.

(iv) In the event the sum of Rs.1,56,91,384 is paid to the Income Tax Department by JSW Energy pursuant to demand by the IT Authorities, JSW Energy through Raytheon Company shall challenge any such demand and in the event such demand is set aside, then the amount of Rs.1,56,91,384 shall be refunded to Raytheon forthwith after obtaining any approval by JSW Energy.

(v) Upon receipt of approval by the RBI, the Prothonotary and Senior Master of this Court shall upon Raytheon Company providing Stand-by Letter of Credit (SLCC) for amount of Rs.23,32,19,199 and an undertaking as per the terms mentioned hereunder, remit Rs.20,81,84,019 to Raytheon Company. The Prothonotary and Senior Master of this Court shall hand over the SLCC and the undertaking to JSW Energy.

(vi) Raytheon Company shall furnish to JSW Energy an irrevocable SLCC in favour of JSW Energy given by foreign bank and confirmed by the State Bank of India, Mumbai Branch which shall be encashable/payable to JSW Energy within a period of four weeks of the demand notice from the Income-tax Department pursuant to Karnataka High Court Judgment unless stay order is obtained, under the provisions of the Income-tax Act, for the payment of Rs.23,32,19,199 less Rs.1,56,91,384 in case the same is lying with the Prothonotary and Senior Master of this Court. However, in case the amount of Rs.1,56,91,384 has been remitted by the Prothonotary and Senior Master of this Court to Raytheon Company USA the SLCC shall be

SIGNATURE

encashable for Rs.23,32,19,199.

(vii) It is agreed that the SLOC shall be kept valid initially for a period of 3 years and shall be kept alive until Twenty Four months from the date of the Karnataka High Court judgment and in the event any appeal being filed in the Supreme Court, till the final outcome of the Appeal and for a period of two weeks thereafter. The SLOC shall also be encashable by JSW Energy in the event of the demand for penalty being upheld by the Supreme Court of India.

(viii) In the event the SLOC is not renewed one month before its expiry date, JSW Energy shall be at liberty to encash the SLOC and to retain the amount as security for payment.

(ix) Raytheon Company shall provide an undertaking from a responsible officer preferably in India undertaking that the SLOC shall be encashed by JSW Energy in accordance with the above terms and the terms of the SLOC.

(x) JSW Energy shall immediately cooperate with Raytheon Company in filing and conducting of the Special Leave Petition/tax appeal in the Supreme Court of India and for seeking any interim order relating to the stay of the judgment of the Karnataka High Court.

(xi) Remittance to Raytheon Company in US Dollars shall be made by the Prothonotary and Senior Master details thereof are as under:

(a) Name of the Company	Raytheon Company, USA
(b) Address of the company	870, Winter Street Waltham, MA024911449 USA.
(c) Name of the Bank	Bank of America, NA
(d) Name of the Branch	Bank of America, NA
(e) Address of the Bank	100, West 33rd Street New York, NY, USA
(f) Account Number	1233245954
(g) Type of Account	Checking
(h) Swift Code	BOFAUS3N



(i) ABR Number

022009593

(xii) It is clarified that interest amount if any payable by JSW Energy Ltd. to Raytheon in respect of refund already received and retained by them as well as interest claim if any which may arise on JSW Energy from Income Tax Authority in the event of Income Tax Department succeeding in the pending appeals in the Karnataka High Court are both kept open to be decided in appropriate proceedings.

6. The draft minutes of order is accepted and is treated as a part of this order. The statements and the undertakings of the parties recorded in the minutes of order are accepted. The objection of Raytheon Company accordingly stands disposed of.

7. Upon perusal of the entire material placed on record, in my opinion, the scheme is fair and reasonable and is not violative of any provisions of law and is not contrary to any public policy. None of the parties concerned, except Raytheon, has come forward to oppose the scheme. Moreover, the Regional Director has stated that the scheme as proposed is not contrary to the public interest or prejudicial to the interest of the shareholders, or creditors.

8. There is no objection to the scheme and since all the requisite statutory compliances have been fulfilled, Company Petition No.343 of 2007 filed by the transferor company is made absolute in terms of prayer clauses (a) and (b).

HIGH COURT, BOMBAY

0759647

9. Company Petition No.344 of 2557 is made absolute in terms of prayer clauses (a) to (c), (aa) and (ab).

10. The transferee-company to lodge a copy of the order and the scheme with the concerned Superintendent of Stamps for the purpose of adjudication of stamps duty payable on the same, if any, within 30 days of obtaining a certified and/or an authenticated copy of the order.



11. The Petitioners in both the petitions are directed to pay costs of Rs.5,000/- each to the Regional Director. Costs to be paid within four weeks from today.

12. Filing and issuance of drawn up order is dispensed with.

All authorities concerned to act on a copy of this order duly authenticated by the Registry.

(D.B.Bhosale,J.)

TRUE-COPY  
*[Signature]*  
M. D. NARAYAN  
HIGH COURT, BOMBAY

TRUE COPY  
*[Signature]*  
Secretary  
High Court  
Bombay

**SCHEME OF ARRANGEMENT**  
**BETWEEN**  
**JSW ENERGY LIMITED**  
**AND**  
**JSW ENERGY INVESTMENTS PRIVATE LIMITED**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS**

This Scheme of Arrangement (hereinafter referred to as the "Scheme") is presented under Sections 391 – 394 of the Companies Act 1956 for demerger of the Investment Division of JSW Energy Limited, having its registered office at Jindal Mansion, 5A, G. Deshmukh Marg, Mumbai-400 026 into JSW Energy Investments Private Limited, having its registered office at Jindal Mansion, 5A, G. Deshmukh Marg, Mumbai-400 026, pursuant to the provisions of the Companies Act, 1956.

**DEFINITIONS**

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

- 1.1 "Act" means the Companies Act, 1956 and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force.
- 1.2 "Appointed Date" means 1<sup>st</sup> April, 2007 or such other date as may be approved by the Bombay High Court.
- 1.3 "Effective Date" means the date on which the certified or authenticated copy of the Orders of High Court of Judicature at Bombay under Sections 391 to 394 of the Act sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra at Mumbai.

1.4 "High Court" means the High Court of Judicature at Bombay or such other High Court having jurisdiction in the matter.

1.5 "Investment Division" means the investment business of JSWEL and includes

1.5.1 All assets (whether movable or immovable, real or personal, corporeal or incorporeal, present, future or contingent) and liabilities pertaining thereto.

1.5.2 Without prejudice to the generality of the provisions of sub-clause 1.5.1 above, the Investment Division shall include in particular:

- (i) All property of and required for the above business wherever situated, including all immoveable property, current assets, funds, capital work in progress, furniture, fixtures, office equipment, appliances, accessories;
- (ii) All permits, rights, entitlements, industrial and other licenses, bids, tenders, letters of intent, expressions of interest, municipal and other statutory permissions, approvals, consents, licenses, registrations, subsidies, concessions, exemptions, remissions, tax deferrals, tenancies in relation to office, bank accounts, lease rights, licenses, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Investment Division;
- (iii) Debts, duties, obligations, and liabilities (including contingent liabilities) relating to the Investment Division.

The Investment Division shall specifically exclude investments made by JSWEL in the equity shares of JSW Power Trading Company Limited, Raj WestPower Private Limited, JSW Energy (Vijayanagar) Limited and JSW Energy (Ratnagiri) Limited, JSW Energy Overseas Limited, advance against equity in PT Param Utama Jaya (PTPU), as these investment/advance pertain to the Remaining Business.

For the purpose of this Scheme, it is clarified that liabilities pertaining to the Investment Division include:

The liabilities, which arise out of the activities or operations of the Investment Division.

- (b) Specific loans and borrowings raised, incurred and utilised solely for the activities or operation of the Investment Division.
- (c) Liabilities other than those referred to in sub-clauses (a) and (b) above, being the amounts of general or multipurpose borrowings of JSWEL, allocated to the Investment Division in the same proportion in which the value of the assets transferred under this Scheme bear to the total value of the assets of JSWEL immediately before giving effect to this Scheme.

All permanent employees of the Investment Division, as identified by the Board of Directors of JSWEL, 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 Investment Division or whether it arises out of the activities or operations of the Investment Division shall be decided by mutual agreement between the Board of Directors of JSWEL and JSWEIPL.

“JSWEL” or “the Demerged Company” means JSW Energy Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Jindal Mansion, 5A, G.Deshmukh Marg, Mumbai-400 026.

“JSWEIPL” or “the Resulting Company” means JSW Energy Investments Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Jindal Mansion, 5A, G.Deshmukh Marg, Mumbai-400 026.

3 “Remaining Business” means all the businesses and divisions of JSWEL other than the Investment Division.

9 “Scheme” or “the Scheme” or “this Scheme” means the Scheme of Arrangement in its present form with or without any modification(s) pursuant to clause 15 of this Scheme.

1.4 "High Court" means the High Court of Judicature at Bombay or such other High Court having jurisdiction in the matter.

1.5 "Investment Division" means the investment business of JSWEL and includes

1.5.1 All assets (whether movable or immovable, real or personal, corporeal or incorporeal, present, future or contingent) and liabilities pertaining thereto.

1.5.2 Without prejudice to the generality of the provisions of sub-clause 1.5.1 above, the Investment Division shall include in particular:

- (i) All property of and required for the above business wherever situated, including all immoveable property, current assets, funds, capital work in progress, furniture, fixtures, office equipment, appliances, accessories;
- (ii) All permits, rights, entitlements, industrial and other licenses, bids, tenders, letters of intent, expressions of interest, municipal and other statutory permissions, approvals, consents, licenses, registrations, subsidies, concessions, exemptions, remissions, tax deferrals, tenancies in relation to office, bank accounts, lease rights, licenses, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Investment Division;
- (iii) Debts, duties, obligations, and liabilities (including contingent liabilities) relating to the Investment Division.

The Investment Division shall specifically exclude investments made by JSWEL in the equity shares of JSW Power Trading Company Limited, Raj WestPower Private Limited, JSW Energy (Vijayanagar) Limited and JSW Energy (Ratnagiri) Limited, JSW Energy Overseas Limited, advance against equity in PT Param Utama Jaya (PTPU), as these investment/advance pertain to the Remaining Business.

For the purpose of this Scheme, it is clarified that liabilities pertaining to the Investment Division include:

The liabilities, which arise out of the activities or operations of the Investment Division.

(b) Specific loans and borrowings raised, incurred and utilised solely for the activities or operation of the Investment Division.

(c) Liabilities other than those referred to in sub-clauses (a) and (b) above, being the amounts of general or multipurpose borrowings of JSWEL, allocated to the Investment Division in the same proportion in which the value of the assets transferred under this Scheme bear to the total value of the assets of JSWEL immediately before giving effect to this Scheme.

3 All permanent employees of the Investment Division, as identified by the Board of Directors of JSWEL, as on the Effective Date.

4 Any question that may arise as to whether a specific asset or liability pertains or does not pertain to the Investment Division or whether it arises out of the activities or operations of the Investment Division shall be decided by mutual agreement between the Board of Directors of JSWEL and JSWEIPL.

"JSWEL" or "the Demerged Company" means JSW Energy Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Jindal Mansion, 5A, G.Deshmukh Marg, Mumbai-400 026.

7 "JSWEIPL" or "the Resulting Company" means JSW Energy Investments Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Jindal Mansion, 5A, G.Deshmukh Marg, Mumbai-400 026.

8 "Remaining Business" means all the businesses and divisions of JSWEL other than the Investment Division.

9 "Scheme" or "the Scheme" or "this Scheme" means the Scheme of Arrangement in its present form with or without any modification(s) pursuant to clause 15 of this Scheme.

1.10 Any references in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall mean the Effective Date.

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

## 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 Judicature of Bombay or made as per Clause 15 of the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

## 3 SHARE CAPITAL

3.1 The Share Capital of JSWEL as on September 30, 2006 is as under :

	Amount in Rupees
<b>Authorised Capital</b>	
40,00,00,000 Equity Shares of Rs. 10/- each	400,00,00,000
<b>Total</b>	400,00,00,000
<b>Issued, Subscribed and Paid-up</b>	
34,68,00,000 Equity Shares of Rs.10/- each fully paid up	346,80,00,000
<b>Total</b>	346,80,00,000

Subsequent to September 30, 2006, there has been no change in issued, subscribed and paid up capital of JSWEL.



	Amount in Rupees
<b>Authorised Capital</b>	
21,00,000 Equity Shares of Rs. 10/- each	2,10,00,000
<b>Total</b>	<b>2,10,00,000</b>
<b>Issued, Subscribed and Paid-up</b>	
10,000 Equity Shares of Rs.10/- each fully paid up	1,00,000
<b>Total</b>	<b>1,00,000</b>

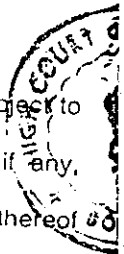
Subsequent to February 28, 2007, there has been no change in issued, subscribed and paid up capital of JSWEIPL. The entire subscribed and paid up capital of the JSWEIPL is held by JSWEL

#### 4 TRANSFER OF INVESTMENT DIVISION

The Investment Division of JSWEL, as defined in Clause 1.5, shall stand transferred to and vested in or deemed to be transferred to and vested in JSWEIPL, as a going concern, in accordance with Section 2(19AA) of the Income Tax Act, 1961 and in the following manner:

- 4.1 With effect from the Appointed Date, the Investment Division, shall, under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act or deed, stand transferred to and vested in and/or deemed to be transferred to and vested in JSWEIPL, so as to vest in JSWEIPL all the rights, title and interest pertaining to the Investment Division.
- 4.2 With effect from the Appointed Date, the liabilities of JSWEL relating to the Investment Division shall, without any further act or deed be and stand transferred to JSWEIPL so as to become as from the Appointed Date, the liabilities of JSWEIPL 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 liabilities have arisen in order to give effect to the provisions of this sub-clause. After the Effective Date, JSWEIPL undertakes to meet, discharge and satisfy the said liabilities remaining unpaid to the exclusion of JSWEL and to

keep JSWEL indemnified at all times from and against all such liabilities and from and against all actions, demands and proceedings in respect thereto.

- 4.3 With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licences, permissions or approvals or consents held by JSWEL required to carry on operations in the Investment Division shall stand vested in or transferred to JSWEIPL without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of JSWEIPL. The benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licences, and consents shall vest in and become available to JSWEIPL pursuant to the Scheme. In so far as the various incentives, subsidies, rehabilitation Schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by JSWEL relating to the Investment Division, are concerned, the same shall vest with and be available to JSWEIPL on the same terms and conditions.
- 4.4 The transfer and vesting of Investment Division 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 Investment Division.
- 4.5 This Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income-tax Act, 1961. If any terms or provisions of the Scheme is/are inconsistent with the provisions of Section 2(19AA) of the Income-tax Act, 1961, the provisions of Section 2 (19AA) of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(19AA) of the Income-Tax Act, 1961; such modification to not affect other parts of the Scheme.

## 5 ISSUE OF SHARES BY JSWEIPL

- 5.1 Upon the Scheme becoming effective and upon vesting of the Investment Division of JSWEL in JSWEIPL, JSWEIPL shall, without any further application or deed, issue and allot to every member of JSWEL holding fully paid up Equity

Shares in JSWEL and whose names appear in the Register of Members of JSWEL on the Effective Date, his/her heirs, executors, administrators or the successors-in-title, as the case may be, in the following proportion:

"1 (One) Equity Share of the face value of Rs. 10 each of JSWEIPL shall be issued and allotted as fully paid up for every 170 (One Hundred Seventy) Equity Shares of the face value of Rs. 10/- each fully paid up held in JSWEL".

5.2 The Equity Shares in JSWEIPL to be issued to the members of JSWEL pursuant to Clause 5.1 above shall be subject to the Memorandum and Articles of Association of JSWEIPL and shall rank pari passu in all respects, including dividend, with the existing Equity Shares of JSWEIPL.

5.3 JSWEIPL shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment of Equity Shares to the members of JSWEL under the Scheme.

5.4 Under and pursuant to the Scheme, no fractional shares shall be issued by the JSWEIPL in respect of the fractional entitlements, if any, of the shareholders of JSWEL and such fractional entitlement, if any, shall be ignored.

5.5 Upon the Scheme becoming effective and upon allotment of equity shares by JSWEIPL in terms of clause 5.1 above, investments held by JSWEL in JSWEIPL shall stand cancelled.

The cancellation of shares shall be effected as part of the Scheme only, as the same does not involve either diminution of liability in respect of unpaid capital or payment to any shareholder of any amount paid in respect of shares issued and the Order of the High Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction.

## 6 ACCOUNTING TREATMENT IN THE BOOKS OF JSWEIPL

6.1 JSWEIPL shall, upon the arrangement becoming effective, record the assets and liabilities of the Investment Division of JSWEL vested in it pursuant to this Scheme, at the respective book values, ignoring revaluations, if any, as

appearing in the books of JSWEL at the close of business of the day immediately preceding the Appointed Date.

6.2 JSWEIPL shall credit to the Share Capital Account in its books of account, the aggregate face value of the Equity Shares of JSWEIPL issued and allotted by it to the equity shareholders of JSWEL pursuant to this Scheme.

6.3 The difference between the book value of net assets of Investment Division of JSWEL and the face value of Equity Shares issued and allotted, and the credit arising on cancellation of equity shares as laid down in Clause 5.5 above shall be credited by JSWEIPL to the General Reserve Account or debited to the Goodwill Account, as the case may be.

## 7 ACCOUNTING TREATMENT IN THE BOOKS OF JSWEL

7.1 Upon the Scheme becoming effective, JSWEL shall reduce the book value of assets and liabilities pertaining to the Investment Division.

7.2 The difference, being the excess of the book value of assets transferred over the book value of liabilities transferred, or vice versa, as the case may be, shall be adjusted in Surplus in Profit and Loss Account of JSWEL.

## 8 CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

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

(a) JSWEL shall carry on and be deemed to have carried on the business and activities in relation to Investment Division and shall stand possessed of their properties and assets relating to Investment Division for and in trust for JSWEIPL and all the profits / losses accruing on account of Investment Division shall for all purposes be treated as profits / losses of JSWEIPL.

(b) JSWEL shall not utilize the profits or income, if any, relating to Investment Division for the purpose of declaring or paying any dividend or for any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of the Board of Directors of JSWEIPL.

(c) JSWEL shall not without the prior written consent of the Board of Directors of JSWEIPL or pursuant to any pre-existing obligation, sell, transfer or

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otherwise alienate, charge, mortgage or encumber or otherwise deal with or dispose of the undertaking relating to Investment Division or any part thereof except in the ordinary course of its business.

