

SCHEME OF ARRANGEMENT

BETWEEN

TORRENT POWER LIMITED

AND

TORRENT GREEN ENERGY PRIVATE LIMITED

AND

ITS SHAREHOLDERS AND CREDITORS

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



**CERTIFIED TRUE COPY**  
For Torrent Power Limited  
*Rahel C. Shah*  
Company Secretary

(A) PREAMBLE

This scheme of arrangement between (i) Torrent Power Limited ("TPL" or "Transferor Company") (as defined hereinafter) and its shareholders and creditors; and (ii) Torrent Green Energy Private Limited ("TGEL" or "Transferee Company") (as defined hereinafter) and its shareholders and creditors ("Scheme") provides for transfer and vesting of the Renewable Power Undertakings (as defined hereinafter) from TPL to TGEL as a going concern on Slump Sale (as defined hereinafter) basis with effect from Appointed Date (as defined hereinafter), under Sections 230 to 232 and other applicable provisions of the Act (as defined hereinafter). This Scheme also provides for various other matters consequent, incidental, supplemental and / or otherwise integrally connected thereto.

(B) DESCRIPTION OF COMPANIES

1. Torrent Power Limited ("TPL") is a listed company incorporated on 29th April, 2004 under the provisions of Companies Act, 1956 having its registered office at "Samanvay", 600 Tapovan, Ambawadi, Ahmedabad- 380015 in the state of Gujarat. The company was incorporated in the name of Torrent Power Trading Private Limited. Its name was changed to Torrent Power Private Limited on 25th January, 2006; and further to Torrent Power Limited on 08th February, 2006. The Company is primarily engaged in the business of electricity generation, transmission and distribution with operations in the states of Gujarat, Maharashtra and Uttar Pradesh. In addition to thermal and gas based capacities, the Company has set up and is in process of setting up various new solar, wind energy and other forms of green energy power projects. The equity shares of TPL are listed on the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited.

2. Torrent Green Energy Private Limited is a company incorporated on 02<sup>nd</sup> August 2023 under the provisions of Companies Act, 2013 ("TGEL") having its registered office at "Samanvay", 600 Tapovan, Ambawadi, Ahmedabad- 380015. The Company has been incorporated with the object of inter-alia setting up and operating solar, wind, hybrid, pump hydro storage, green hydrogen and other forms of renewable and green energy projects. The equity shares of TGEL are not listed on Stock Exchanges. TGEL is a wholly owned subsidiary of TPL.

(C) RATIONALE FOR THE SCHEME

1. The Transferor Company and the Transferee Company are part of the same group ("Torrent Group") and are owned, controlled and managed by the management of the Torrent Group.

**CERTIFIED TRUE COPY**  
For Torrent Power Limited  
*Rahul C. Shah*  
Company Secretary





2. To streamline the current business structure management of the said companies are desirous of entering into scheme of arrangement between the Transferor Company and the Transferee Company.
3. The Transferor Company is inter alia engaged in business of generation of power through renewable and non-renewable sources, transmission and distribution of electricity.
4. The proposed arrangement will enable the Transferor Company to provide greater business attention and focus on the business of generation through convention sources, transmission and distribution of electricity. In addition, the Renewable Power Undertakings will be transferred into the Transferee Company to enable unlocking of value of the Renewable Power business in future.
5. The Renewable Power Undertakings comprises of 316.60 MW of solar and wind power, consisting of Charanka Solar Power Undertaking, Lalpur Wind Power Undertaking, Mahidad Wind Power Undertaking and Nakhatrana, Jamanwada, Nakhatrana Extension Wind Power Undertaking, all situated in the state of Gujarat.
6. India is a high growth market and is expected to continue to see a deficit of renewable energy in the foreseeable future. Further, as the green economy expands, TGEL will be well positioned to support the expanding demand.
7. The distinct business profile provides the opportunity to potentially attract a different pool of investors and strategic partners for the Renewable Power business.
8. Accordingly, this Scheme is being proposed for transfer of the Renewable Power Undertakings to TGEL as a going concern on Slump Sale basis.
9. The transfer of the Renewable Power Undertakings from the Transferor Company to the Transferee Company would inter alia achieve the following benefits:
  - a. Value creation for shareholders:
    1. The proposed transfer of the renewable energy business of the Transferor Company to the Transferee Company will improve visibility of the renewable portfolio;
    2. The proposed transfer of the renewable energy business of the Transferor Company to the Transferee Company will position the Transferee Company as renewable energy vehicle;
    3. The renewable portfolio is expected to command growth premium since the Transferee Company will have distinguished growth trajectory; and
    4. Help in unlocking value of green and renewable business;
  - b. Facilitate renewable energy-based power business to be effectively integrated which is expected to enhance management focus and operational flexibility resulting in synergies in business development, operations and maintenance of clean and renewable energy assets;