- (d) JSWEL shall not vary the terms and conditions of service of its permanent employees relating to Investment Division except in the ordinary course of its business.

9 EMPLOYEES

- 9.1 On the Scheme becoming effective, all employees of the Investment Division of JSWEL in service on the Effective Date, shall be deemed to have become employees of JSWEIPL with effect from the Appointed Date or their respective joining date, whichever is later, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with JSWEIPL shall not be less favorable than those applicable to them with reference to Investment Division on the Effective Date. Any question that may arise as to whether any employee belongs to or does not belong to the Investment Division shall be decided by Board of Directors of JSWEL.

It is expressly provided that, on the Scheme becoming effective, the provident fund, gratuity fund, superannuation fund or any other special fund or trusts created or existing for the benefit of the employees of Investment Division shall be deemed to have been created by JSWEIPL in place of JSWEL for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of JSWEL in relation to such fund or funds shall become those of JSWEIPL. It is clarified that the services of the employees of Investment Division of JSWEL will be treated as having been continuous service for the purpose of the said fund or funds.

10.1 All legal proceedings of whatsoever nature by or against JSWEL pending and/or arising on or after the Appointed Date and relating to Investment Division, 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 JSWEIPL, 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 JSWEL.

10.2 After the Appointed Date, if any proceedings are taken against JSWEL in respect of the matters referred to in the sub-clause 10.1 above, it shall defend the same at the cost of JSWEIPL, and JSWEIPL shall reimburse and indemnify JSWEL against all liabilities and obligations incurred by JSWEL in respect thereof.

10.3 JSWEIPL undertakes to have all legal or other proceedings initiated by or against JSWEL referred to in Clause 10.1 above transferred into its name and to have the same continued, prosecuted and enforced by or against JSWEIPL as the case may be, to the exclusion of JSWEL.

#### 11 CONTRACTS, DEEDS, ETC.

11.1 Subject to the other provisions of this Scheme, all contracts, deeds, agreements, life insurance policy and other instruments, if any, of whatsoever nature relating to Investment Division and to which JSWEL is a party subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of JSWEIPL, and may be enforced by or against JSWEIPL as fully and effectually as if, instead of JSWEL, JSWEIPL had been a party thereto.

#### 12 SAVING OF CONCLUDED TRANSACTIONS

12.1 The transfer of Investment Division of JSWEL as above and the continuation of proceedings by or against JSWEL in relation to Investment Division shall not affect any transaction or proceedings already concluded on or after the Appointed Date till the Effective Date, to the end and intent that JSWEIPL accedes and adopts all acts, deeds and things done and executed by JSWEL.

### 13 REMAINING BUSINESS

13.1 The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by JSWEL.

13.2 All legal and other proceedings by or against JSWEL 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 (including those relating to any property, right, power, liability, obligation or duty, of JSWEL in respect of the Remaining Business) shall be continued and enforced by or against JSWEL.

13.3 With effect from the Appointed Date and including the Effective Date –

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

### 14 APPLICATION TO HIGH COURT

14.1 JSWEL and JSWEIPL shall make applications / petitions under Sections 391 to 394 of the Act and other applicable provisions of the Act to the High Court of Judicature at Bombay for sanction of this Scheme under the provisions of law.

### 15 MODIFICATION OR AMENDMENTS TO THE SCHEME

15.1 JSWEL and JSWEIPL, by their respective Board of Directors may assent to any modifications/amendments to the Scheme or to any conditions or limitations that the Court and/or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors). JSWEL and JSWEIPL by their respective Board of Directors be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise



howsoever arising out of or under or by virtue of the Scheme and/or any person concerned or connected therewith.

## 16 CONDITIONALITY OF THE SCHEME

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

- 16.1 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 JSWEL and JSWEIPL as may be directed by the Hon'ble High Court of Judicature at Bombay or any other competent authority, as may be applicable.
- 16.2 Certified copies of the Orders of the High Court of Judicature at Bombay sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra, at Mumbai by JSWEL and JSWEIPL.

## 17 EFFECT OF NON-RECEIPT OF APPROVALS

- 17.1 In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/ or the Scheme not being sanctioned by the jurisdictional High Court or such other competent authority and / or the Order not being passed as aforesaid before March 31, 2008 or within such further period or periods as may be agreed upon between JSWEL and JSWEIPL by their Boards of Directors (and which the Boards of Directors of the Companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. Each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme.

## 18 COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of JSWEL and JSWEIPL arising out of, or

incurred in carrying out and implementing this Scheme (including in relation to issuance of shares by JSWEIPL) and matters incidental thereto, shall be borne in a manner as may be mutually decided by the Board of Directors of JSWEL and JSWEIPL.

Certified to be TRUE COPY  
For RAJESH SHAH & CO.

*Rajesh Shah*

Advocate for the Petitioner / Applicant

TRUE

*Rajesh Shah*  
26/11/2024



Exhibit "G"

FORM OF MINUTE

The share capital of the Petitioner Company be reduced by Rs. 1,00,000 (Rupees One L Only) in terms of the special resolution passed at the meeting of the shareholders held on M 25, 2007

Certified to be TRUE CO  
For RAJESH SHAH & C

*Rajesh Shah*  
Advocate for the Petitioner / Appli



TRUE-COPY  
*M. D. NARVEKAR*  
M. D. NARVEKAR  
CHIEF REGISTRAR  
HIGH COURT (OS)  
BOMBAY

IN THE HIGH COURT OF JUDICATURE AT  
BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY PETITION NO 344 OF 2007.

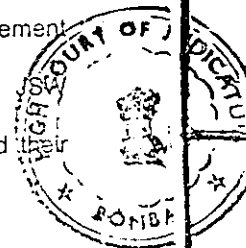
CONNECTED WITH  
COMPANY APPLICATION NO. 483 OF 2007.  
In the matter of the Companies Act, 1956 (1 of  
1956);

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

AND  
In the matter of Scheme of Arrangement  
between JSW Energy Limited and  
Energy Investments Private Limited and  
their  
respective shareholders  
JSW ENERGY INVESTMENTS PRIVATE  
LIMITED

... Petitioner Company

Authenticated Copy of the Minutes of Order  
dated 1<sup>st</sup> November, 2007 along with  
Scheme of Arrangement and Form of  
Minute.



Applied on 19.11.2007  
Engrossed on 19.11.2007  
Section Writer .....  
Filing .....  
Examined by D. Mayekar  
Compared with paris  
Ready on 25/11/07  
Dated on 25/11/07

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

**HIGH COURT, BOMBAY**

1030472

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 759 OF 2008

CONNECTED WITH

COMPANY APPLICATION NO. 1240 OF 2008

**JSW POWERTRANSCO LIMITED**

..... Petitioner / Transferor Company.

AND

COMPANY PETITION NO. 760 OF 2008

CONNECTED WITH

COMPANY APPLICATION NO. 1241 OF 2008

**JSW ENERGY (VIJAYANAGAR) LIMITED**

..... Petitioner / Transferor Company.

WITH

COMPANY PETITION NO. 761 OF 2008

CONNECTED WITH

COMPANY APPLICATION NO. 1242 OF 2008

**JSW ENERGY LIMITED** ..... Petitioner / Transferee Company.

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

AND

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

AND

In the matter of Scheme of  
Amalgamation of JSW PowerTransco  
Limited (the transferor company 1)  
and JSW Energy (Vijayanagar) Limited



# HIGH COURT, BOMBAY

1030473

(the transferor company 2) with JSW Energy Limited (the transferee company) and their respective shareholders and creditors

Mr. Rajesh Shah i/b Rajesh Shah & Co. for the Petitioners.

Mr. S. Ramakantna Dy. Official Liquidator in CP No. 759 and CP No. 780 of 2008

Mr. C.J. Jay i/b Mr. S.K. Mohapatra for Regional Director in CP No. 759, CP No. 780 and CP No. 781 of 2008

CORAM: A.M.Khanwilkar J.

DATE: 10<sup>th</sup> October, 2008

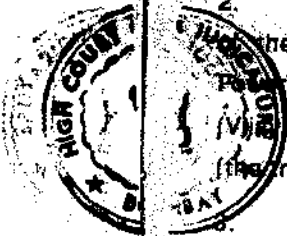
PC:

1. Heard learned counsel for the parties.
2. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956 to the Scheme of Amalgamation of JSW Transco Limited (the transferor company 1) and JSW Energy (Vijayanagar) Limited (the transferor company 2) with JSW Energy Limited (the transferee company) and their respective shareholders and creditors.

Counsel appearing on behalf of the Petitioners has stated that they have complied with all requirements as per directions of this Court and they have filed necessary affidavits of compliance in the Court. However, Petitioner Company also undertakes to comply with all statutory requirements if any, as required under the Companies Act, 1956 and the rules made there under.

4. The Regional Director has filed Affidavit stating therein that the scheme is not prejudicial to the interest of creditors, shareholders and public.

5. The Official Liquidator has filed report in Company Petition No. 759 and CP No. 780 of 2008 stating therein that the affairs of the Transferor Companies have been conducted in a proper manner and that the Transferor Companies may be ordered to be dissolved.



6. Upon perusal of the entire material placed on records, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to any public policy. None of the parties concerned has come forward to oppose the Scheme. Moreover, the Regional Director has stated that the Scheme as proposed is not prejudicial to the interest of share holders, creditors and the public and the Official Liquidator has stated that the affairs of the Transferor Company have been conducted in a proper manner.

7. There is no objection to the Scheme and since all the requisite statutory compliances have been fulfilled, Company Petition No. 759 and CP No. 760 of 2008 filed by the Transferor Companies is made absolute in terms of prayer clauses (a) to (d). Company Petition No. 761 of 2008 filed by the Transferee Company is made absolute in terms of prayer clauses (a) to (c)

8. The Petitioner Companies to lodge a copy of this order and the Scheme with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 30 days of obtaining the certified copy and/or an authenticated copy of the order.

The Petitioners in all the Company Petitions to pay cost of Rs.7500/- each to the Regional Director in all the Petitions and to the Official Liquidator by the petitioner in the Company Petition No. 759 and CP No. 760 of 2008 filed by the Transferor Companies. Costs to be paid within four weeks from today.

10. Filing and issuance of the drawn up order is dispensed with.

11. All authorities concerned to act on a copy of this order along with Scheme duly authenticated by the Company Registrar , High Court, Bombay.

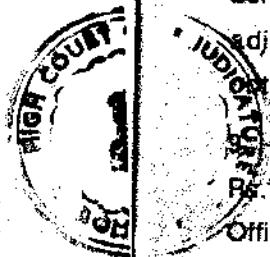
(A.M.Khanwilkar J)

"Disclaimer of Authenticity of Certified Copy"

TRUE COPY

*[Signature]*  
Section Officer 16/10/08  
High Court, Appellate Bench  
Bombay.

TRUE-COPY  
*[Signature]*  
M. D. NARVEKAR  
COMPANY REGISTRAR  
HIGH COURT (O.S.)  
BOMBAY 14/10/08



**SCHEME OF AMALGAMATION  
OF  
JSW POWERTRANSCO LIMITED  
AND  
JSW ENERGY (VIJAYANAGAR) LIMITED  
WITH  
JSW ENERGY LIMITED  
AND  
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

The scheme of amalgamation is presented under sections 391 to 394 and other applicable provisions of the Companies Act, 1956 for merger of JSW PowerTransco Limited and JSW Energy (Vijayanagar) Limited with JSW Energy Limited and their respective shareholders and creditors and is divided into following Four parts:

- Part A – Background
- Part B – Deals with definitions and share capital
- Part C – Deals with Amalgamation of JSW Power Transco Limited and JSW Energy (Vijayanagar) Limited with JSW Energy Limited
- Part D – Deals with General Clauses, Terms and Conditions

**PART A – BACKGROUND**

JSW Energy Limited ('JSWEL'), part of JSW Group is engaged in the business of generation, transmission, distribution and trading in power. The power generation projects of

the Company are carried on by the Company and through its subsidiaries JSW Energy (Ratnagiri) Limited ('JSWERL'), JSW Energy (Vijayanagar) Limited ('JSWEVL') and Raj Westpower Limited ('RWPL') whereas transmission and trading businesses of the company is carried on by its wholly owned subsidiary (WOS) JSW PowerTransco Limited ('JSW PowerTransco') and JSW Power Trading Company Limited ('JSWPTCL') respectively.

> **JSWEL**

JSWEL is currently operating a 2 X 130 MW power plant. The plant is already operational. For the year ending March 31, 2008, 2067.25 Million Units of power was generated. As on date 91.59% of equity is held by the promoter group.

> **JSWERL**

JSWERL is a WOS of JSWEL. JSWERL is in the process of setting up a 4 X 300 MW coal based power project in Ratnagiri (Maharashtra). The project is expected to commence operations of its first phase from September 2009.

The estimated project cost is approx Rs. 4,500 Crores and will be funded through mix of Debt and Equity with Equity share Capital being Rs. 1,125 Crores and the balance of Rs. 3,375 Crores will be funded by way of debt.

> **JSWEVL**

JSWEVL is in the process of setting up a 2 X 300 MW power plant in Vijayanagar, Karnataka. The project is expected to commence operations of its first phase from November 2008.



The estimated project cost is approx Rs. 1,860 Crores and will be funded through mix of Debt and Equity with Equity share Capital being Rs. 465 Crores and the balance of Rs. 1,395 Crores will be funded by way of debt. The entire Equity share Capital will be contributed by JSWEL and JSW Steel in the ratio of 74:26.

As on date, JSWEVL is a Captive power plant (CPP) for JSW Steel Limited. Post merger, the CPP status will not be impacted since JSW Steel Limited has contributed 26% of the equity of JSWEVL.

#### RWPL

RWPL is a WOS of JSWEL. RWPL is in the process of setting up an 8 X 135 MW power plant at Kapurdi and Jalpa, Barmer District, Rajasthan. The project is expected to commence operations of its first phase from October 2008.

The estimated project cost is approx Rs. 5,000 Crores and will be funded through mix of Debt and Equity with Equity share Capital being Rs. 1,250 Crores and the balance of Rs. 3,750 Crores will be funded by way of debt.

#### > JSW PowerTransco

JSWPTL has been incorporated during the financial year 2007-2008 for forays into Power Transmission business.

#### > JSWPTCL

JSWPTCL is a WOS of JSWEL. JSWPTCL is engaged in the business of trading in power. As on 31st March, 2008, the Equity Capital stood at Rs. 70 Crores and the Debt stood at Rs. 60 Crores.

**PART B - DEFINITIONS AND SHARE CAPITAL**

**1. Definitions**

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

- 1.1. "Act" or "the Act" means the Companies Act, 1956 and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force.
- 1.2. "Appointed Date" means the 1<sup>st</sup> day of April 2008 or such other date as may be approved by the High Court.
- 1.3. "Effective Date" means the date on which the certified copies of the Orders sanctioning this Scheme of Amalgamation, passed by the High Court of Judicature at Bombay or such other competent authority, as may be applicable, is filed with the Registrar of Companies, Mumbai, Maharashtra.
- 1.4. "High Court" means the High Court of Judicature at Bombay.
- 1.5. "JSW PowerTransco" means JSW PowerTransco Limited a company incorporated under the Act and having its registered office at Jindal Mansion, 5A, Dr G Deshmukh Marg, Mumbai - 400026.
- 1.6. JSWEVL means "JSW Energy (Vijayanagar) Limited" a company incorporated under the Act and having its registered office at Jindal Mansion, 5A, Dr G Deshmukh Marg, Mumbai - 400026.



1.7. **JSWEL** means "JSW Energy Limited" a company incorporated under the Act and having its registered office at Jindal Mansion, 5A, Dr G Deshmukh Marg, Mumbai 400026.

1.8. "Record Date" means the date to be fixed by the Board of Directors of JSWEL in consultation with the Board of Directors of JSWEVL for the purposes of issue and allotment of equity shares of JSWEL to the shareholders of JSWEVL, pursuant to the Scheme.

1.9. "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation in its present form with or without any modification(s), if any made, as per Clause 15 of the Scheme.

1.10. "Transferor Companies" means JSW PowerTransco and JSWEVL collectively.

Any references in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall mean the Effective Date.

## 2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form with or without any modification(s) approved or imposed or directed by the High Court or made as per Clause 15 of the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

## 3. SHARE CAPITAL

3.1. The share capital of JSWEL as at March 31, 2008 is as under:

Particulars	Amount in Rs.
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<b>Authorised Capital</b>	
1,00,00,00,000 Equity Shares of Rs.10 each	10,00,00,00,000
<b>Total</b>	<b>10,00,00,00,000</b>
<b>Issued, Subscribed and Paid-up</b>	
51,47,55,233 Equity Shares of Rs.10 each	5,14,75,52,330
<b>Total</b>	<b>5,14,75,52,330</b>

3.2. The share capital of JSW Power Transco as at March 31, 2008 is as under:

Particulars	Amount in Rs.
<b>Authorised Capital</b>	
10,00,000 Equity Shares of Rs 10 each	1,00,00,000
<b>Total</b>	<b>1,00,00,000</b>
<b>Issued, Subscribed and Paid-up</b>	
50,000 Equity Shares of Rs 10 each fully paid-up	5,00,000
<b>Total</b>	<b>5,00,000</b>

3.3. The share capital of JSWEVL as at March 31, 2008 is as under:

Particulars	Amount in Rs.
<b>Authorised Capital</b>	
50,00,00,000 Equity Shares of Rs.10 each	5,00,00,00,000
<b>Total</b>	<b>5,00,00,00,000</b>
<b>Issued, Subscribed and Paid-up</b>	
26,80,13,500 Equity Shares of Rs 10 each fully paid-up	2,68,01,35,000
<b>Total</b>	<b>2,68,01,35,000</b>



## PART C - AMALGAMATION OF TRANSFEROR COMPANIES WITH JSWEL

### TRANSFER AND VESTING


- 4.1. With effect from the opening of the business as on the Appointed Date, the entire business and whole of the undertaking of the Transferor Companies, including but not limited to land and building, inventories, receivables, cash and bank balances, investments of all kinds (including shares, scrips, stocks, bonds, debenture stock, units or pass through certificates), cash balances with banks, loans, advances, contingent right or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permits and consents, quotas, rights, entitlements, contracts, licenses (industrial and otherwise) development rights, whether vested or potential and whether under agreements or otherwise) municipal / panchayat permissions including obligations thereunder, tenancies, and all advantages of whatsoever nature and wheresoever situate 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, authorizations, permits, approvals, rights to use and avail of telephones, telexes and all other assets shall, without any further act, instrument or deed be and shall stand transferred to and vested in and/or deemed to be transferred to and vested in JSWEL as a going concern, 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, stock in trade and cash in hand, shall be delivered to JSWEL to the end and intent that the property therein passes to

JSWEL. The Bank balances as appearing in the books of the Transferor Companies shall also be transferred to JSWEL.