**CERTIFIED TRUE COPY**  
For Torrent Power Limited  
*Rajni C. Shah*  
Company Secretary

In view of the aforesaid advantages, the Board of Directors of both the Companies have considered and proposed Scheme of Arrangement under the provisions of Section 230 to Section 232 of the Companies Act, 2013.

The present Scheme of Arrangement is proposed for the transfer and vesting of the Renewable Power Undertakings of the TPL to TGEL as a going concern, on Slump Sale basis in accordance with Section 2(42C) of the IT Act.

The Scheme is in the interest of TPL, TGEL and their respective stakeholders.

## 1. DEFINITIONS

In this Scheme, (i) capitalised terms defined by inclusion in quotations and/or parenthesis shall have the meanings so ascribed; and (ii) the following expressions shall have the meanings ascribed hereunder:

(i) **“Act”** means the Companies Act, 2013 and rules and regulations made there under as may be applicable, including any statutory modification, re-enactments or amendments thereof;

(ii) **“Applicable Law”** or **“Law”** means any applicable national, foreign, provincial, local or other law including applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal having jurisdiction over the Transferor and Transferee Companies; (b) Permits; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Transferor and Transferee Companies as may be in force from time to time;

(iii) **“Appointed Date”** means 1<sup>st</sup> April 2024 or any other date as approved by NCLT.;

(iv) **“Appropriate Authority”** means:

(a) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, tribunal, central bank, commission or other authority thereof;

(b) any governmental, quasi-governmental or private body or agency lawfully exercising or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, Tax, importing, exporting or other governmental or quasi- governmental authority including without limitation, SEBI, and the Tribunal; and

(c) any Stock Exchange.

(v) **“Board”** in relation to TPL and TGEL, as the case may be, means the

**CERTIFIED TRUE COPY**  
For Torrent Power Limited  
*Rohit C. Shah*  
Company Secretary





board of directors of the respective company, and shall include a committee of directors or any person authorized by such board of directors or such committee of directors duly constituted and authorized for matters pertaining to this Scheme or any other matter relating thereto;

(vi) **"Charanka Solar Power Undertaking"** means 51 MW of solar power undertaking situated at Village Charanka, Taluka Santalpur, District Patan, Gujarat.

(vii) **"Committee of Directors"** means any committee as constituted by the Board of Directors.

(viii) **"Companies"** means the Transferor Company and the Transferee Company.

(ix) **"Effective Date"** means the day on which last of the conditions specified in Clause 16 (Conditions Precedent) of this Scheme are complied with or otherwise duly waived and necessary orders, approvals and consents referred to therein have been obtained;

(x) Reference in this Scheme to the date of **"coming into effect of this Scheme"** or **"effectiveness of this Scheme"** or **"effect of this Scheme"** or **"upon the Scheme becoming effective"** shall mean the Effective Date;

(xi) **"Encumbrances"** means any mortgage, charge, pledge, lien, hypothecation, assignment, escrow arrangement, trust arrangement, title retention or other arrangement of any kind having the effect of conferring security or interest or right of any nature whatsoever on the assets of the Company.

(xii) **"Income Tax Act"** means the Income-tax Act, 1961;

(xiii) **"Lalpur Wind Power Undertaking"** means 49.60 MW of wind power undertaking situated at Village: Bhangor, Taluka: Bhanvad, District Jamnagar, Gujarat

(xiv) **"Mahidad Wind Power Undertaking"** means 14.40 MW of wind power undertaking situated at Village Chobari, Taluka Chotila, District Surendranagar, Gujarat

(xv) **"Nakhatrana, Jamanwada, Nakhatrana Extension Wind Power Undertaking"** means 201.60 MW of wind power undertaking situated at Village Ukir, Taluka Abdasa, District Kutch, Gujarat, Village, Veyar, Talika Nakhatrana, District Kutch, Gujarat and Village Bandiya, Taluka Abdasa, District Kutch, Gujarat

(xvi) **"Permits"** means all consents, licences, permits, certificates, permissions, authorisations, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no objections, whether governmental, statutory, regulatory or otherwise as required under Applicable Law;