- 4.3. 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 Transferor Company is a party wherein the assets of any particular Transferor Company has 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 that particular Transferor Company and shall vest in JSWEL by virtue of this Scheme to the end and intent that the charges shall not extend or deemed to extend to any assets of JSWEL or to any assets of the Transferor Companies other than the Company whose assets were originally charged. Provided that the Scheme shall not operate to enlarge the security for the said liabilities of Transferor Companies which shall vest in JSWEL by virtue of the Scheme and JSWEL shall not be obliged to create any further, or additional security thereof after the merger has become effective or otherwise. Further, the Scheme shall not operate to enlarge the security for any liabilities of JSWEL, in as much as the security shall not extend to the assets transferred by Transferor Companies to JSWEL in terms of Clause 4.1 above.
- 4.4. 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 JSWEL pursuant to the provisions of Sections 391 to 394 of the Act, so as to become the liabilities of JSWEL 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.

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



With effect from the Appointed Date and upon the Scheme becoming effective, all the rights, licences, permission, approval, consent etc. including but not limited to development rights, statutory licences, permissions, approvals or consents to carry on the operations and business of Transferor Companies shall stand vested in or transferred to JSWEL without any further act or deed and shall be appropriately mutated by the Statutory Authorities concerned in favour of JSWEL. The benefit of all statutory and regulatory permissions, environmental approvals and consents, registrations or other licences and consents shall vest in and become available to JSWEL pursuant to this Scheme. In so far as the various incentives, subsidies, rehabilitation Schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by Transferor Companies, are concerned, the same shall vest with and be available to JSWEL on the same terms and conditions.

5. **CONSIDERATION**

5.1. The entire issued, subscribed and paid-up equity share capital of JSW PowerTransco is held by JSWEL. Upon the Scheme becoming effective the entire equity share capital of the JSW PowerTransco shall stand automatically cancelled and there will not be any issue and allotment of equity shares in JSWEL.

5.2. Upon this Scheme becoming effective and upon amalgamation of JSWEVL into JSWEL, in terms of this Scheme, JSWEL shall, without any application or deed, issue and allot equity shares, credited as fully paid up, to the extent indicated below, to the members of JSWEVL holding fully paid-up equity shares in JSWEVL and whose names appear in the Register of members of JSWEVL on the Record Date, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of JSWEVL in the following proportion viz.:

" 258 (Two hundred fifty eight) fully paid up equity shares of Rs 10/- each of JSWEL shall be issued and allotted for every 1000 (One thousand) equity shares of Rs 10/- each held in JSWEVL (hereinafter referred to as "New Equity Shares")"

Further, upon this Scheme becoming effective and upon amalgamation of JSWEVL into JSWEL, in terms of this Scheme, equity shares of JSWEVL held by JSWEL on the Record Date shall automatically stand cancelled and there shall to that extent be no issue and allotment of shares in JSWEL.

In case any member's holding in JSWEVL is such that the member becomes entitled to a fraction of an equity share of JSWEL, JSWEL shall round off the said entitlement to the nearest integer.

Members of JSWEVL who are captive users of electricity and who have contributed to the equity share capital of JSWEVL shall be deemed to have contributed to the equity share capital of JSWEL in the same proportion as their contribution to the equity share capital of JSWEVL by allocating such portion of the equity share capital of JSWEL representing the equity share capital contribution for the 2 X 300 MW power plant in Vijayanagar, Karnataka.

5.4. The New Equity Shares to be issued and allotted by JSWEL to the members of JSWEVL under Clause 5.2. shall be subject to the Memorandum and Articles of Association of JSWEL and shall rank pari passu with the existing equity shares of JSWEL in all respects save and except that the said New Equity Shares shall be eligible for dividend for the period commencing from the Appointed Date.

5.5. JSWEL shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment of New Equity Shares to the members of JSWEVL under the Scheme.

5.6. The issue and allotment of New Equity Shares by JSWEL to the shareholders of JSWEVL as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out as if the procedure laid down under Section 81(1A) and any other Applicable provisions of the Act were duly complied with.

6. ACCOUNTING TREATMENT IN THE BOOKS OF JSWEL

On the Scheme becoming effective, JSWEL shall account for the Scheme in its books with effect from the Appointed Date as under: –

- 6.1. All the assets and liabilities recorded in the books of the Transferor Companies shall stand transferred to and vested in JSWEL pursuant to the Scheme and shall be recorded by JSWEL at their book values.
- 6.2. The investment in the shares of the Transferor Companies, appearing in the books of account of JSWEL shall be debited to the Amalgamation Adjustment Account.
- 6.3. JSWEL shall credit to the Share Capital Account in its books of account, the aggregated face value of the New Equity Shares issued and allotted under the Scheme by it to the equity shareholders of JSWEVL.
- 6.4. The difference between the net assets and the face value of the shares issued as per Clause 5.2 above shall be credited or debited to the Amalgamation Adjustment Account, as the case may be.
- 6.5. The inter company deposits / loans and advances outstanding between the Transferor Companies and JSWEL will stand cancelled. Difference, if any in the balances outstanding between the Transferor Companies and the Transferee Company shall be credited or debited to the Amalgamation Adjustment Account, as the case may be.
- 6.6. The Balance in the Amalgamation Adjustment Account shall be adjusted against the balance in the General Reserve Account.

6.7. In case of any differences in accounting policy between the Transferor Companies and JSWEL, the accounting policies followed by JSWEL will prevail and the difference till the Appointed Date will be quantified and adjusted in the General Reserve Account mentioned earlier to ensure that the financial statements of JSWEL reflect the financial position on the basis of consistent accounting policy.

**7. COMBINATION OF AUTHORISED SHARE CAPITAL**

7.1. Upon sanction of this Scheme, the authorized share capital of JSWEL shall automatically stand increased without any further act or deed on the part of JSWEL, including payment of Stamp Duty and Registrar of Companies fees, by the authorised share capital of Transferor Companies amounting to Rs. 5,01,00,00,000 (Rupees Five Hundred and One Crores) as follows:

7.1.1. The Authorised Share Capital of JSWEL shall stand increased by Rs. 5,01,00,00,000 (Rupees Five Hundred and One Crores) divided into 50,10,00,000 (Fifty Crores Ten Lakhs) Equity Shares of Rs.10 each

7.2. The Memorandum of Association and Articles of Association of JSWEL shall stand amended accordingly without any further act or deed on the part of JSWEL.

7.3. Pursuant to the Scheme and after the Scheme becomes effective, the authorised share capital of JSWEL will be as under:



Authorised Capital	Amount Rs.
150,10,00,000 Equity Shares of Rs. 10/- each	15,01,00,00,000
<b>Total</b>	<b>15,01,00,00,000</b>

**8. CONDUCT OF BUSINESS TILL EFFECTIVE DATE**

With effect from the Appointed Date and upto and including the Effective Date:

- 8.1. The Transferor Companies shall be deemed to have been carrying on and shall carry on their business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all their properties and assets pertaining to the business and undertaking of the Transferor Companies for and on account of and in trust for JSWEL. The Transferor Companies hereby undertake to hold their said assets with utmost prudence until the Effective Date.
- 8.2. The Transferor Companies shall carry on its business and activities with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of JSWEL alienate, charge, mortgage, encumber or otherwise deal with or dispose of any of its properties or part thereof.
- 8.3. All the profits or income accruing or arising to the Transferor Companies or expenditure or losses arising or incurred or suffered by the Transferor Companies pertaining to the business and undertaking of the Transferor Companies shall 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 JSWEL.

4. The Transferor Companies shall not vary the terms and conditions of employment of any of the employees except in the ordinary course of business or without the prior consent of JSWEL or pursuant to any pre-existing obligation undertaken by the Transferor Companies as the case may be, prior to the Appointed Date.
5. JSWEL 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 JSWEL may require pursuant to this Scheme.

#### EMPLOYEES

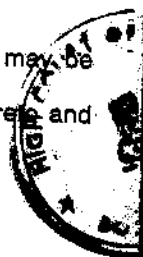
9.1. On the Scheme becoming effective all the employees of the Transferor Companies shall become the employees of JSWEL, without any break or interruption in their services, on same terms and conditions on which they are engaged as on the Effective Date. JSWEL further agrees that for the purpose of payment of any retirement benefit / compensation, such immediate uninterrupted past services with the Transferor Companies shall also be taken into account. JSWEL undertakes to continue to abide by the terms of agreement / settlement entered into by the Transferor Companies with employees' union / employee or associations of the Transferor Companies.

9.2. The accounts / funds of the employees, whose services are transferred under Clause 9.1 above, relating to superannuation, provident fund and gratuity fund shall be identified, determined and transferred to the respective Trusts / Funds of JSWEL and such employees shall be deemed to have become members of such Trusts / Funds of JSWEL.

**10. LEGAL PROCEEDINGS**

10.1. If any suit, appeal or other proceeding of whatever nature by or against the Transferor Companies is pending, the same shall not abate or be discontinued or 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 JSWEL, 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 the Transferor Companies as if this Scheme had not been made.

10.2. In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated by or against the Transferor Companies, JSWEL shall be made party thereto and any payment and expenses made thereto shall be the liability of JSWEL.



**11. CONTRACTS, DEEDS, ETC.**

11.1. 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 Transferor Companies to which the Transferor Companies is party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of JSWEL, as the case may be, and may be enforced by or against JSWEL as fully and effectually as if, instead of the Transferor Companies, JSWEL had been a party thereto.

11.2. JSWEL shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Companies will, if necessary, also be party in order to give formal effect to the provisions of

this Scheme, if so required or becomes necessary. JSWEL shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Companies and to implement or carry out all formalities required on the part of the Transferor Companies to give effect to the provisions of this Scheme.

**12. SAVING OF CONCLUDED TRANSACTIONS**

The transfer of properties and liabilities under Clause 4 above and the continuance of proceedings by or against the Transferor Companies under Clause 10 above shall not affect any transaction or proceedings already concluded by the Transferor Companies on or after the Appointed Date till the Effective Date, to the end and intent that JSWEL accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of JSWEL.

**DISSOLUTION OF THE TRANSFEROR COMPANIES**

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

**PART D - GENERAL**

**14. APPLICATION TO HIGH COURT**

The Transferor Companies and JSWEL shall with all reasonable dispatch make all necessary applications under Sections 391 to 394 of the Act and other applicable provisions of the Act to the High Court for seeking approval of the Scheme.

**15. MODIFICATION OR AMENDMENTS TO THE SCHEME**

The Transferor Companies and JSWEL by their respective Boards of Directors (the Board, which term shall include Committee thereof), may assent to/make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the Courts and/or any other Authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e. the Board). The Transferor Companies and JSWEL by their respective Board are authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme into effect, 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 concerning or connected therewith.



**16. CONDITIONALITY OF THE SCHEME**

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

- 16.1. 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 the Transferor Companies and JSWEL as may be directed by the High Court.
  
- 16.2. The sanction of the High Court of Judicature at Bombay or any other authority under Sections 391 to 394 of the Act in favour of the Transferor Companies and JSWEL under the said provisions and to the necessary Orders under Section 394 of the said Act being obtained and the same being filed with the Registrar of Companies.

**17. EFFECT OF NON-RECEIPT OF APPROVALS**

In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/ or the Scheme not being sanctioned by the Bombay High Court or such other competent authority and / or the Order not being passed as aforesaid before March 31, 2009 or within such further period or periods as may be agreed upon between the Transferor Companies and JSWEL by their Boards of Directors (and which the Boards of Directors of the Companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated herein 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.

**COSTS, CHARGES & EXPENSES**

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Companies and JSWEL arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by JSWEL.



TRUE COPY  
*M. D. Narvekar*  
M. D. NARVEKAR  
COURT CLERK  
HIGH COURT (O.S.)  
BOMBAY

Certified to be TRUE COPY  
For RAJESH SHAH & CO.  
*Rajesh Shah*  
Advocate for the Petitioner/Applicant

IN THE HIGH COURT OF JUDICATURE AT  
BOMBAY  
O O C J

COMPANY PETITION NO 759 OF 2008  
CONNECTED WITH  
COMPANY APPLICATION NO. 1240 OF  
2008

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

AND

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

AND

In the matter of Scheme of Amalgamation of  
JSW PowerTransco Limited (the transferor  
company 1)

and

JSW Energy (Vijayanagar) Limited (the  
transferor company 2)

with

JSW Energy Limited (the transferee  
company)

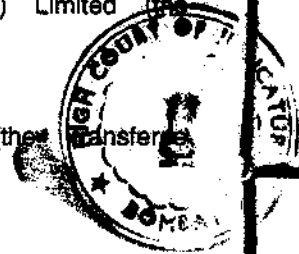
and

their respective shareholders and creditors

**JSW POWERTRANSCO LIMITED**

..... Petitioner Company

Authenticated Copy of the Minutes of  
Order dated 10<sup>th</sup> October, 2008 along with  
Scheme of Amalgamation.



Applied on 20/10/2008  
Registered on 20/10/2008  
Dated 20/10/2008  
Examined by [Signature]  
Compared with [Signature]  
Filed on 14/11/08  
Subscribed on 14/11/08

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

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO.510 OF 2010

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 543 OF 2010

**JSW Energy (Ratnagiri) Limited**

.....Petitioner / Transferor Company

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

AND

In the matter of Scheme of  
Amalgamation of JSW Energy  
(Ratnagiri) Limited ('the Transferor  
Company')

WITH

JSW Energy Limited ('the  
Transferee Company')

AND

their respective shareholders and  
creditors

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

Dr. T. Pandian, Dy. Official Liquidator, present.

Mr. Vishwajit Sawant i/b Mr. S.K. Mohapatra for Regional Director.

CORAM: S. J. Kathawalla, J.

DATE: 24<sup>th</sup> September, 2010



PC:

1. Heard learned counsel for the parties.
2. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956, to the Scheme of Amalgamation of JSW Energy (Ratnagiri) Limited ('the Transferor Company') with JSW Energy Limited ('the Transferee Company') and their respective shareholders and creditors.
3. The counsel for the Petitioner states that the Petitioner which is the Transferor Company is a wholly owned subsidiary of JSW Energy Limited, the Transferee Company. By Order dated 6<sup>th</sup> August, 2010 passed by this Court in Company Summons for Direction No. 543 of 2010 the filing of the separate Application and Petition by the Transferee Company was dispensed with in view of the judgement of this Court in Mahaamba Investment Limited v/s. IDI Limited (2001) 105 Company Cases, page 16 to 18. Hence, no separate Petition was filed by JSW Energy Limited, the Transferee Company.
4. Counsel appearing on behalf of the Petitioner further states that they have complied with all requirements as per directions of this Court and they have filed necessary affidavits of compliance in the Court. Moreover, Petitioner Company undertakes to comply with



all statutory requirements if any, as required under the Companies Act, 1956 and the Rules made there under. The undertaking is accepted.

5. The Regional Director has filed his Affidavit stating therein that save and except as stated in paragraph 6 of the said Affidavit, the Scheme does not appear to be prejudicial to the interest of shareholders and public. In paragraph 6 of the Affidavit the Regional Director has stated that:

*"the shares of the Transferee Company are listed with Bombay Stock Exchange Limited and National Stock Exchange of India Limited. Hence the Transferee Company maybe directed to file a copy of this Hon'ble Court's order sanctioning the Scheme with SEBI within 30 day's from the date of the order."*

6. In view of the aforesaid query raised by the Regional Director, the Counsel appearing for the Petitioner undertakes to furnish on behalf of the Petitioner a copy of this order within 30 days with the Securities and Exchange Board of India. The said undertaking is accepted.

7. The Official Liquidator has filed report stating therein that the affairs of the Transferor Company have been conducted in a proper manner and that the Transferor Company may be ordered to be dissolved.
8. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. None of the parties concerned has come forward to oppose the Scheme.
9. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition is made absolute in terms of prayers (a) to (d).
10. The Petitioner Company to lodge a copy of this order and the Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of the order.
11. The Petitioner Company to pay costs of Rs. 10,000/- each to the Regional Director and to the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from today.

- 12. Filing and issuance of the drawn up order is dispensed with.
- 13. All concerned authorities to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court, Bombay.

(S. J. Kathawalla, J.)

**TRUE-COPY**

*M. D. Narvekar 22/10/10*

**M. D. NARVEKAR**  
COMPANY REGISTRAR  
HIGH COURT (O.S.)  
BOMBAY

**TRUE COPY**

*AM 30/09/10*

Section Officer  
High Court, Appellate Side  
Bombay



**SCHEME OF AMALGAMATION**  
**OF**  
**JSW ENERGY (RATNAGIRI) LIMITED**  
**WITH**  
**JSW ENERGY LIMITED**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**  
**UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956**

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**PREAMBLE**

The Scheme of Amalgamation ("the Scheme") is presented under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 for the amalgamation of JSW Energy (Ratnagiri) Limited ('JSWERL'), a company incorporated under the Companies Act, 1956 and having its registered office at Jindal Mansion, 5A, Dr G Deshmukh Marg, Mumbai 400026 with JSW Energy Limited ('JSWEL'), a company incorporated under the Companies Act, 1956 and having its registered office at Jindal Mansion, 5A, Dr G Deshmukh Marg, Mumbai 400026.

**1. Definitions**

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

- 1.1. "Act" or "the Act" means the Companies Act, 1956 and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force.
- 1.2. "Appointed Date" means the 1<sup>st</sup> day of April 2010 or such other date as may be approved by the High Court.



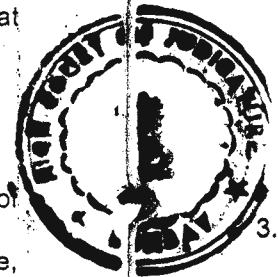
- 1.3. "Effective Date" means the date on which the certified copies of the Orders sanctioning this Scheme of Amalgamation, passed by the High Court of Judicature at Bombay or such other competent authority, as may be applicable, is filed with the Registrar of Companies, Mumbai, Maharashtra.
- 1.4. "High Court" means the Hon'ble High Court of Judicature at Bombay.
- 1.5. "JSWEL" or "the Transferee Company" means JSW Energy Limited, a company incorporated under the Act and having its registered office at Jindal Mansion, 5A, Dr G Deshmukh Marg, Mumbai 400026.
- 1.6. "JSWERL" or "the Transferor Company" means JSW Energy (Ratnagiri) Limited, a company incorporated under the Act and having its registered office at Jindal Mansion, 5A, Dr G Deshmukh Marg, Mumbai 400026.
- 1.7. "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation in its present form with or without any modification(s), if any made, as per Clause 14 of the Scheme.

Any references in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall mean the Effective Date.

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

## 2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form with or without any modification(s) approved or imposed or directed by the High Court or made as per Clause 14 of



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the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

### 3. SHARE CAPITAL

3.1. The share capital of the Transferee Company as at March 31, 2010 is as under:

Particulars	Rs in Crs.
<b>Authorised Capital</b>	
5,000,000,000 Equity Shares of Rs.10 each	5,000.00
<b>Total</b>	<b>5,000.00</b>
<b>Issued, Subscribed and Paid-up</b>	
1,640,054,795 Equity Shares of Rs.10 each	1,640.05
<b>Total</b>	<b>1,640.05</b>

Subsequent to the above, there has been no change in the issued, subscribed and paid-up capital of the Transferee Company

3.2. The share capital of the Transferor Company as at March 31, 2010 is as under:

Particulars	Rs in Crs.
<b>Authorised Capital</b>	
1,200,000,000 Equity Shares of Rs.10 each	1,200.00
<b>Total</b>	<b>1,200.00</b>
<b>Issued, Subscribed and Paid-up</b>	
1,118,570,600 Equity Shares of Rs.10 each	1,118.57
<b>Sub-Total</b>	<b>1,118.57</b>
<b>Share Application Money</b>	<b>12.00</b>
<b>Total</b>	<b>1,130.57</b>

The Transferor Company is a wholly owned subsidiary of the Transferee Company.

Subsequent to March 31, 2010, the capital structure of the Transferor Company has changed as under -



Particulars	Rs in Crs.
<b>Authorised Capital</b>	
1,200,000,000 Equity Shares of Rs.10 each	1,200.00
<b>Total</b>	<b>1,200.00</b>
<b>Issued, Subscribed and Paid-up</b>	
1,118,570,600 Equity Shares of Rs.10 each	1,118.57
<b>Sub-Total</b>	<b>1,118.57</b>
<b>Share Application Money</b>	<b>294.66</b>
<b>Total</b>	<b>1,413.23</b>

4.2.

4.3.

#### 4. TRANSFER AND VESTING

- 4.1. With effect from the Appointed Date, the entire business and whole of the undertaking of the Transferor Company, including but not limited to land and building, plant & machinery, power project, 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, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permits and consents, quotas, rights, entitlements, contracts, licenses (industrial and otherwise) development rights, whether vested or potential and whether under agreements or otherwise) municipal / panchayat permissions including obligations thereunder, tenancies, and all advantages of whatsoever nature and wheresoever situate belonging to or enjoyed by the Transferor Company, including but without being limited to trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, authorizations, permits, approvals, rights to use and avail of telephones, telexes and all other assets shall, without any further act, instrument 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.



4.4.

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4.2. All tangible movable assets of the Transferor Company, which are capable of being physically transferred including all movable plant and machinery, stock in trade 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 Company shall also be transferred to the Transferee Company.

4.3. 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 the Transferor Company is a party wherein the assets of the Transferor Company has 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 Company 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 Transferor Company 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 Company to the Transferee Company in terms of Clause 4.1 above.

4.4. The liabilities of the Transferor Company 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



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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.

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4.5. 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 secured creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliances referred to above on the part of Transferor Company to be carried out or performed.

6.



4.6. With effect from the Appointed Date and upon the Scheme becoming effective, all the rights, licenses, permission, approvals, consent etc. including but not limited to approvals for industrial non-agricultural use of land, development rights, permission of Development Commissioner (Industries), statutory licenses, permissions, approvals or consents to carry on the operations and business of the Transferor Company 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, environmental approvals and consents, registrations or other licenses and consents shall vest in and become available to the Transferee Company pursuant to this Scheme. In so far as the various incentives, subsidies, rehabilitation Schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority

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or by any other person, or availed of by the Transferor Company, are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

**5. CONSIDERATION**

5.1. The entire issued, subscribed and paid-up equity share capital of the Transferor Company is held by the Transferee Company. Upon the Scheme becoming effective the entire equity share capital of the Transferor Company shall stand automatically cancelled and there will not be any issue and allotment of equity shares in the Transferee Company.

**6. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEEE COMPANY**

On the Scheme becoming effective, Transferee Company shall account for the Scheme in its books with effect from the Appointed Date as under -

All the assets and liabilities appearing in the books of accounts of the Transferor Company shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at book values.

6.2 Inter-company balances, if any, will stand cancelled.

6.3 Inter-company investments will stand cancelled

6.4 The excess of net assets of the Transferor Company transferred to the Transferee Company after adjustment as per sub-clause 6.2 and 6.3 above shall be credited to Capital Reserve of the Transferee Company. In case of there being a deficit, the same would be debited to Goodwill Account.

6.5 In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference till the Appointed Date will



be quantified and adjusted in the General Reserve Account to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

**7. CONDUCT OF BUSINESS TILL EFFECTIVE DATE**

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With effect from the Appointed Date and upto and including the Effective Date:

7.1. The Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its properties and assets pertaining to the business and undertaking of the Transferor Company for and on account of and in trust for the Transferee Company. The Transferor Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date.

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7.2. The Transferor Company shall carry on its business and activities with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of the Transferee Company alienate charge, mortgage, encumber or otherwise deal with or dispose of any of its properties or part thereof.

7.3. As of the Appointed Date, the Transferor Company has not commenced its business. All the profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company pertaining to the business and activities of the Transferor Company from the Appointed Date and upto and including the Effective Date shall for all purposes be treated and be deemed to be accrued as the income or profits or expenditure or losses, as the case may be, of the Transferee Company.

7.4. The Transferor Company shall not vary the terms and conditions of employment of any of the employees except in the ordinary course of business or without the



prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken by the Transferor Company as the case may be, prior to the Appointed Date.

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

## 8. EMPLOYEES

8.1. On the Scheme becoming effective all the employees of the Transferor Company shall become the employees of the Transferee 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 Transferee Company further agrees that for the purpose of payment of any retirement benefit / compensation, such immediate uninterrupted past services with the Transferor Company shall also be taken into account. The Transferee Company undertakes to continue to abide by the terms of agreement / settlement entered into by the Transferor Company with employees' union / employee or associations of the Transferor Company.

8.2. The accounts / funds of the employees, whose services are transferred under Clause 8.1 above, relating to superannuation, provident fund and gratuity fund shall be identified, determined and transferred to the respective Trusts / Funds of the Transferee Company and such employees shall be deemed to have become members of such Trusts / Funds of the Transferee Company.

## 9. LEGAL PROCEEDINGS

9.1. If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or 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 the Transferee Company, 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 the Transferor Company as if this Scheme had not been made.

- 9.2. In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated by or against the Transferor Company, the Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company.

#### 10. **CONTRACTS, DEEDS, ETC.**

- 10.1. Subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance, letters of Intent, undertakings, arrangements, policies, agreements including but not limited to power purchase agreements, bulk power transmission agreements, transmission development agreements and other instruments, if any, of whatsoever nature pertaining to the Transferor Company to which the Transferor Company is party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

- 10.2. The Transferee 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 the Transferor Company 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 Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.



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11. **SAVING OF CONCLUDED TRANSACTIONS**

The transfer of properties and liabilities under Clause 4 above and the continuance of proceedings by or against the Transferor Company under Clause 9 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

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12. **DISSOLUTION OF THE TRANSFEROR COMPANY**

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

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**APPLICATION TO HIGH COURT**

The Transferor Company and the Transferee Company shall with all reasonable dispatch make all necessary applications under Sections 391 to 394 of the Act and other applicable provisions of the Act to the High Court for seeking approval of the Scheme.

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14. **MODIFICATION OR AMENDMENTS TO THE SCHEME**

The Transferor Company and the Transferee Company by their respective Boards of Directors ('the Board', which term shall include Committee thereof), may assent to/make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the Courts and/or any other Authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e. the Board). The Transferor Company and the Transferee Company by their respective Board are authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme into effect, 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.

17.

**15. CONDITIONALITY OF THE SCHEME**

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

15.1. 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 the Transferor Company and the Transferee Company as may be directed by the High Court.

15.2. The sanction of the Scheme by the Hon'ble High Court of Judicature at Bombay or any other authority under Sections 391 to 394 of the Act and the necessary Order under Section 394 of the said Act being filed with the Registrar of Companies, Maharashtra, Mumbai.

**16. EFFECT OF NON-RECEIPT OF APPROVALS**

In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/ or the Scheme not being sanctioned by the Hon'ble High Court of Judicature at Bombay or such other competent authority and / or the Order not being passed as aforesaid before March 31, 2011 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company by their Boards of Directors (and which the Boards of Directors of the Companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated herein 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.



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17. **COSTS, CHARGES & EXPENSES**

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

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**TRUE-COPY**  
*M. D. Narvekar*  
**M. D. NARVEKAR**  
COMPANY REGISTRAR  
HIGH COURT (S.S.)  
BOMBAY

Certified to be TRUE COPY  
For RAJESH SHAH & CO.  
*Rajesh Shah*  
Advocate for the Petitioner/Applicant



IN THE HIGH COURT OF JUDICATURE AT  
BOMBAY  
O O C J  
COMPANY SCHEME PETITION NO. 510 OF  
2010

CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION  
NO. 543 OF 2010

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

AND

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

AND

In the matter of Scheme of Amalgamation of  
JSW Energy (Ratnagiri) Limited ("JSWERL"  
or "the Transferor Company");

with

JSW Energy Limited ("JSWEL" or "the  
Transferee Company")

and

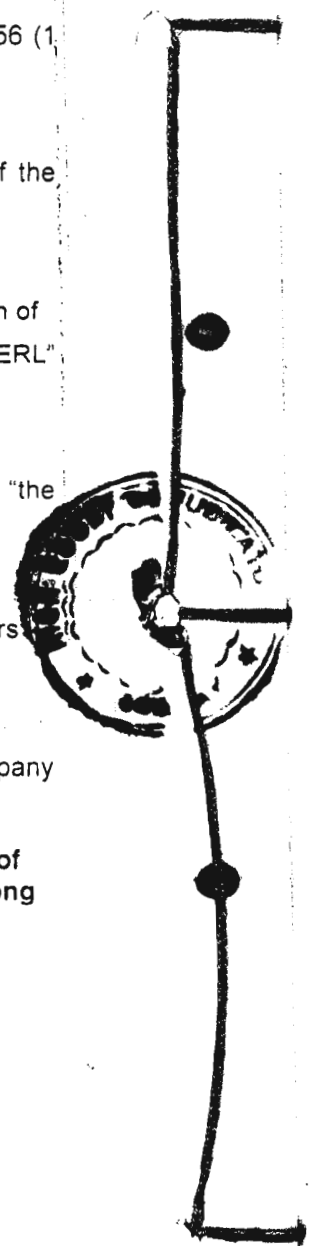
their respective shareholders and creditors

JSW ENERGY (RATNAGIRI) LIMITED

.....Petitioner Company

Authenticated Copy of the Minutes of  
Order dated 24<sup>th</sup> September, 2010 along  
with Scheme of Amalgamation.

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



24-9-2010  
Approved on 20-9-2010  
Secretary Writer  
Police  
Examined by  
Compared with

SCHEME OF ARRANGEMENT  
BETWEEN  
JSW POWER TRADING COMPANY LIMITED ('THE DEMERGED COMPANY' OR 'THE  
TRANSFEROR COMPANY')  
AND  
JSW GREEN ENERGY LIMITED ('THE RESULTING COMPANY')  
AND  
JSW ENERGY LIMITED ('THE TRANSFEREE COMPANY')  
AND  
THEIR RESPECTIVE SHAREHOLDERS

A) Purpose of the Scheme

1. This Scheme of Arrangement ('Scheme') is presented under Sections 391 - 394 of the Companies Act, 1956 for:
  - (i) Demerger of Power Trading Business of JSW Power Trading Company Limited (the 'Demerged Company') into JSW Green Energy Limited ( 'the Resulting Company').
  - (ii) Merger of Remaining JSW Power Trading Company Limited with JSW Energy Limited (the 'Transferee Company')
  
2. This Scheme also provides for various other matters consequential or otherwise integrally connected herewith

B) Parts of the Scheme

The Scheme is divided into following parts:

- (i) Part A deals with the Definitions and Share Capital;
- (ii) Part B deals with demerger of Power Trading Business of JSW Power Trading Company Limited ( 'the Demerged Company') into JSW Green Energy Limited ('the Resulting Company') ;
- (iii) Part C deals with merger of Remaining JSW Power Trading with JSW Energy Limited ('JSW Energy' or 'the Transferee Company');
- (iv) Part D deals with the Other Terms and Conditions.



PART A

DEFINITIONS AND SHARE CAPITAL

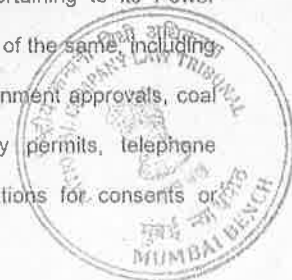
**1 DEFINITIONS**

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

- 1.1 **"Act" or "the Act"** means the Companies Act, 1956 and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force and also shall mean and refer to corresponding sections of Companies Act, 2013, the rules and regulations made thereunder, as has been notified, or as and when such corresponding sections and rules and regulations will be notified, by the Central Government and as may be applicable;
- 1.2 **"Appointed Date"** means
- (a) Closing of business hours on 31<sup>st</sup> March 2015 or such other date as may be approved by the High Court or any other competent authority for the purposes of demerger of Power Trading Business of JSW Power Trading Company Limited into JSW Green Energy Limited;
  - (b) Closing of business hours on 31<sup>st</sup> March 2015 or such other date as may be approved by the High Court or any other competent authority for the purposes of merger of Remaining JSW Power Trading Company Limited with JSW Energy Limited
- 1.3 **"Board of Directors"** means the Board of Directors of JSW Power Trading Company Limited or JSW Green Energy Limited or JSW Energy Limited or all as the context may require and includes a committee thereof;
- 1.4 **"Court" or "High Court"** means the High Court of Judicature at Bombay and shall include the National Company Law Tribunal if and when applicable;
- 1.5 **"Effective Date"** means the later of the dates on which the certified or authenticated copy of the Orders of High Court of Judicature at Bombay or any other appropriate authority under Sections 391 to 394 of the Companies Act, 1956, sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra at Mumbai by JSW Power Trading Company Limited, JSW Green Energy Limited and JSW Energy Limited;



- 16 "Power Trading Business" shall mean undertaking, business, activities and operations pertaining to power trading and related business, and comprising of all the assets (moveable, incorporeal and immoveable) and liabilities which relate thereto, or are necessary therefor and including specifically the following:
- (a) All assets, title, properties, interests, investments, loans, advances (including accrued interest) and rights, including rights arising under contracts, wherever located (including in the possession of vendors, third parties or elsewhere), whether real, personal or mixed, tangible, intangible or contingent, exclusively used or held, by the Demerged Company in, or otherwise identified for use in business, activities and operations pertaining to its power business, including but not limited to all land, factory building, equipments, plant and machinery, offices, capital work in progress, furniture, fixtures, office equipment, appliances, accessories, receivables, vehicles, deposits, all stocks, assets, cash, balances with banks, investments, all customer contracts, contingent rights or benefits, etc, pertaining to its power business (collectively, the "Power Trading Assets")
  - (b) All debts, liabilities, guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability), or pertaining to the Power Trading Business, activities and operations pertaining to its power business (collectively, "Power Trading Liabilities")
  - (c) All contracts, agreements, licenses, leases, linkages, memoranda of undertakings, memoranda of agreement, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, sales orders, purchase orders or other instruments of whatsoever nature to which the Demerged Company is a party, exclusively relating to the undertaking, business, activities and operations pertaining to its Power Trading business or otherwise identified to be for the benefit of the same, including but not limited to the relevant licenses, water supply/ environment approvals, coal linkages, and all other rights and approvals, electricity permits, telephone connections, building and parking rights, pending applications for consents or



extension, all incentives, tax benefits, deferrals, subsidies, concessions, benefits, grants, rights, claims, liberties, special status and privileges enjoyed or conferred upon or held or availed of by the Demerged Company in relation to its Power Trading Business, permits, quotas, consents, registrations, lease, tenancy rights in relation to offices and residential properties, permissions, incentives, if any, in relation to its power business, and all other rights, title, interests, privileges and benefits of every kind in relation to its power business (collectively, "Power Trading Contracts");

- (d) All registrations, trademarks, trade names, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, designs and domain names exclusively used by or held for use by the Demerged Company in the Power Trading Business, business, activities and operations pertaining to its power business (collectively, "Power Trading IP")
- (e) all permits, licenses (including Category "I" license issued by Central Electricity Regulatory Commission (CERC), membership with India Energy Exchange (IEX) and Power Exchange of India Limited (PXIL), consents, approvals, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges and similar rights, and any waiver of the foregoing, issued by any legislative, executive, or judicial unit of any Governmental or semi-Governmental entity or any department, commission, board, agency, bureau, official or other regulatory, local, administrative or judicial authority exclusively used or held for use by the Demerged Company in the undertaking, business, activities and operations pertaining to the power business (collectively, "Power Trading Licenses"); and
- (f) all such permanent employees of the Demerged Company, employees/personnel engaged on contract basis and contract labourers and interns/ trainees, both on-shore and off-shore, as are primarily engaged in or in relation to the undertaking, business, activities and operations pertaining to the power business, at its respective offices, branches etc, and any other employees/personnel and contract labourers and interns/trainees hired by the Demerged Company after the date hereof who are primarily engaged in or in relation to the undertaking, business, activities and operations pertaining to the power business (collectively, "Power Trading Employees");



- (g) all liabilities present and future (including contingent liabilities pertaining to or relating to the Power Trading Business of the Demerged Company), as may be determined by the Board of the Demerged Company;
- (h) all deposits and balances with Government, Semi-Government, local and other authorities and bodies, customers and other persons, earnest moneys and/ or security deposits paid or received by the Demerged Company, directly or indirectly in connection with or in relation to the Power Trading Business of the Demerged Company;
- (i) all books, records, files, papers, directly or indirectly relating to the Power Trading Business of the Demerged Company; but shall not include any portion of the Remaining Business of JSW Power Trading Company Limited; and
- (j) Any other asset / liability which is deemed to be pertaining to the Power Trading Business by the Board of the Demerged Company

Any question that may arise as to whether a specific asset or liability pertains or does not pertain to the Power Trading Business or whether it arises out of the activities or operations of the Power Trading Business shall be decided by mutual agreement between the Board of Directors of the Demerged Company and the Resulting Company.