**CERTIFIED TRUE COPY**  
For Torrent Power Limited  
*Rohini C. Shah*  
Company Secretary

(xvii) "**Person**" means an individual, a partnership, a corporation, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;

(xviii) "**Renewable Power Undertaking(s)**" collectively means (i) Charanka Solar Power Undertaking (ii) Lalpur Wind Power Undertaking (iii) Mahidad Wind Power Undertaking and (iv) Nakhatrana, Jamanwada and Nakhatrana Extension Wind Power Undertaking

(xix) "**Remaining Undertaking**" means all of the businesses, units, divisions, Undertaking, and assets and liabilities of TPL other than the Renewable Power Undertakings;

(xx) "**RoC**" means the relevant jurisdictional Registrar of Companies having jurisdiction over TPL and TGEL, as the case may be;

(xxi) "**Rs**" or "**Rupee(s)**" means Indian Rupee, the lawful currency of the Republic of India;

(xxii) "**Scheme**" or "**this Scheme**" means this scheme of arrangement as modified from time to time;

(xxiii) "**SEBI**" means the Securities and Exchange Board of India;

(xxiv) "**SEBI Circular**" means the circular issued by the SEBI, being SEBI Master Circular No. SEBI/HO/CFD/POD-2 /P/CIR/ /2023/93 dated June 20, 2023, and any amendments thereof, modifications issued pursuant to regulations 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(xxv) "**SEBI LODR Regulations**" means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and any amendments thereof;

(xxvi) "**Slump Sale**" means the sale of an undertaking on a *going concern* basis as defined under Section 2(42C) of the Income Tax Act and "as-is-where-is" basis, for a lump sum consideration without values being assigned to the individual assets and liabilities;

(xxvii) "**Stock Exchanges**" means BSE Limited and National Stock Exchange of India Limited, collectively;

(xxviii) "**Tax Laws**" means all Applicable Laws dealing with Taxes including but not limited to income- tax, wealth tax, sales tax / value added tax, service tax, goods and services tax, excise duty, customs duty or any other levy of similar nature;

(xxix) "**Taxation**" or "Tax" or "taxes" means all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and services or otherwise and shall further include



CERTIFIED TRUE COPY  
For Torrent Power Limited  
*Rohit C. Shah*  
Company Secretary



payments in respect of or on account of Tax, whether by way of deduction at source, collection at source, dividend distribution tax, advance tax, minimum alternate tax, goods and services tax or otherwise or attributable directly or primarily to TPL and TGEL, as the case may be, or any other Person and all penalties, charges, costs and interest relating thereto; and

(xxx) "**Tribunal**" means the relevant bench of the National Company Law Tribunal having jurisdiction over TPL and TGEL.

(xxxi) "**Transferor Company**:" means Torrent Power Limited, "**TPL**", a company incorporated under the provisions of the Companies Act, 1956, having Corporate Identity Number L31200GJ2004PLC044068 and its registered office at "Samanvay", 600, Tapovan, Ambawadi Ahmedabad – 380015, Gujarat, India;

(xxxii) "**TGEL**" means Torrent Green Energy Private Limited, a company incorporated under the provisions of the Companies Act, 2013 having Corporate Identity Number U35105GJ2023PTC143527 and its registered office at "Samanvay", 600, Tapovan, Ambawadi Ahmedabad – 380015, Gujarat, India;

(xxxiii) "**Undertaking(s)**" forming part of Renewable Power Undertakings means (a) together with its assets (including capital work in progress) including land and building, leasehold rights, all legal and contractual rights and working capital (including all inventories), whether tangible or intangible, in-scope employees and liabilities, in each case, on an as is where is basis, as such assets and liabilities shall exist on the Appointed Date.

Further, the right of occupancy and use of the land and building for Renewable Power Undertakings.