1.7 "Scheme" or "the Scheme" or "this Scheme" means the Scheme of Arrangement in its present form as submitted to the High Court of Judicature at Bombay or this Scheme with such modification(s), if any made.

1.8 "The Demerged Company" means JSW Power Trading Company Limited, a company incorporated under the Companies Act, 1956 and having its registered office at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051;

1.9 "Remaining JSW Power Trading Company Limited" means JSW Power Trading Company Limited as it stands on the Appointed Date i.e. 31<sup>st</sup> March 2015 subsequent to demerger of the Power Trading Business of JSW Power Trading Company Limited (as defined under Clause 1.6 of this Scheme of Arrangement).

1.10 "The Transferor Company" means Remaining JSW Power Trading Company Limited.



1.11 "The Resulting Company" means JSW Green Energy Limited, a company incorporated under the Companies Act, 1956 and having its registered office at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

1.12 "The Transferee Company" means JSW Energy Limited, a company incorporated under the Companies Act, 1956 and having its registered office at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051

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.

**1.13 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 Judicature at Bombay, shall be effective from the Appointed Date but shall be operative from the Effective Date.

**2 SHARE CAPITAL**

2.1 The authorized, issued, subscribed and paid-up share capital of the Demerged Company as on 31<sup>st</sup> March 2014 is as under:

Particulars	Amount in INR Crores
<b>Authorized Capital</b>	
100,000,000 Equity Shares of Rs. 10 each	100.00
250,000,000 Redeemable Non- Cumulative Preference Shares of Rs. 10 each	250.00
<b>Total</b>	<b>350.00</b>
<b>Issued, Subscribed and Paid-up</b>	
7,00,00,000 Equity Shares of Rs. 10 each fully paid up	70.00
132,000,000 10% Redeemable Non Cumulative Preference Shares of Rs. 10 each	132.00
<b>Total</b>	<b>202.00</b>



Subsequent to the above date, there is no change in the capital structure of the Demerged Company.

- 2.2 The authorized, issued, subscribed and paid-up share capital of the Resulting Company as on 31<sup>st</sup> December 2014 is as under:

Particulars	Amount in INR
<b>Authorized Capital</b>	
50,000 Equity Shares of Rs. 10 each	5,00,000
<b>Total</b>	<b>5,00,000</b>
<b>Issued, Subscribed and Paid-up</b>	
50,000 Equity shares of Rs. 10 each	5,00,000
<b>Total</b>	<b>5,00,000</b>

Subsequent to the above date, there is no change in the capital structure of the Resulting Company.

- 2.3 The authorized, issued, subscribed and paid up capital of the Transferee Company as on 31<sup>st</sup> March 2014 is as under:

Particulars	Amount in INR Crores
<b>Authorized Capital</b>	
5,000,000,000 Equity Shares of Rs. 10 each	5,000.00
<b>Total</b>	<b>5,000.00</b>
<b>Issued, Subscribed and Paid-up</b>	
1,640,054,795 Equity shares of Rs. 10 each	1,640.05
<b>Total</b>	<b>1,640.05</b>

Subsequent to the above date and as on the date of filing of draft scheme with the stock exchanges, there is no change in the capital structure of the Transferee Company.



PART B

DEMERGER OF THE POWER TRADING BUSINESS INTO THE RESULTING  
COMPANY

**3.1 TRANSFER AND VESTING OF POWER TRADING BUSINESS OF THE DEMERGED  
COMPANY INTO THE RESULTING COMPANY**

The Power Trading Business of the Demerged Company as defined in Clause 1.6 shall stand transferred to and vested in or deemed to be transferred to and vested in the Resulting Company, as a going concern, in accordance with Section 2(19AA) of the Income Tax Act, 1961 and in the following manner:

3.1.1 All Power Trading Assets that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by operation of law pursuant to the vesting order of the Court sanctioning the Scheme and its filing with the Registrar of Companies concerned. Such assets shall stand vested in the Resulting Company and shall be deemed to be and become the property and as an integral part of the Resulting Company by operation of law. The vesting order and sanction of the Scheme shall operate in relation to the movable property in accordance with its normal mode of vesting through the Resulting Company and as the context may provide, by physical or constructive delivery, or by endorsement and delivery, or by mere operation of the vesting order and its recordal or registration with the Registrar of Companies in accordance with the Act, as appropriate to the nature of the movable property vested. Upon the scheme becoming effective the title to such property shall be deemed to have been mutated and recognized as that of the Resulting Company.

3.1.2 All Power Trading Assets that are other movable properties, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, pursuant to the vesting order and by operation of law become the property of the Resulting Company, and the title thereof together with all rights, interests or obligations therein shall be deemed to have been mutated and recorded as that of the Resulting Company and any document of title pertaining to the assets of the Power Trading Business shall also be deemed to have been mutated and recorded as



titles of the Resulting Company to the same extent and manner as originally held by the Demerged Company and enabling the ownership, right, title and interest therein as if the Resulting Company was originally the Demerged Company. The Resulting Company shall subsequent to the vesting order be entitled to the delivery and possession of all documents of title of such movable property in this regard.

- 3.1.3 All immovable properties of the Power Trading Business, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Power Trading Business, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall stand vested in and/or be deemed to have been vested in the Resulting Company, by operation of law pursuant to the vesting order of the Court sanctioning the Scheme, and its filings with the Registrar of Companies concerned. Such assets shall stand vested in the Resulting Company and shall be deemed to be and become the property as an integral part of the Resulting Company by operation of law. The Resulting Company shall simultaneous with the filing and registration of the order of the Court sanctioning the Scheme be always entitled to all the rights and privileges attached in relation to such immovable properties and shall be liable to pay appropriate rent, rates and taxes and fulfil all obligations in relation thereto or as applicable to such immovable property. Upon the Scheme becoming effective, the title to such properties shall deemed to have been mutated and recognised as that of the Resulting Company and the mere filing thereof with the appropriate Registrar or Sub-Registrar of Assurances or with the relevant Government shall suffice as record of continuing titles with the Resulting Company pursuant to the Scheme becoming effective and shall constitute a deemed mutation and substitution thereof. The Resulting Company shall subsequent to the vesting order be entitled to the delivery and possession of all documents of title to such immovable property in this regard. It is hereby clarified that all the rights, title and interest of the Power Trading Business in any leasehold properties shall, pursuant to Section 394(2) of the Act and the provisions of this Scheme, without any further act, instrument or deed, be vested in or be deemed to have been vested in the Resulting Company.

- 3.1.4 All Power Trading Liabilities including debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of account or disclosed in the balance sheets of the Demerged Company shall stand vested in the Resulting Company and shall upon the scheme becoming effective be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Resulting Company.



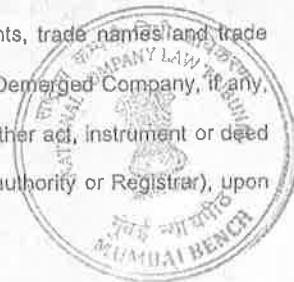
and the Resulting Company shall, and undertake to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause.

3.1.5 All Power Trading Contracts including contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies) for the purpose of carrying on the Power Trading Business of the Demerged Company, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Power Trading Business of the Demerged Company, or to the benefit of which, Power Trading Business of the Demerged Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall by endorsement, delivery or recordal or by operation of law pursuant to the vesting order of the Court sanctioning the Scheme, and its filing with the Registrar of Companies concerned be deemed to be contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies) of the Resulting Company. Such properties and rights described hereinabove shall stand vested in the Resulting Company and shall be deemed to be the property and become the property by operation of law as an integral part of the Resulting Company. Such contracts and properties described above shall continue to be in full force and continue as effective as hitherto in favour of or against the Resulting Company and shall be the legal and enforceable rights and interests of the Resulting Company, which can be enforced and acted upon as fully and effectually as if, it were the Demerged Company, as the Resulting Company is and successor in interest. Upon the Scheme becoming effective, the rights, duties, obligations, interests flowing from such contracts and properties, shall be deemed to have been entered in and novated to the Resulting Company by operation of law and the Resulting Company shall be deemed to be its substituted party or beneficiary or obligor thereof. In relation to the same any procedural requirements required to be fulfilled solely by the Demerged Company (and not by any of its successors), shall be fulfilled by the Resulting Company as if it were the duly constituted attorney of the Demerged Company. Upon this Scheme becoming effective and with effect from the Appointed Date, any contract of the



Demerged Company relating to or benefiting at present the Demerged Company and the Power Trading Business, shall be deemed to constitute separate contracts, thereby relating to and/or benefiting the and the Resulting Company, respectively.

- 3.1.6 Any pending suits/appeals or other proceedings of whatsoever nature relating to the Power Trading Business of the Demerged Company, whether by or against such The Demerged Company, shall not abate, be discontinued or in any way prejudicially affected by reason of the demerger of the Power Trading Business of the Demerged Company into the Resulting Company or of anything contained in this Scheme, but by virtue of the vesting and sanction order, such legal proceedings shall continue and any prosecution shall be enforced by or against the Resulting Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Demerged Company, as if this Scheme had not been implemented.
- 3.1.7 All the Power Trading Employees shall become employees of and be engaged by the Resulting Company pursuant to the vesting order and by operation of law, with effect from the Effective Date, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Demerged Company, without any interruption of service as a result of this hiving-off, without any further act, deed or instrument on the part of the Demerged Company or the Resulting Company. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees, the Resulting Company shall stand substituted for the Demerged Company for all purposes whatsoever, upon this Scheme becoming effective, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to such other funds maintained by the Demerged Company, in accordance with the provisions of applicable laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to such employees and the services of all such employees of the Demerged Company for such purpose shall be treated as having been continuous.
- 3.1.8 All Power Trading IP including registrations, goodwill, licenses, trademarks, service marks, copyrights, domain names, applications for copyrights, trade names and trade marks, appertaining to the Power Trading Business of The Demerged Company, if any, shall stand vested in the Resulting Company without any further act, instrument or deed (unless filed only for statistical record with any appropriate authority or Registrar), upon



filing of the order of the Court sanctioning the Scheme, with the Registrar of Companies concerned.. The other intellectual property rights presently held by The Demerged Company, that relate to or benefit at present Residual The Demerged Company and the Power Trading Business, shall be deemed to constitute separate intellectual property rights and the necessary substitution/endorsement shall be made and duly recorded in the name of The Demerged Company and the Resulting Company, respectively, by the relevant authorities pursuant to the sanction of this Scheme by the Court.

3.1.9 All taxes (including but not limited to value added tax, sales tax, service tax and any other indirect tax etc.) payable by or refundable to the Power Trading Business of The Demerged Company, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, as the case may be, of the Resulting Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, etc, as would have been available to Power Trading Business of The Demerged Company, shall pursuant to this Scheme becoming effective, be available to the Resulting Company.

3.1.10 All Power Trading Licenses including approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description whatsoever in relation to the Power Trading Business of The Demerged Company, or to the benefit of which the Power Trading Business of The Demerged Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall by endorsement, delivery or recordal or by operation of law pursuant to the vesting order of the Court sanctioning the Scheme, and its filing with the Registrar of Companies concerned, shall be deemed to be approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature of the Resulting Company, and shall be in full force and effect in favour of the Resulting Company and may be enforced as fully and effectually as if, instead of The Demerged Company, the Resulting Company had been a party or beneficiary or obligor thereto. Such of the other permits, licenses, consents, approvals, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates,



certifications, easements, tenancies, privileges and similar rights, and any waiver of the foregoing, as are held at present by The Demerged Company, but relate to or benefitting the Demerged Company and the Power Trading Business, shall be deemed to constitute separate permits, licenses, consents, approvals, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges and similar rights, and any waiver of the foregoing, and the necessary substitution/endorsement shall be made and duly recorded in the name of the Resulting Company, respectively, by the relevant authorities pursuant to the sanction of this Scheme by the Court. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall take on record the drawn up order of the Court sanctioning the Scheme on its file and make and duly record the necessary substitution or endorsement in the name of the Resulting Company as successor in interest, pursuant to the sanction of this Scheme by the Court, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Resulting Company shall file certified copies of such sanction order, and if required file appropriate applications, forms or documents with relevant authorities concerned for statistical, information and record purposes only, and there shall be no break in the validity and enforceability of approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.

3.1.11 Benefits of any and all corporate approvals as may have already been taken by The Demerged Company with respect to the Power Trading Business, whether being in the nature of compliances or otherwise, including without limitation, approvals under Sections 179, 180, 185, 186 and 188 etc, of the Act and Sections 293(1)(a), 293(1)(d), 295, 297 and 372A of Companies Act, 1956 read with the rules and regulations made there under, shall stand vested in the Resulting Company and the said corporate approvals and compliances shall, upon this Scheme becoming effective, be deemed to have been taken/complied with by the Resulting Company.

3.1.12 All estates, assets, rights, title, interests and authorities accrued to and/or acquired by The Demerged Company in relation to the Power Trading Business shall be deemed to have been accrued to and/or acquired for and on behalf of the Resulting Company and



shall, upon this Scheme coming into effect, pursuant to the provisions of Section 394(2) and other applicable provisions of the Act, without any further act, instrument or deed be and stand vested in or be deemed to have been vested in the Resulting Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Resulting Company.

#### 4 ISSUE OF SHARES BY THE RESULTING COMPANY PURSUANT TO DEMERGER

4.1 Upon the Scheme becoming effective and upon vesting of the Power Trading Business of the Demerged Company in the Resulting Company, the Resulting Company shall, without any further application or deed, issue and allot to the shareholders of the Demerged Company whose name appears in the Register of Members of the Demerged Company as on the Effective Date, his/her heirs, executors, administrators or the successors in title, as the case may be as may be recognized by the Board of Directors, in the following proportion viz:

*" 1 (One) fully paid up Equity Share of Rs. 10 of the Resulting Company shall be issued and allotted as fully paid up for every 1 (one) Equity Share of Rs. 10 fully paid up held in the Demerged Company."*

*" 1 (One) fully paid up Preference Shares of Rs. 10 of the Resulting Company shall be issued and allotted as fully paid up for every 10 (Ten) Preference Shares of Rs. 10 fully paid up held in the Demerged Company."*

4.2 Any fraction arising on issue of shares as above will be rounded off to the nearest integer.

4.3 The above Preference Shares shall be issued and allotted on the terms and conditions set out in Schedule 1 to this Scheme.

4.4 The Resulting Company shall take necessary steps to increase or alter or re-classify, if necessary, its Authorized Share Capital suitably to enable it to issue and allot the shares required to be issued and allotted by it under this Scheme.

4.5 The shares to be issued and allotted as above shall be subject to and in accordance with the Memorandum and Articles of Association of the Resulting Company.

4.6 The approval of this Scheme by the shareholders of the Resulting Company shall be deemed to be due compliance of the provisions of Section 62, if applicable, and all the other relevant and applicable provisions of the Act for the issue and allotment of shares



by the Resulting Company to the shareholders of the Demerged Company, as provided in this Scheme.

## 5 ACCOUNTING TREATMENT

### 5.1 IN THE BOOKS OF DEMERGED COMPANY

- 5.1.1 The book value of all assets and liabilities pertaining to the Power Trading Business which cease to be the assets and liabilities of the Demerged Company shall be reduced by the Demerged Company at their book values.
- 5.1.2 The difference between the book value of assets pertaining to the Power Trading Business and demerged from the Demerged Company pursuant to this Scheme and the book value of the liabilities pertaining to the Power Trading Business and demerged from the Demerged Company pursuant to this Scheme should be charged to the balance in the Profit and Loss Account of the Demerged Company.

### 5.2 IN THE BOOKS OF THE RESULTING COMPANY

- 5.2.1 The Resulting Company shall record the assets and liabilities pertaining to Power Trading Business, at the respective book values of the Demerged Company as on the Appointed Date.
- 5.2.2 The Resulting Company shall credit to the Share Capital Account in its books of account, the aggregate face value of the equity shares issued and allotted by it pursuant to this Scheme.
- 5.2.3 The Resulting Company shall credit to the Share Capital Account in its books of account, the aggregate face value of the Preference shares issued and allotted by it pursuant to this Scheme.
- 5.2.4 The excess of the value of the net assets as reduced by the face value of the shares issued by the Resulting Company pursuant to clause 5.2.2 and clause 5.2.3 above would be credited to the Capital Reserve Account of the Resulting Company. In case of there being a deficit, the same would be recorded as Goodwill in the books of the Resulting Company.
- 5.2.5 In case of any differences in accounting policies between the Demerged Company and the Resulting Company, the impact of the same till the Appointed Date will be quantified and adjusted in the Profit and Loss Account of the Resulting Company to ensure that the financial statements of Resulting Company reflect the financial position on the basis of consistent accounting policy followed by the Resulting Company.



Explanation: Net Assets Shall be computed as the difference between the book value of the assets of the Power Trading Business of the Demerged Company transferred to the Resulting Company less the book value of the liabilities of the Power Trading Business becoming liabilities of the Resulting Company.

## 6 CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

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

- (a) The Demerged Company shall carry on and be deemed to have carried on the business and activities in relation to Power Trading Business and shall stand possessed of their properties and assets relating to Power Trading Business for and in trust for the Resulting Company and all the profits / losses accruing on account of the Power Trading Business shall for all purposes be treated as profits / losses of the Resulting Company.
- (b) The Demerged Company shall not utilize the profits or income, if any, relating to the Power Trading Business for the purpose of declaring or paying any dividend or for any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of the Board of Directors of the Resulting Company.
- (c) The Demerged Company shall not without the prior written consent of the Board of Directors of the Resulting Company or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage or encumber or otherwise deal with or dispose of the undertaking relating to Power Trading Business or any part thereof except in the ordinary course of its business.
- (d) The Demerged Company shall not vary the existing terms and conditions of service of its permanent employees relating to Power Trading Business except in the ordinary course of its business or without prior consent of the Resulting Company or pursuant to any pre-existing obligation undertaken by the Demerged Company as the case may be, prior to Effective Date.

### 6.2 The Resulting Company shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which the Resulting Company may require pursuant to this Scheme.



7 STAFF, WORKMEN & EMPLOYEES

7.1 All the permanent employees of the Demerged Company engaged in or in relation to the Power Trading Business of the Demerged Company, who are in service on the date immediately preceding the Effective Date shall, on and from the Effective Date become and be engaged as the employees of the Resulting Company, without any break or interruption in service as a result of the transfer and on terms and conditions not less favourable than those on which they are engaged by the Demerged Company immediately preceding the Effective Date. Services of the employees of the Demerged Company shall be taken into account from the date of their respective appointment with the Demerged Company for the purposes of all retirement benefits and all other entitlements for which they may be eligible. The Resulting Company further agrees that for the purpose of payment of any re-employment compensation, if any, such past services with the Demerged Company shall also be taken into account. The services of such employees shall not be treated as having been broken or interrupted for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Demerged Company.

It is provided that as far as the Provident Fund, Gratuity Fund and Pension and/ or Superannuation Fund or any other special fund created or existing for the benefit of the staff, workmen and other employees of the Demerged Company are concerned, upon the Scheme becoming effective, the Resulting Company shall stand substituted for the Demerged Company in respect of the employees transferred with the Power Trading Business for all purposes whatsoever relating to the administration or operation of such Funds or Trusts or in relation to the obligation to make contribution to the said Funds or Trusts in accordance with the provisions of such Funds or Trusts as provided in the respective Trust Deeds or other documents. It is the aim and the intent of the Scheme that all the rights, duties, powers and obligations of the Power Trading Business of the Demerged Company in relation to such Funds or Trusts shall become those of the Resulting Company. The Trustees including the Board of Directors of the Demerged Company and the Resulting Company or through any committee / person duly authorized by the Board of Directors in this regard shall be entitled to adopt such course of action in this regard as may be advised provided however that there shall be no discontinuation or breakage in the services of the employees of the Demerged Company.



7.2 With effect from the first of the dates of filing of this Scheme with the High Court and up to and including the Effective Date, the Demerged Company shall not vary or modify the terms and conditions of employment of any of its employees engaged in or in relation to the Power Trading Business of the Demerged Company, except with written consent of the Resulting Company.

## 8 LEGAL PROCEEDINGS

8.1 All legal proceedings of whatsoever nature by or against the Demerged Company pending and/or arising before the Effective Date and relating to the Power Trading Business, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Resulting Company, as the case may be in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. Any cost pertaining to the said proceedings between the Appointed Date and the Effective date incurred by the Demerged Company shall be reimbursed by the Resulting Company.

8.2 After the Effective Date, if any proceedings are taken against the Demerged Company in respect of the matters referred to in the sub-clause 8.1 above, they shall defend the same at the cost of the Resulting Company, and the Resulting Company shall reimburse and indemnify the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.

8.3 The Resulting Company undertakes to have all legal or other proceedings initiated by or against the Demerged Company referred to in Clauses 8.1 or 8.2 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company as the case may be, to the exclusion of the Demerged Company.

## 9 CONTRACTS, DEEDS, ETC.

9.1 Notwithstanding anything to the contrary contained in the contract, deed, bond, agreement or any other instrument, but subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and subsisting or having effect on the Effective Date and relating to the Power Trading Business of the Demerged Company, shall continue in full force and effect against or in favour of the Resulting Company and may be enforced effectively by or



against the Resulting Company as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party thereto.

- 9.2 The Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Resulting Company shall, be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Demerged Company.

#### 10 SAVING OF CONCLUDED TRANSACTIONS

- 10.1 The transfer of of properties and liabilities under Clause 4.1 above and the continuance of proceedings by or against the Resulting Company under Clause 8 above shall not affect any transaction or proceedings already concluded by the Demerged Company on or after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company in relation to the Power Trading Business in respect thereto as done and executed on behalf of itself.

### PART C

#### MERGER OF REMAINING JSW POWER TRADING COMPANY LIMITED OR THE TRANSFEROR COMPANY INTO THE TRANSFEREE COMPANY

#### 11 TRANSFER AND VESTING OF UNDERTAKING

- 11.1 With effect from the Appointed Date, Remaining JSW Power Trading Company Limited or the Transferor Company (after demerger of the Power Trading Business) including its properties and assets (whether movable tangible or intangible) of whatsoever nature including investments, shares, debentures, securities, licenses, permits, quotas, approvals, lease, tenancy rights, permissions, incentives if any, benefits of tax relief including under the Income-tax Act, 1961 such as credit for advance tax, credit for Minimum Alternate Tax, taxes deducted at source and all other rights, title, interest, contracts, consent, approvals or powers of every kind, nature and descriptions whatsoever shall under the provisions of Sections 391 to 394 and pursuant to the orders



of the High Court or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date shall stand transferred and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and assets of the Transferee Company.

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

11.3 All the existing securities, mortgages, charges, encumbrances or liens, if any, as on the Appointed Date and those created by the Transferor Company after the Appointed Date, over the assets of the Transferor Company to the Transferee Company shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date. Such securities, mortgages, charges, encumbrances or liens shall not relate or attach or extend to any of the other assets of the Transferee Company.

## **12. CANCELLATION OF SHARE CAPITAL OF THE TRANSFEROR COMPANY**

12.1 The entire issued, subscribed and paid-up share capital of the Transferor Company is held by the Transferee Company. Upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of its holding in the Transferor Company and the share capital including authorized share capital, issued, subscribed and paid-up share capital of the Transferor Company shall stand cancelled.

12.2 Upon the coming into effect of this Scheme, the share certificates, if any, and/or the shares / depository receipts in electronic form representing the shares held by the Transferee Company or by its wholly owned subsidiary in the Transferor Company shall be deemed to be cancelled without any further act or deed for cancellation thereof by the Transferee Company or its wholly owned subsidiary.

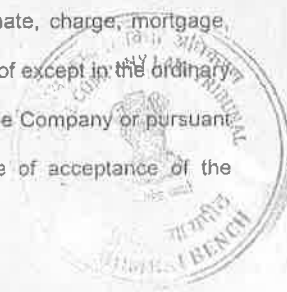
## **13. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY**



- 13.1 All assets and liabilities of the Transferor Company shall be recorded in the books of the Transferee Company at their respective fair values
- 13.2 Intercompany investments, balances and transactions, if any, shall stand cancelled.
- 13.3 The difference, being the excess of the value of the assets over the value of liabilities of the Transferor Company, after making the adjustment as mentioned above, shall be credited to the Capital Reserve Account of the Transferee Company. In case of there being a deficit, the same would be recorded as Goodwill in the books of the Transferee Company.
- 13.4 In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference till the Appointed Date will be quantified and adjusted in the Profit and Loss Account mentioned earlier to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 13.5 The Board of directors of the Transferee Company may account for any of the balances in accordance with the prescribed Accounting Standards and applicable Generally Accepted Accounting Principles.

#### 14. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

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



Scheme by the respective Boards of Directors of the Transferor Company and the Transferee Company.

- d) The Transferor Company shall not vary the terms and conditions of employment of any of the employees except in the ordinary course of business or without the prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken by the Transferor Company as the case may be, prior to the Appointed Date.

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

#### 15. STAFF, WORKMEN & EMPLOYEES

15.1 All the permanent employees of the Transferor Company, who are in service on the date immediately preceding the Effective Date shall, on and from the Effective Date become and be engaged as the employees of the Transferee Company, without any break or interruption in service as a result of the transfer and on terms and conditions not less favourable than those on which they are engaged by the Transferor Company immediately preceding the Effective Date. Services of the employees of the Transferor Company shall be taken into account from the date of their respective appointment with the Transferor Company for the purposes of all retirement benefits and all other entitlements for which they may be eligible. The Transferee Company further agrees that for the purpose of payment of any retrenchment compensation, if any, such past services with the Transferor Company shall also be taken into account.

The services of such employees shall not be treated as having been broken or interrupted for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Transferor Company.

It is provided that as far as the Provident Fund, Gratuity Fund and Pension and/or Superannuation Fund or any other special fund created or existing for the benefit of the staff, workmen and other employees of the Transferor Company are concerned, upon



the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company in respect of the employees so transferred for all purposes whatsoever relating to the administration or operation of such Funds or Trusts or in relation to the obligation to make contribution to the said Funds or Trusts in accordance with the provisions of such Funds or Trusts as provided in the respective Trust Deeds or other documents. It is the aim and the intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such Funds or Trusts shall become those of the Transferee Company. The Trustees including the Board of Directors of the Transferor Company and the Transferee Company or through any committee / person duly authorized by the Board of Directors in this regard shall be entitled to adopt such course of action in this regard as may be advised provided however that there shall be no discontinuation or breakage in the services of the employees of the Transferor Company.

15.2 With effect from the first of the dates of filing of this Scheme with the High Court and up to and including the Effective Date, the Transferor Company shall not vary or modify the terms and conditions of employment of any of its employees, except with written consent of the Transferee Company.

#### 16. LEGAL PROCEEDINGS

16.1 All legal proceedings of whatsoever nature by or against the Transferor Company pending and/or arising before the Effective Date and relating to the Transferor Company, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Transferee Company, as the case may be in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Any cost pertaining to the said proceedings between the Appointed Date and the Effective date incurred by the Transferor Company shall be reimbursed by the Transferee Company.

16.2 After the Effective Date, if any proceedings are taken against the Transferor Company in respect of the matters referred to in the sub-clause 16.1 above, they shall defend the same at the cost of the Transferee Company, and the Transferee Company shall reimburse and indemnify the Transferor Company against all liabilities and obligations incurred by the Transferor Company in respect thereof.



17. CONTRACTS, DEEDS, ETC.

17.1 Notwithstanding anything to the contrary contained in the contract, deed, bond, agreement or any other instrument, but subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and subsisting or having effect on the Effective Date and relating to the Transferor Company, shall continue in full force and effect against or in favour of the Transferee Company and may be enforced effectively by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

17.2 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.

17.3 It is expressly clarified that upon the Scheme becoming effective all taxes payable by the Transferor Company from the Appointed Date onwards shall be treated as the tax liability of Transferee Company; similarly all credits for tax deduction at source, credit of MAT paid and advance tax paid on the income of Transferor Company shall be available to Transferee Company; or obligation for deduction of tax at source on any payment made by or to be made by Transferor Company shall be made or deemed to have been made and duly complied with as if so made by the Transferee Company.

17.4 All cheques and other negotiable instruments, payment orders received in the name of Transferor Company after the Effective Date shall be accepted by the bankers of Transferee Company and credited to the account of Transferee Company. Similarly, the banker of Transferee Company shall honor cheques issued by Transferor Company for payment after the Effective Date.

18. SAVING OF CONCLUDED TRANSACTIONS



18.1 The transfer of properties and liabilities under Clause 11.2 above and the continuance of proceedings by or against the Transferor Company under Clause 16 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

**19. WINDING UP**

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

**PART D – GENERAL TERMS AND CONDITIONS**

**20. APPLICATION TO HIGH COURT**

20.1 The Demerged Company / the Transferor Company, the Resulting Company and the Transferee Company shall make Applications / Petitions under Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Act to the High Court for sanction of this Scheme under the provisions of law.

**21. MODIFICATION OR AMENDMENTS TO THE SCHEME**

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



**22. CONDITIONALITY OF THE SCHEME**

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

- 22.1 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.
- 22.2 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 the Demerged Company / the Transferor Company, the Resulting Company and the Transferee Company as may be directed by the High Court.
- 22.3 The sanction of the High Court under Sections 391 to 394 in favour of the Demerged Company / the Transferor Company, the Resulting Company and the Transferee Company under the said provisions and to the necessary Order under Section 394 of the Companies Act, 1956 of the said Act being obtained;
- 22.4 Certified or authenticated copy of the Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra at Mumbai by the Demerged Company / the Transferor Company, the Resulting Company and the Transferee Company, as may be applicable;
- 22.5 Requisite form in relation to Part B of the Scheme along with Certified or authenticated copy of the Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, of Maharashtra at Mumbai by the Demerged Company and the Resulting Company as may be applicable.
- 22.6 Requisite form in relation to Part C of the Scheme along with Certified or authenticated copy of the Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, of Maharashtra at Mumbai by the Transferor Company and the Transferee Company as may be applicable. Part III of the Scheme would be given effect to only after Part II of the Scheme is given effect to.

**23. CHANGE OF NAME**

Pursuant to the Scheme, with effect from the Effective Date and after giving effect to the Scheme in its entirety, the name of the Resulting Company will be changed to "JSW Power Trading Company Limited" and would be in deemed compliance with provision of Section 13 of the Act and Rule 29 of Companies (incorporation) Rules, 2014.



**24. EFFECT OF NON-RECEIPT OF APPROVALS**

In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/ or the Scheme not being sanctioned by the jurisdictional High Court or such other competent authority and / or the Order not being passed as aforesaid before 31<sup>st</sup> March 2016 or within such further period or periods as may be agreed upon between the Demerged Company / the Transferor Company, the Resulting Company and the Transferee Company by their Boards of Directors (and which the Boards of Directors of the Companies are hereby empowered and authorized to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

**25. COSTS, CHARGES & EXPENSES**

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



SCHEDULE I

TERMS AND CONDITIONS FOR ISSUE OF PREFERENCE SHARES

Issuer	JSW Green Energy Limited
Instrument	10% Redeemable Non Cumulative Preference Shares
Face value	Rs. 10 per Preference Share
Redemption terms	<p>1) To be redeemed at par at the end of 20 years from the date of allotment;</p> <p>2) JSW Green Energy Limited will have an option to redeem the Preference Shares at any time after the end of 5 years from the date of allotment;</p> <p>3) Similarly, the Preference Shareholder will have an option to seek redemption of Preference Shares at any time after the end of 5 years from the date of allotment;</p> <p>4) Upon exercise of such option, the Resulting Company's liability to the Preference Shareholders shall stand extinguished from the date of dispatch of the cheques / pay order for the Redemption Amount (subject to realization).</p>

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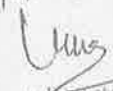
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Deputy Director

National Company Law Tribunal, Mumbai Bench



BEFORE THE NATIONAL COMPANY  
LAW TRIBUNAL,  
MUMBAI BENCH  
ORDINARY ORIGINAL CIVIL  
JURISDICTION

TRANSFERRED COMPANY SCHEME  
PETITION NO. 31 OF 2017  
CONNECTED WITH  
HIGH COURT COMPANY SCHEME  
PETITION NO. 234 OF 2016

In the matter of the Companies Act, 1956 and  
other relevant provisions of the Companies Act,  
2013;

AND

In the matter of Sections 391 to 394 of the  
Companies Act, 1956 and Sections 230 to 232  
of the Companies Act, 2013;

AND

In the matter of Scheme of Arrangement  
between JSW Power Trading Company Limited  
("Demerged Company") And JSW Green  
Energy Limited ("Resulting Company") And  
JSW Energy Limited ("Transferee Company")  
and their respective shareholders



**JSW POWER TRADING COMPANY  
LIMITED**

..... Petitioner Company

**AUTHENTICATED COPY OF MINUTES  
OF ORDER DATED 9<sup>TH</sup> MARCH, 2017  
ALONG WITH SCHEME OF  
ARRANGEMENT**

M/S HEMANT SETHI & CO .  
Advocates for the Petitioner  
1602, Nav Parmanu,  
Behind Amar Cinema,  
Chembur, Mumbai – 400 071  
O.S.Regn. No.2822



SCHEME OF ARRANGEMENT  
BETWEEN  
JSW POWER TRADING COMPANY LIMITED ('THE DEMERGED COMPANY' OR 'THE  
TRANSFEROR COMPANY')  
AND  
JSW GREEN ENERGY LIMITED ('THE RESULTING COMPANY')  
AND  
JSW ENERGY LIMITED ('THE TRANSFEREE COMPANY')  
AND  
THEIR RESPECTIVE SHAREHOLDERS

**A) Purpose of the Scheme**

1. This Scheme of Arrangement ('Scheme') is presented under Sections 391 - 394 of the Companies Act, 1956 for:
  - (i) Demerger of Power Trading Business of JSW Power Trading Company Limited (the 'Demerged Company') into JSW Green Energy Limited ( 'the Resulting Company').
  - (ii) Merger of Remaining JSW Power Trading Company Limited with JSW Energy Limited (the 'Transferee Company')
  
2. This Scheme also provides for various other matters consequential or otherwise integrally connected herewith

**B) Parts of the Scheme**

The Scheme is divided into following parts:

- (i) **Part A** deals with the Definitions and Share Capital;
- (ii) **Part B** deals with demerger of Power Trading Business of JSW Power Trading Company Limited ( 'the Demerged Company') into JSW Green Energy Limited ('the Resulting Company') ;
- (iii) **Part C** deals with merger of Remaining JSW Power Trading with JSW Energy Limited ('JSW Energy' or 'the Transferee Company');
- (iv) **Part D** deals with the Other Terms and Conditions.



PART A

DEFINITIONS AND SHARE CAPITAL.

**1 DEFINITIONS**

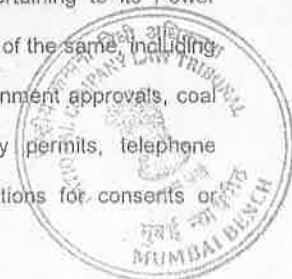
In this scheme unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

- 1.1 **"Act" or "the Act"** means the Companies Act, 1956 and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force and also shall mean and refer to corresponding sections of Companies Act, 2013, the rules and regulations made thereunder, as has been notified, or as and when such corresponding sections and rules and regulations will be notified, by the Central Government and as may be applicable;
- 1.2 **"Appointed Date"** means
- (a) Closing of business hours on 31<sup>st</sup> March 2015 or such other date as may be approved by the High Court or any other competent authority for the purposes of demerger of Power Trading Business of JSW Power Trading Company Limited into JSW Green Energy Limited;
  - (b) Closing of business hours on 31<sup>st</sup> March 2015 or such other date as may be approved by the High Court or any other competent authority for the purposes of merger of Remaining JSW Power Trading Company Limited with JSW Energy Limited
- 1.3 **"Board of Directors"** means the Board of Directors of JSW Power Trading Company Limited or JSW Green Energy Limited or JSW Energy Limited or all as the context may require and includes a committee thereof;
- 1.4 **"Court" or "High Court"** means the High Court of Judicature at Bombay and shall include the National Company Law Tribunal if and when applicable;
- 1.5 **"Effective Date"** means the later of the dates on which the certified or authenticated copy of the Orders of High Court of Judicature at Bombay or any other appropriate authority under Sections 391 to 394 of the Companies Act, 1956, sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra at Mumbai by JSW Power Trading Company Limited, JSW Green Energy Limited and JSW Energy Limited.