Without prejudice to the generality of the provisions of the foregoing, the Renewable Power Undertakings shall include:

- (a) all the present, future and contingent movable and immovable properties, leasehold rights, tangible or intangible, including all, plant and machinery, equipment, furniture, fixtures, vehicles, inventories, stock-in-trade or stock-in-transit and merchandising including raw materials, supplies, finished goods, wrapping supply and packaging items, leasehold assets and other properties, including contingent assets of whatsoever nature, cash in hand/ banks, investments, escrow accounts, claims, powers, authorities, rights, credits, titles, interests, benefits, right to use and avail of telephones, telex, facsimile, email, internet, leased lines and other communication facilities, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds, and benefits (including all work-in progress), of all agreements, arrangements, deposits, advances, recoverable and receivables, all receivables (including, royalty receivables), loans and advances also including accrued interest thereon, all advance payments, earnest monies and/ or security deposits, payment against warrants, if any, or other entitlements of the Transferor Company, and also, benefits,



CERTIFIED TRUE COPY  
For Torrent Power Limited  
*Rahul C. Shah*  
Company Secretary



exemptions, licenses, privileges and approvals of whatsoever nature and wheresoever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favor of or enjoyed by the respective Demerged Company, all the debts, liabilities, duties and obligations including contingent liabilities of TPL in relation to and pertaining to the Renewable Power Undertakings;

- (b) all refunds, reimbursements, claims, concessions, exemptions, benefits including sales tax deferrals, income tax deducted at source, goods and service tax credit, deductions and benefits under the relevant Law or any other taxation statute with respect to the Renewable Power Undertakings;
- (c) all Permits, licences, approvals, registrations, quotas, incentives, powers, authorities, allotments, consents, rights, benefits, advantages, municipal permissions, pertaining to the Renewable Power Undertakings;
- (d) entire experience, credentials, past record pertaining to the Renewable Power Undertakings; and
- (e) All applications (including hardware, software, licenses, source codes, parameterizations, scripts, registrations, approvals, certificates, permits, entitlements, concessions, exemptions, subsidies, authorizations, trademarks, tradenames, patents, patent rights, copyrights, goodwill, and other intellectual properties (excluding Torrent trademark and Torrent trade name) and rights of any nature whatsoever including know-how, domain names, assignments, rights, import quotas, right to use, income tax benefits and any other exemptions as available under the IT Act and other rights, receivables and liabilities related thereto, privileges, advantages and all other facilities of every kind, nature and description whatsoever pertaining to Renewable Power Undertakings of Transferor Company;
- (f) All rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Transferor Company and exclusively and solely pertaining to or in connection with the Renewable Power Undertakings and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company and exclusively and solely pertaining to the Renewable Power Undertakings;

- (g) Without prejudice to the generality of the above, Renewable Power



CERTIFIED TRUE COPY  
For Torrent Power Limited  
*Rahul C. Shah*  
Company Secretary



Undertakings of Transferor Company shall include all movable and immovable assets, cash balances with banks, investments, benefits under bank guarantees, claims, powers, allotments, leasehold rights, brands, sub-letting tenancy rights, with or without the consent of the landlord as may be required by law, loans, advances, contingent rights or benefits, receivables, earnest monies, advances, exemptions and approvals of whatsoever nature (including but not limited to benefits of tax relief including under the IT Act such as credit for advance tax, taxes deducted at source, minimum alternate tax, brought forward accumulated tax losses, unabsorbed depreciation, etc.), unutilized deposits or credits, right to use and avail telex, facsimile and other communication facilities and equipment, rights and benefits of all agreements, pending applications and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals etc. pertaining to Renewable Power Undertakings of Transferor Company;

- (h) all books, records, files, papers, engineering and process information, computer programs, software licenses (whether proprietary or otherwise), drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or relating to the Renewable Power Undertakings.
- (i) All agreements, power sales agreement, memoranda of agreements/understandings, contracts, arrangements, understandings, engagements, deeds and instruments including lease/license agreements, joint development agreements, tenancy rights, equipment purchase agreements, and other agreements with the customers, purchase and other agreements/contracts with the supplier/manufacturer of goods/service providers and all rights, title, interests, claims and benefits thereunder of the Renewable Power Undertakings of Transferor Company;
- (j) all legal or other proceedings of whatsoever nature relating to the Renewable Power Undertakings

Explanation: Whether any particular asset, liability or employee should be included as asset, liability or employee of Renewable Power Undertakings of Transferor Company or otherwise shall be decided mutually by the Board of Directors or any committee thereof of the Transferor Company and the Transferee Company.

1.2 In this Scheme, unless the context otherwise requires:

- 1.2.1 words denoting the singular shall include the plural and vice versa and references *to any gender includes the other gender*;
- 1.2.2 headings, sub-headings, titles, sub-titles to clauses, sub-clauses and



**CERTIFIED TRUE COPY**  
For Torrent Power Limited  
*Rahul C. Shah*  
Company Secretary



paragraphs are for information and convenience only and shall be ignored in construing the same; and

- 1.2.3 the words “include” and “including” are to be construed without limitation.

## 2. SHARE CAPITAL

- 2.1 The share capital of TPL as on 31<sup>st</sup> March 2023 is as follows:

Particulars	Rs
<b>Authorised Share Capital</b>	
437,00,00,000 equity shares of Rs 10 each	4370,00,00,000
<b>Total</b>	<b>4370,00,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
48,06,16,784 fully paid-up equity shares of Rs 10 each	480,61,67,840
<b>Total</b>	<b>480,61,67,840</b>

There has been no change in share capital of TPL for period from 01<sup>st</sup> April 2023 to 30<sup>th</sup> June 2023.

The share capital of TPL as on 30<sup>th</sup> June 2023 is as follows:

Particulars	Rs
<b>Authorised Share Capital</b>	
437,00,00,000 equity shares of Rs 10 each	4370,00,00,000
<b>Total</b>	<b>4370,00,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
48,06,16,784 fully paid-up equity shares of Rs 10 each	480,61,67,840
<b>Total</b>	<b>480,61,67,840</b>

TPL has no outstanding employee stock options.

- c. The share capital of TGEL as on 08<sup>th</sup> August 2023 is as follows:

Particulars	Rs
<b>Authorised Share 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 Capital</b>	
50,000 equity shares of Rs 10 each	5,00,000
<b>Total</b>	<b>5,00,000</b>

## 3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

- 3.1 This Scheme set out herein in its present form or with any modification(s) made as per Clause 15 of this Scheme, shall become effective from the Appointed Date but shall be operative from the Effective Date.



**CERTIFIED TRUE COPY**  
For Torrent Power Limited  
*Rubini C. Shah*  
Company Secretary



#### 4. TRANSFER AND VESTING OF THE RENEWABLE POWER UNDERTAKINGS

4.1 With effect from the Appointed Date and upon this Scheme coming into effect, the Renewable Power Undertakings shall pursuant to Sections 230 to 232 of the Act, without any further act, instrument or deed, be transferred from TPL to and be vested in or be deemed to have been transferred to and vested in TGEL as a *going concern* on Slump Sale basis so as to become on and from the Appointed Date.

4.2 In respect of such assets and properties including plant and machinery (including but not limited to all intangible assets) forming part of the Renewable Power Undertakings which are movable in nature or are otherwise capable of transfer by delivery or possession or by endorsement, the same shall stand transferred from TPL to TGEL upon coming into effect of this Scheme and shall, *ipso facto* and without any other or further order to this effect, become the assets and properties of TGEL without requiring any deed or instrument of conveyance for transfer of the same.

4.3 With respect to the assets of the Renewable Power Undertakings other than those referred to in Clause 4.2 above and Clause 4.4 below, including all rights and interests in the agreements (including agreements for lease or license of the properties), sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, balances & deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of TPL, the same shall, without any further act, instrument or deed, be transferred to and/or be deemed to be transferred to TGEL, with effect from the Appointed Date by operation of law as transmission in favour of TGEL

4.4 With regard to assets such as leases or licenses of the properties, TGEL will enter into novation agreements, if it is so required.

4.5 In respect of the occupancy, lease and usage rights of the land and building, the same shall stand transferred to TGEL with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by TPL and/or TGEL. The occupancy and usage rights of the land and building are hereby transferred in favour of TGEL by TPL as an integral part of the Scheme. This transfer shall also be subject to terms and conditions of lease agreements stipulated by Government for the lease. For this purpose, if required, the Transferor and Transferee Companies shall register the true copy of the order of the Tribunal approving the Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such land and building and shall also execute and register, as required, such other documents which may be necessary in this regard and no separate instrument including the one which creates the occupancy and usage rights in the land and building will be required to be registered separately.

4.6 Upon effectiveness of this Scheme, liabilities forming part of the Renewable



CERTIFIED TRUE COPY  
For Torrent Power Limited

Rahul C. Shah  
Company Secretary



Power Undertakings, as on the Appointed Date shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to TGEL and TGEL shall meet, discharge and satisfy the same. In so far as indirect Tax liabilities are concerned, in particular, any liability with respect to the goods and services tax, value added tax, purchase tax, sales tax or any other duty or tax in relation to the Renewable Power Undertakings, shall be treated as liabilities of TGEL.