1.6 "Power Trading Business" shall mean undertaking, business, activities and operations pertaining to power trading and related business, and comprising of all the assets (moveable, incorporeal and immoveable) and liabilities which relate thereto, or are necessary therefor and including specifically the following:

- (a) All assets, title, properties, interests, investments, loans, advances (including accrued interest) and rights, including rights arising under contracts, wherever located (including in the possession of vendors, third parties or elsewhere), whether real, personal or mixed, tangible, intangible or contingent, exclusively used or held, by the Demerged Company in, or otherwise identified for use in business, activities and operations pertaining to its power business, including but not limited to all land, factory building, equipments, plant and machinery, offices, capital work in progress, furniture, fixtures, office equipment, appliances, accessories, receivables, vehicles, deposits, all stocks, assets, cash, balances with banks, investments, all customer contracts, contingent rights or benefits, etc, pertaining to its power business (collectively, the "Power Trading Assets")
- (b) All debts, liabilities, guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability), or pertaining to the Power Trading Business, activities and operations pertaining to its power business (collectively, "Power Trading Liabilities")
- (c) All contracts, agreements, licenses, leases, linkages, memoranda of undertakings, memoranda of agreement, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, sales orders, purchase orders or other instruments of whatsoever nature to which the Demerged Company is a party, exclusively relating to the undertaking, business, activities and operations pertaining to its Power Trading business or otherwise identified to be for the benefit of the same including but not limited to the relevant licenses, water supply/ environment approvals, coal linkages, and all other rights and approvals, electricity permits, telephone connections, building and parking rights, pending applications for consents or



extension, all incentives, tax benefits, deferrals, subsidies, concessions, benefits, grants, rights, claims, liberties, special status and privileges enjoyed or conferred upon or held or availed of by the Demerged Company in relation to its Power Trading Business, permits, quotas, consents, registrations, lease, tenancy rights in relation to offices and residential properties, permissions, incentives, if any, in relation to its power business, and all other rights, title, interests, privileges and benefits of every kind in relation to its power business (collectively, "Power Trading Contracts");

- (d) All registrations, trademarks, trade names, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, designs and domain names exclusively used by or held for use by the Demerged Company in the Power Trading Business, business, activities and operations pertaining to its power business (collectively, "Power Trading IP")
- (e) all permits, licenses (including Category "I" license issued by Central Electricity Regulatory Commission (CERC), membership with India Energy Exchange (IEX) and Power Exchange of India Limited (PXIL), consents, approvals, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges and similar rights, and any waiver of the foregoing, issued by any legislative, executive, or judicial unit of any Governmental or semi-Governmental entity or any department, commission, board, agency, bureau, official or other regulatory, local, administrative or judicial authority exclusively used or held for use by the Demerged Company in the undertaking, business, activities and operations pertaining to the power business (collectively, "Power Trading Licenses"); and
- (f) all such permanent employees of the Demerged Company, employees/personnel engaged on contract basis and contract labourers and interns/ trainees, both on-shore and off-shore, as are primarily engaged in or in relation to the undertaking, business, activities and operations pertaining to the power business, at its respective offices, branches etc, and any other employees/personnel and contract labourers and interns/trainees hired by the Demerged Company after the date hereof who are primarily engaged in or in relation to the undertaking, business, activities and operations pertaining to the power business (collectively, "Power Trading Employees");



- (g) all liabilities present and future (including contingent liabilities pertaining to or relatable to the Power Trading Business of the Demerged Company), as may be determined by the Board of the Demerged Company;
- (h) all deposits and balances with Government, Semi-Government, local and other authorities and bodies, customers and other persons, earnest moneys and/ or security deposits paid or received by the Demerged Company, directly or indirectly in connection with or in relation to the Power Trading Business of the Demerged Company;
- (i) all books, records, files, papers, directly or indirectly relating to the Power Trading Business of the Demerged Company; but shall not include any portion of the Remaining Business of JSW Power Trading Company Limited; and
- (j) Any other asset / liability which is deemed to be pertaining to the Power Trading Business by the Board of the Demerged Company

Any question that may arise as to whether a specific asset or liability pertains or does not pertain to the Power Trading Business or whether it arises out of the activities or operations of the Power Trading Business shall be decided by mutual agreement between the Board of Directors of the Demerged Company and the Resulting Company.

1.7 "Scheme" or "the Scheme" or "this Scheme" means the Scheme of Arrangement in its present form as submitted to the High Court of Judicature at Bombay or this Scheme with such modification(s), if any made.

1.8 "The Demerged Company" means JSW Power Trading Company Limited, a company incorporated under the Companies Act, 1956 and having its registered office at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051;

1.9 "Remaining JSW Power Trading Company Limited" means JSW Power Trading Company Limited as it stands on the Appointed Date i.e. 31<sup>st</sup> March 2015 subsequent to demerger of the Power Trading Business of JSW Power Trading Company Limited (as defined under Clause 1.6 of this Scheme of Arrangement).

1.10 "The Transferor Company" means Remaining JSW Power Trading Company Limited.



1.11 "The Resulting Company" means JSW Green Energy Limited, a company incorporated under the Companies Act, 1956 and having its registered office at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

1.12 "The Transferee Company" means JSW Energy Limited, a company incorporated under the Companies Act, 1956 and having its registered office at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051

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.

**1.13 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 Judicature at Bombay, shall be effective from the Appointed Date but shall be operative from the Effective Date.

**2 SHARE CAPITAL**

2.1 The authorized, issued, subscribed and paid-up share capital of the Demerged Company as on 31<sup>st</sup> March 2014 is as under:

Particulars	Amount in INR Crores
<b>Authorized Capital</b>	
100,000,000 Equity Shares of Rs. 10 each	100.00
250,000,000 Redeemable Non- Cumulative Preference Shares of Rs. 10 each	250.00
<b>Total</b>	<b>350.00</b>
<b>Issued, Subscribed and Paid-up</b>	
7,00,00,000 Equity Shares of Rs. 10 each fully paid up	70.00
132,000,000 10% Redeemable Non Cumulative Preference Shares of Rs. 10 each	132.00
<b>Total</b>	<b>202.00</b>



Subsequent to the above date, there is no change in the capital structure of the Demerged Company.

- 2.2 The authorized, issued, subscribed and paid-up share capital of the Resulting Company as on 31<sup>st</sup> December 2014 is as under:

Particulars	Amount in INR
<b>Authorized Capital</b>	
50,000 Equity Shares of Rs. 10 each	5,00,000
<b>Total</b>	<b>5,00,000</b>
<b>Issued, Subscribed and Paid-up</b>	
50,000 Equity shares of Rs. 10 each	5,00,000
<b>Total</b>	<b>5,00,000</b>

Subsequent to the above date, there is no change in the capital structure of the Resulting Company.

- 2.3 The authorized, issued, subscribed and paid up capital of the Transferee Company as on 31<sup>st</sup> March 2014 is as under:

Particulars	Amount in INR Crores
<b>Authorized Capital</b>	
5,000,000,000 Equity Shares of Rs. 10 each	5,000.00
<b>Total</b>	<b>5,000.00</b>
<b>Issued, Subscribed and Paid-up</b>	
1,640,054,795 Equity shares of Rs. 10 each	1,640.05
<b>Total</b>	<b>1,640.05</b>

Subsequent to the above date and as on the date of filing of draft scheme with the stock exchanges, there is no change in the capital structure of the Transferee Company.



PART B

DEMERGER OF THE POWER TRADING BUSINESS INTO THE RESULTING  
COMPANY

**3.1 TRANSFER AND VESTING OF POWER TRADING BUSINESS OF THE DEMERGED  
COMPANY INTO THE RESULTING COMPANY**

The Power Trading Business of the Demerged Company as defined in Clause 1.6 shall stand transferred to and vested in or deemed to be transferred to and vested in the Resulting Company, as a going concern, in accordance with Section 2(19AA) of the Income Tax Act, 1961 and in the following manner:

3.1.1 All Power Trading Assets that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by operation of law pursuant to the vesting order of the Court sanctioning the Scheme and its filing with the Registrar of Companies concerned. Such assets shall stand vested in the Resulting Company and shall be deemed to be and become the property and as an integral part of the Resulting Company by operation of law. The vesting order and sanction of the Scheme shall operate in relation to the movable property in accordance with its normal mode of vesting through the Resulting Company and as the context may provide, by physical or constructive delivery, or by endorsement and delivery, or by mere operation of the vesting order and its recordal or registration with the Registrar of Companies in accordance with the Act, as appropriate to the nature of the movable property vested. Upon the scheme becoming effective the title to such property shall be deemed to have been mutated and recognized as that of the Resulting Company.

3.1.2 All Power Trading Assets that are other movable properties, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, pursuant to the vesting order and by operation of law become the property of the Resulting Company, and the title thereof together with all rights, interests or obligations therein shall be deemed to have been mutated and recorded as that of the Resulting Company and any document of title pertaining to the assets of the Power Trading Business shall also be deemed to have been mutated and recorded as



titles of the Resulting Company to the same extent and manner as originally held by the Demerged Company and enabling the ownership, right, title and interest therein as if the Resulting Company was originally the Demerged Company. The Resulting Company shall subsequent to the vesting order be entitled to the delivery and possession of all documents of title of such movable property in this regard.

3.1.3 All immovable properties of the Power Trading Business, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Power Trading Business, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall stand vested in and/or be deemed to have been vested in the Resulting Company, by operation of law pursuant to the vesting order of the Court sanctioning the Scheme, and its filings with the Registrar of Companies concerned. Such assets shall stand vested in the Resulting Company and shall be deemed to be and become the property as an integral part of the Resulting Company by operation of law. The Resulting Company shall simultaneous with the filing and registration of the order of the Court sanctioning the Scheme be always entitled to all the rights and privileges attached in relation to such immovable properties and shall be liable to pay appropriate rent, rates and taxes and fulfil all obligations in relation thereto or as applicable to such immovable property. Upon the Scheme becoming effective, the title to such properties shall deemed to have been mutated and recognised as that of the Resulting Company and the mere filing thereof with the appropriate Registrar or Sub-Registrar of Assurances or with the relevant Government shall suffice as record of continuing titles with the Resulting Company pursuant to the Scheme becoming effective and shall constitute a deemed mutation and substitution thereof. The Resulting Company shall subsequent to the vesting order be entitled to the delivery and possession of all documents of title to such immovable property in this regard. It is hereby clarified that all the rights, title and interest of the Power Trading Business in any leasehold properties shall, pursuant to Section 394(2) of the Act and the provisions of this Scheme, without any further act, instrument or deed, be vested in or be deemed to have been vested in the Resulting Company.

3.1.4 All Power Trading Liabilities including debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of account or disclosed in the balance sheets of the Demerged Company shall stand vested in the Resulting Company and shall upon the scheme becoming effective be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Resulting Company.



and the Resulting Company shall, and undertake to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. It is hereby clarified 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 debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause.

3.1.5 All Power Trading Contracts including contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies) for the purpose of carrying on the Power Trading Business of the Demerged Company, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Power Trading Business of the Demerged Company, or to the benefit of which, Power Trading Business of the Demerged Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall by endorsement, delivery or recordal or by operation of law pursuant to the vesting order of the Court sanctioning the Scheme, and its filing with the Registrar of Companies concerned be deemed to be contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies) of the Resulting Company. Such properties and rights described hereinabove shall stand vested in the Resulting Company and shall be deemed to be the property and become the property by operation of law as an integral part of the Resulting Company. Such contracts and properties described above shall continue to be in full force and continue as effective as hitherto in favour of or against the Resulting Company and shall be the legal and enforceable rights and interests of the Resulting Company, which can be enforced and acted upon as fully and effectually as if, it were the Demerged Company, as the Resulting Company is and successor in interest. Upon the Scheme becoming effective, the rights, duties, obligations, interests flowing from such contracts and properties, shall be deemed to have been entered in and novated to the Resulting Company by operation of law and the Resulting Company shall be deemed to be its substituted party or beneficiary or obligor thereto. In relation to the same any procedural requirements required to be fulfilled solely by the Demerged Company (and not by any of its successors), shall be fulfilled by the Resulting Company as if it were the duly constituted attorney of the Demerged Company. Upon this Scheme becoming effective and with effect from the Appointed Date, any contract of the



Demerged Company relating to or benefiting at present the Demerged Company and the Power Trading Business, shall be deemed to constitute separate contracts, thereby relating to and/or benefiting the and the Resulting Company, respectively.

- 3.1.6 Any pending suits/appeals or other proceedings of whatsoever nature relating to the Power Trading Business of the Demerged Company, whether by or against such The Demerged Company, shall not abate, be discontinued or in any way prejudicially affected by reason of the demerger of the Power Trading Business of the Demerged Company into the Resulting Company or of anything contained in this Scheme, but by virtue of the vesting and sanction order, such legal proceedings shall continue and any prosecution shall be enforced by or against the Resulting Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Demerged Company, as if this Scheme had not been implemented.
- 3.1.7 All the Power Trading Employees shall become employees of and be engaged by the Resulting Company pursuant to the vesting order and by operation of law, with effect from the Effective Date, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Demerged Company, without any interruption of service as a result of this hiving-off, without any further act, deed or instrument on the part of the Demerged Company or the Resulting Company. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees, the Resulting Company shall stand substituted for the Demerged Company for all purposes whatsoever, upon this Scheme becoming effective, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to such other funds maintained by the Demerged Company, in accordance with the provisions of applicable laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to such employees and the services of all such employees of the Demerged Company for such purpose shall be treated as having been continuous.
- 3.1.8 All Power Trading IP including registrations, goodwill, licenses, trademarks, service marks, copyrights, domain names, applications for copyrights, trade names and trade marks, appertaining to the Power Trading Business of The Demerged Company, if any, shall stand vested in the Resulting Company without any further act, instrument or deed (unless filed only for statistical record with any appropriate authority or Registrar), upon



filing of the order of the Court sanctioning the Scheme, with the Registrar of Companies concerned. The other intellectual property rights presently held by The Demerged Company, that relate to or benefit at present Residual The Demerged Company and the Power Trading Business, shall be deemed to constitute separate intellectual property rights and the necessary substitution/endorsement shall be made and duly recorded in the name of The Demerged Company and the Resulting Company, respectively, by the relevant authorities pursuant to the sanction of this Scheme by the Court.

3.1.9 All taxes (including but not limited to value added tax, sales tax, service tax and any other indirect tax etc.) payable by or refundable to the Power Trading Business of The Demerged Company, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, as the case may be, of the Resulting Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, etc, as would have been available to Power Trading Business of The Demerged Company, shall pursuant to this Scheme becoming effective, be available to the Resulting Company.

3.1.10 All Power Trading Licenses including approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description whatsoever in relation to the Power Trading Business of The Demerged Company, or to the benefit of which the Power Trading Business of The Demerged Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall by endorsement, delivery or recordal or by operation of law pursuant to the vesting order of the Court sanctioning the Scheme, and its filing with the Registrar of Companies concerned, shall be deemed to be approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature of the Resulting Company, and shall be in full force and effect in favour of the Resulting Company and may be enforced as fully and effectually as if, instead of The Demerged Company, the Resulting Company had been a party or beneficiary or obligor thereto. Such of the other permits, licenses, consents, approvals, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates,



certifications, easements, tenancies, privileges and similar rights, and any waiver of the foregoing, as are held at present by The Demerged Company, but relate to or benefitting the Demerged Company and the Power Trading Business, shall be deemed to constitute separate permits, licenses, consents, approvals, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges and similar rights, and any waiver of the foregoing, and the necessary substitution/endorsement shall be made and duly recorded in the name of the Resulting Company, respectively, by the relevant authorities pursuant to the sanction of this Scheme by the Court. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall take on record the drawn up order of the Court sanctioning the Scheme on its file and make and duly record the necessary substitution or endorsement in the name of the Resulting Company as successor in interest, pursuant to the sanction of this Scheme by the Court, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Resulting Company shall file certified copies of such sanction order, and if required file appropriate applications, forms or documents with relevant authorities concerned for statistical, information and record purposes only, and there shall be no break in the validity and enforceability of approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.

3.1.11 Benefits of any and all corporate approvals as may have already been taken by The Demerged Company with respect to the Power Trading Business, whether being in the nature of compliances or otherwise, including without limitation, approvals under Sections 179, 180, 185, 186 and 188 etc, of the Act and Sections 293(1)(a), 293(1)(d), 295, 297 and 372A of Companies Act, 1956 read with the rules and regulations made there under, shall stand vested in the Resulting Company and the said corporate approvals and compliances shall, upon this Scheme becoming effective, be deemed to have been taken/complied with by the Resulting Company.

3.1.12 All estates, assets, rights, title, interests and authorities accrued to and/or acquired by The Demerged Company in relation to the Power Trading Business shall be deemed to have been accrued to and/or acquired for and on behalf of the Resulting Company and



shall, upon this Scheme coming into effect, pursuant to the provisions of Section 394(2) and other applicable provisions of the Act, without any further act, instrument or deed be and stand vested in or be deemed to have been vested in the Resulting Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Resulting Company.

#### 4. ISSUE OF SHARES BY THE RESULTING COMPANY PURSUANT TO DEMERGER

4.1 Upon the Scheme becoming effective and upon vesting of the Power Trading Business of the Demerged Company in the Resulting Company, the Resulting Company shall, without any further application or deed, issue and allot to the shareholders of the Demerged Company whose name appears in the Register of Members of the Demerged Company as on the Effective Date, his/her heirs, executors, administrators or the successors in title, as the case may be as may be recognized by the Board of Directors, in the following proportion viz:

*" 1 (One) fully paid up Equity Share of Rs. 10 of the Resulting Company shall be issued and allotted as fully paid up for every 1 (one) Equity Share of Rs. 10 fully paid up held in the Demerged Company."*

*" 1 (One) fully paid up Preference Shares of Rs. 10 of the Resulting Company shall be issued and allotted as fully paid up for every 10 (Ten) Preference Shares of Rs. 10 fully paid up held in the Demerged Company."*

4.2 Any fraction arising on issue of shares as above will be rounded off to the nearest integer.

4.3 The above Preference Shares shall be issued and allotted on the terms and conditions set out in Schedule 1 to this Scheme.

4.4 The Resulting Company shall take necessary steps to increase or alter or re-classify, if necessary, its Authorized Share Capital suitably to enable it to issue and allot the shares required to be issued and allotted by it under this Scheme.

4.5 The shares to be issued and allotted as above shall be subject to and in accordance with the Memorandum and Articles of Association of the Resulting Company.

4.6 The approval of this Scheme by the shareholders of the Resulting Company shall be deemed to be due compliance of the provisions of Section 62, if applicable, and all the other relevant and applicable provisions of the Act for the issue and allotment of shares



by the Resulting Company to the shareholders of the Demerged Company, as provided in this Scheme.

## 5 ACCOUNTING TREATMENT

### 5.1 IN THE BOOKS OF DEMERGED COMPANY

- 5.1.1 The book value of all assets and liabilities pertaining to the Power Trading Business which cease to be the assets and liabilities of the Demerged Company shall be reduced by the Demerged Company at their book values.
- 5.1.2 The difference between the book value of assets pertaining to the Power Trading Business and demerged from the Demerged Company pursuant to this Scheme, and the book value of the liabilities pertaining to the Power Trading Business and demerged from the Demerged Company pursuant to this Scheme should be charged to the balance in the Profit and Loss Account of the Demerged Company.

### 5.2 IN THE BOOKS OF THE RESULTING COMPANY

- 5.2.1 The Resulting Company shall record the assets and liabilities pertaining to Power Trading Business, at the respective book values of the Demerged Company as on the Appointed Date.
- 5.2.2 The Resulting Company shall credit to the Share Capital Account in its books of account, the aggregate face value of the equity shares issued and allotted by it pursuant to this Scheme.
- 5.2.3 The Resulting Company shall credit to the Share Capital Account in its books of account, the aggregate face value of the Preference shares issued and allotted by it pursuant to this Scheme.
- 5.2.4 The excess of the value of the net assets as reduced by the face value of the shares issued by the Resulting Company pursuant to clause 5.2.2 and clause 5.2.3 above would be credited to the Capital Reserve Account of the Resulting Company. In case of there being a deficit, the same would be recorded as Goodwill in the books of the Resulting Company.
- 5.2.5 In case of any differences in accounting policies between the Demerged Company and the Resulting Company, the impact of the same till the Appointed Date will be quantified and adjusted in the Profit and Loss Account of the Resulting Company to ensure that the financial statements of Resulting Company reflect the financial position on the basis of consistent accounting policy followed by the Resulting Company.



Explanation: Net Assets Shall be computed as the difference between the book value of the assets of the Power Trading Business of the Demerged Company transferred to the Resulting Company less the book value of the liabilities of the Power Trading Business becoming liabilities of the Resulting Company.

## 6 CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

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

- (a) The Demerged Company shall carry on and be deemed to have carried on the business and activities in relation to Power Trading Business and shall stand possessed of their properties and assets relating to Power Trading Business for and in trust for the Resulting Company and all the profits / losses accruing on account of the Power Trading Business shall for all purposes be treated as profits / losses of the Resulting Company.
- (b) The Demerged Company shall not utilize the profits or income, if any, relating to the Power Trading Business for the purpose of declaring or paying any dividend or for any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of the Board of Directors of the Resulting Company.
- (c) The Demerged Company shall not without the prior written consent of the Board of Directors of the Resulting Company or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage or encumber or otherwise deal with or dispose of the undertaking relating to Power Trading Business or any part thereof except in the ordinary course of its business.
- (d) The Demerged Company shall not vary the existing terms and conditions of service of its permanent employees relating to Power Trading Business except in the ordinary course of its business or without prior consent of the Resulting Company or pursuant to any pre-existing obligation undertaken by the Demerged Company as the case may be, prior to Effective Date.

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



7 STAFF, WORKMEN & EMPLOYEES

7.1 All the permanent employees of the Demerged Company engaged in or in relation to the Power Trading Business of the Demerged Company, who are in service on the date immediately preceding the Effective Date shall, on and from the Effective Date become and be engaged as the employees of the Resulting Company, without any break or interruption in service as a result of the transfer and on terms and conditions not less favourable than those on which they are engaged by the Demerged Company immediately preceding the Effective Date. Services of the employees of the Demerged Company shall be taken into account from the date of their respective appointment with the Demerged Company for the purposes of all retirement benefits and all other entitlements for which they may be eligible. The Resulting Company further agrees that for the purpose of payment of any retrenchment compensation, if any, such past services with the Demerged Company shall also be taken into account. The services of such employees shall not be treated as having been broken or interrupted for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Demerged Company.

It is provided that as far as the Provident Fund, Gratuity Fund and Pension and/ or Superannuation Fund or any other special fund created or existing for the benefit of the staff, workmen and other employees of the Demerged Company are concerned, upon the Scheme becoming effective, the Resulting Company shall stand substituted for the Demerged Company in respect of the employees transferred with the Power Trading Business for all purposes whatsoever relating to the administration or operation of such Funds or Trusts or in relation to the obligation to make contribution to the said Funds or Trusts in accordance with the provisions of such Funds or Trusts as provided in the respective Trust Deeds or other documents. It is the aim and the intent of the Scheme that all the rights, duties, powers and obligations of the Power Trading Business of the Demerged Company in relation to such Funds or Trusts shall become those of the Resulting Company. The Trustees including the Board of Directors of the Demerged Company and the Resulting Company or through any committee / person duly authorized by the Board of Directors in this regard shall be entitled to adopt such course of action in this regard as may be advised provided however that there shall be no discontinuation or breakage in the services of the employees of the Demerged Company.



7.2 With effect from the first of the dates of filing of this Scheme with the High Court and up to and including the Effective Date, the Demerged Company shall not vary or modify the terms and conditions of employment of any of its employees engaged in or in relation to the Power Trading Business of the Demerged Company, except with written consent of the Resulting Company.

## 8 LEGAL PROCEEDINGS

8.1 All legal proceedings of whatsoever nature by or against the Demerged Company pending and/or arising before the Effective Date and relating to the Power Trading Business, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Resulting Company, as the case may be in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. Any cost pertaining to the said proceedings between the Appointed Date and the Effective date incurred by the Demerged Company shall be reimbursed by the Resulting Company.

8.2 After the Effective Date, if any proceedings are taken against the Demerged Company in respect of the matters referred to in the sub-clause 8.1 above, they shall defend the same at the cost of the Resulting Company, and the Resulting Company shall reimburse and indemnify the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.

8.3 The Resulting Company undertakes to have all legal or other proceedings initiated by or against the Demerged Company referred to in Clauses 8.1 or 8.2 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company as the case may be, to the exclusion of the Demerged Company.

## 9 CONTRACTS, DEEDS, ETC.

9.1 Notwithstanding anything to the contrary contained in the contract, deed, bond, agreement or any other instrument, but subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and subsisting or having effect on the Effective Date and relating to the Power Trading Business of the Demerged Company, shall continue in full force and effect against or in favour of the Resulting Company and may be enforced effectively by or



against the Resulting Company as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party thereto.

- 9.2 The Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Resulting Company shall, be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Demerged Company.

#### 10 SAVING OF CONCLUDED TRANSACTIONS

- 10.1 The transfer of of properties and liabilities under Clause 4.1 above and the continuance of proceedings by or against the Resulting Company under Clause 8 above shall not affect any transaction or proceedings already concluded by the Demerged Company on or after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company in relation to the Power Trading Business in respect thereto as done and executed on behalf of itself.

### PART C

#### MERGER OF REMAINING JSW POWER TRADING COMPANY LIMITED OR THE TRANSFEROR COMPANY INTO THE TRANSFEREE COMPANY

#### 11 TRANSFER AND VESTING OF UNDERTAKING

- 11.1 With effect from the Appointed Date, Remaining JSW Power Trading Company Limited or the Transferor Company (after demerger of the Power Trading Business) including its properties and assets (whether movable tangible or intangible) of whatsoever nature including investments, shares, debentures, securities, licenses, permits, quotas, approvals, lease, tenancy rights, permissions, incentives if any, benefits of tax relief including under the Income-tax Act, 1961 such as credit for advance tax, credit for Minimum Alternate Tax, taxes deducted at source and all other rights, title, interest, contracts, consent, approvals or powers of every kind, nature and descriptions whatsoever shall under the provisions of Sections 391 to 394 and pursuant to the orders



of the High Court or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date shall stand transferred and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and assets of the Transferee Company.

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

11.3 All the existing securities, mortgages, charges, encumbrances or liens, if any, as on the Appointed Date and those created by the Transferor Company after the Appointed Date, over the assets of the Transferor Company to the Transferee Company shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date. Such securities, mortgages, charges, encumbrances or liens shall not relate or attach or extend to any of the other assets of the Transferee Company.

## **12. CANCELLATION OF SHARE CAPITAL OF THE TRANSFEROR COMPANY**

12.1 The entire issued, subscribed and paid-up share capital of the Transferor Company is held by the Transferee Company. Upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of its holding in the Transferor Company and the share capital including authorized share capital, issued, subscribed and paid-up share capital of the Transferor Company shall stand cancelled.

12.2 Upon the coming into effect of this Scheme, the share certificates, if any, and/or the shares / depository receipts in electronic form representing the shares held by the Transferee Company or by its wholly owned subsidiary in the Transferor Company shall be deemed to be cancelled without any further act or deed for cancellation thereof by the Transferee Company or its wholly owned subsidiary.

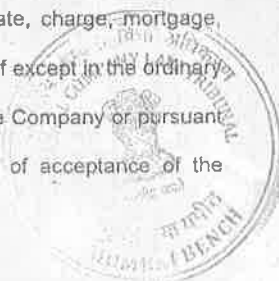
## **13. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEEE COMPANY**



- 13.1 All assets and liabilities of the Transferor Company shall be recorded in the books of the Transferee Company at their respective fair values
- 13.2 Intercompany investments, balances and transactions, if any, shall stand cancelled.
- 13.3 The difference, being the excess of the value of the assets over the value of liabilities of the Transferor Company, after making the adjustment as mentioned above, shall be credited to the Capital Reserve Account of the Transferee Company. In case of there being a deficit, the same would be recorded as Goodwill in the books of the Transferee Company.
- 13.4 In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference till the Appointed Date will be quantified and adjusted in the Profit and Loss Account mentioned earlier to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 13.5 The Board of directors of the Transferee Company may account for any of the balances in accordance with the prescribed Accounting Standards and applicable Generally Accepted Accounting Principles.

#### 14. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

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



Scheme by the respective Boards of Directors of the Transferor Company and the Transferee Company.

- d) The Transferor Company shall not vary the terms and conditions of employment of any of the employees except in the ordinary course of business or without the prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken by the Transferor Company as the case may be, prior to the Appointed Date.

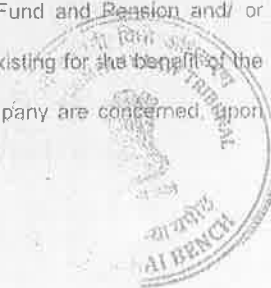
14.2 The Transferee Company shall be entitled, pending the sanction of the Scheme to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which the Transferee Company may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

#### 15. STAFF, WORKMEN & EMPLOYEES

15.1 All the permanent employees of the Transferor Company, who are in service on the date immediately preceding the Effective Date shall, on and from the Effective Date become and be engaged as the employees of the Transferee Company, without any break or interruption in service as a result of the transfer and on terms and conditions not less favourable than those on which they are engaged by the Transferor Company immediately preceding the Effective Date. Services of the employees of the Transferor Company shall be taken into account from the date of their respective appointment with the Transferor Company for the purposes of all retirement benefits and all other entitlements for which they may be eligible. The Transferee Company further agrees that for the purpose of payment of any retrenchment compensation, if any, such past services with the Transferor Company shall also be taken into account.

The services of such employees shall not be treated as having been broken or interrupted for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Transferor Company;

It is provided that as far as the Provident Fund, Gratuity Fund and Pension and/ or Superannuation Fund or any other special fund created or existing for the benefit of the staff, workmen and other employees of the Transferor Company are concerned, upon



the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company in respect of the employees so transferred for all purposes whatsoever relating to the administration or operation of such Funds or Trusts or in relation to the obligation to make contribution to the said Funds or Trusts in accordance with the provisions of such Funds or Trusts as provided in the respective Trust Deeds or other documents. It is the aim and the intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such Funds or Trusts shall become those of the Transferee Company. The Trustees including the Board of Directors of the Transferor Company and the Transferee Company or through any committee / person duly authorized by the Board of Directors in this regard shall be entitled to adopt such course of action in this regard as may be advised provided however that there shall be no discontinuation or breakage in the services of the employees of the Transferor Company.

- 15.2 With effect from the first of the dates of filing of this Scheme with the High Court and up to and including the Effective Date, the Transferor Company shall not vary or modify the terms and conditions of employment of any of its employees, except with written consent of the Transferee Company.

#### 16. LEGAL PROCEEDINGS

- 16.1 All legal proceedings of whatsoever nature by or against the Transferor Company pending and/or arising before the Effective Date and relating to the Transferor Company, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Transferee Company, as the case may be in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Any cost pertaining to the said proceedings between the Appointed Date and the Effective date incurred by the Transferor Company shall be reimbursed by the Transferee Company.

- 16.2 After the Effective Date, if any proceedings are taken against the Transferor Company in respect of the matters referred to in the sub-clause 16.1 above, they shall defend the same at the cost of the Transferee Company, and the Transferee Company shall reimburse and indemnify the Transferor Company against all liabilities and obligations incurred by the Transferor Company in respect thereof.



17. CONTRACTS, DEEDS, ETC.

17.1 Notwithstanding anything to the contrary contained in the contract, deed, bond, agreement or any other instrument, but subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and subsisting or having effect on the Effective Date and relating to the Transferor Company, shall continue in full force and effect against or in favour of the Transferee Company and may be enforced effectively by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

17.2 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.

17.3 It is expressly clarified that upon the Scheme becoming effective all taxes payable by the Transferor Company from the Appointed Date onwards shall be treated as the tax liability of Transferee Company; similarly all credits for tax deduction at source, credit of MAT paid and advance tax paid on the income of Transferor Company shall be available to Transferee Company; or obligation for deduction of tax at source on any payment made by or to be made by Transferor Company shall be made or deemed to have been made and duly complied with as if so made by the Transferee Company.

17.4 All cheques and other negotiable instruments, payment orders received in the name of Transferor Company after the Effective Date shall be accepted by the bankers of Transferee Company and credited to the account of Transferee Company. Similarly, the banker of Transferee Company shall honor cheques issued by Transferor Company for payment after the Effective Date.

18. SAVING OF CONCLUDED TRANSACTIONS



18.1 The transfer of properties and liabilities under Clause 11.2 above and the continuance of proceedings by or against the Transferor Company under Clause 16 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

19. **WINDING UP**

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

**PART D – GENERAL TERMS AND CONDITIONS**

20. **APPLICATION TO HIGH COURT**

20.1 The Demerged Company / the Transferor Company, the Resulting Company and the Transferee Company shall make Applications / Petitions under Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Act to the High Court for sanction of this Scheme under the provisions of law.

21. **MODIFICATION OR AMENDMENTS TO THE SCHEME**

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



**22. CONDITIONALITY OF THE SCHEME**

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

- 22.1 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.
- 22.2 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 the Demerged Company / the Transferor Company, the Resulting Company and the Transferee Company as may be directed by the High Court.
- 22.3 The sanction of the High Court under Sections 391 to 394 in favour of the Demerged Company / the Transferor Company, the Resulting Company and the Transferee Company under the said provisions and to the necessary Order under Section 394 of the Companies Act, 1956 of the said Act being obtained;
- 22.4 Certified or authenticated copy of the Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra at Mumbai by the Demerged Company / the Transferor Company, the Resulting Company and the Transferee Company, as may be applicable;
- 22.5 Requisite form in relation to Part B of the Scheme along with Certified or authenticated copy of the Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, of Maharashtra at Mumbai by the Demerged Company and the Resulting Company as may be applicable.
- 22.6 Requisite form in relation to Part C of the Scheme along with Certified or authenticated copy of the Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, of Maharashtra at Mumbai by the Transferor Company and the Transferee Company as may be applicable. Part III of the Scheme would be given effect to only after Part II of the Scheme is given effect to.

**23. CHANGE OF NAME**

Pursuant to the Scheme, with effect from the Effective Date and after giving effect to the Scheme in its entirety, the name of the Resulting Company will be changed to "JSW Power Trading Company Limited" and would be in deemed compliance with provision of Section 13 of the Act and Rule 29 of Companies (Incorporation) Rules, 2014.



**24. EFFECT OF NON-RECEIPT OF APPROVALS**

In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/ or the Scheme not being sanctioned by the jurisdictional High Court or such other competent authority and / or the Order not being passed as aforesaid before 31<sup>st</sup> March 2016 or within such further period or periods as may be agreed upon between the Demerged Company / the Transferor Company, the Resulting Company and the Transferee Company by their Boards of Directors (and which the Boards of Directors of the Companies are hereby empowered and authorized to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

**25. COSTS, CHARGES & EXPENSES**

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




SCHEDULE I

TERMS AND CONDITIONS FOR ISSUE OF PREFERENCE SHARES

Issuer	JSW Green Energy Limited
Instrument	10% Redeemable Non Cumulative Preference Shares
Face value	Rs. 10 per Preference Share
Redemption terms	<p>1) To be redeemed at par at the end of 20 years from the date of allotment;</p> <p>2) JSW Green Energy Limited will have an option to redeem the Preference Shares at any time after the end of 5 years from the date of allotment;</p> <p>3) Similarly, the Preference Shareholder will have an option to seek redemption of Preference Shares at any time after the end of 5 years from the date of allotment;</p> <p>4) Upon exercise of such option, the Resulting Company's liability to the Preference Shareholders shall stand extinguished from the date of dispatch of the cheques / pay order for the Redemption Amount (subject to realization).</p>

Received True Copy  
 Date of registration 20/8/2017  
 Number of Pages 28  
 Fee Paid Rs. 140  
 Applicant called for collection copy on 9/2/2018  
 Copy prepared on 9/2/2018  
 Copy issued on 9/2/2018

  
 Deputy Director  
 National Company Law Tribunal, Mumbai Bench



IN THE MATTER OF THE COMPANIES ACT, 1956 AND  
OTHER RELEVANT PROVISIONS OF THE COMPANIES ACT,  
2013;  
TRANSFERRED COMPANY SCHEME  
PETITION NO. 09 OF 2017  
CONNECTED WITH  
HIGH COURT COMPANY SCHEME  
PETITION NO. 235 OF 2016

In the matter of the Companies Act, 1956 and  
other relevant provisions of the Companies Act,  
2013;

AND

In the matter of Sections 391 to 394 of the  
Companies Act, 1956 and Sections 230 to 232  
of the Companies Act, 2013;

AND

In the matter of Scheme of Arrangement  
between JSW Power Trading Company Limited  
("Demerged Company") And JSW Green  
Energy Limited ("Resulting Company") And  
JSW Energy Limited ("Transferee Company")  
and their respective shareholders

JSW GREEN ENERGY LIMITED

..... Petitioner Company

AUTHENTICATED COPY OF MINUTES  
OF ORDER DATED 9<sup>TH</sup> MARCH, 2017  
ALONG WITH SCHEME OF  
ARRANGEMENT

M/S HEMANT SETHI & CO.,  
Advocates for the Petitioner  
1602, Nay Patnam,  
Behind Amar Cinema,  
Chambur, Mumbai - 400 071  
O.S.Regu. No.2822

**JSW Energy Limited**



**Monica Chopra  
Company Secretary**