- 4.7 In so far as assets comprised in the Renewable Power Undertakings are concerned, the security by way of existing charges, mortgages or other.
- 4.8 encumbrances, if any, over or in respect of any such assets relating to any loans or borrowings of TPL which are not transferred to TGEL shall, without any further act, deed or instrument, be and stand released and discharged from the same and such assets shall no longer be available as security in relation to those loans or borrowings of TPL.
- 4.9 In respect of unutilized input credits of goods and services tax of TPL, the portion which will be attributed to the Renewable Power Undertakings and be transferred to TGEL shall be determined by the Board of TPL in accordance with Applicable Law.
- 4.10 Upon the Scheme becoming effective, TPL and TGEL shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme. It is further clarified that TGEL shall be entitled to claim deduction under Section 43B of the Income Tax Act in respect of the unpaid liabilities transferred to it as part of the Renewable Power Undertakings to the extent not claimed by TPL, as and when the same are paid subsequent to the Appointed Date.
- 4.11 Subject to Clause 4 and any other provisions of the Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with the Renewable Power Undertakings, TPL shall, if so required by TGEL, issue notices in such form as Transferor and Transferee Companies may mutually agree stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of TGEL, as the Person entitled thereto, to the end and intent that the right of TPL to recover or realise the same stands transferred to TGEL and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- 4.12 On and from the Effective Date, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of TPL, in relation to or in connection with the Renewable Power Undertakings, shall be accepted by the bankers of TGEL and credited to the account of TGEL, if presented by TGEL.

- 4.13 Without prejudice to the foregoing provisions of this Clause 4 and upon the effectiveness of this Scheme, TPL and TGEL may execute any and all instruments or documents and do all acts, deeds and things as may be required, including filing of necessary particulars and/ or



CERTIFIED TRUE COPY  
For Torrent Power Limited  
*Rohini C. Shroff*  
Company Secretary



modification(s) of charge(s), with the concerned RoC or filing of necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme.

- 4.14 Permits, including the benefits attached thereto, pertaining to the Renewable Power Undertakings shall be transferred to TGEL from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of TGEL as if the same were originally given by, issued to or executed in favour of TGEL and TGEL shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to TGEL to carry on the operations pertaining to the Renewable Power Undertakings without any hindrance, whatsoever.
- 4.15 On coming into effect of this Scheme, without any further act or deed and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, engagements, arrangements and other instruments (including all tenancies, leases, licences and other assurances in favour of TPL or powers or authorities granted by or to it) of whatsoever nature in relation to the Renewable Power Undertakings (other than those taken for TPL as a whole or without reference to specific assets pertaining to the Renewable Power Undertakings) to which TPL is a party or to the benefit of which TPL may be eligible, or under which TPL has any obligations to discharge and which are subsisting or having effect shall, without any further act, instrument or deed, continue in full force and effect in favour of, by, for or against TGEL and may be enforced as fully and effectually as if, instead of TPL, TGEL had been a party or beneficiary or obligor or obligor thereto or thereunder.
- 4.16 Any assets acquired by the Transferor Company after the Appointed Date but prior to the Effective Date pertaining to the Renewable Power Undertakings shall upon the coming into effect of this Scheme also without any further act, instrument or deed stand transferred to and vested in or be deemed to have been transferred to or vested in the Transferee Company upon the coming into effect of this Scheme.
- 4.17 On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company, in relation to or in connection with the Renewable Power Undertakings, and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in relation to or in connection with the Renewable Power Undertakings of the Transferor Company, in the name of the Transferor Company in so far as may be necessary until the transfer of rights and obligations of the Renewable Power Undertakings to the Transferee Company under this Scheme have been formally given effect to under such contracts and/or transactions.

4.18 Without prejudice to the other provisions of this Scheme and



CERTIFIED TRUE COPY  
For Torrent Power Limited  
*Rohit C. Ghan*  
Company Secretary



notwithstanding the fact that vesting of the Renewable Power Undertakings occurs by virtue of this Scheme, TGEL may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement to which TPL is a party or any writings as may be necessary in order to give effect to the provisions of this Scheme.

## **5. EMPLOYEES**

- 5.1 With effect from the Effective Date, TGEL undertakes to engage, without any interruption in service, all employees of TPL, engaged in or in relation to the Renewable Power Undertakings, on the terms and conditions to be decided by TGEL. TGEL undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by TPL with any of the aforesaid employees or union representing them. TGEL agrees that the services of all such employees with TPL prior to the transfer shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retirement/ terminal benefits.
- 5.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing gratuity fund, superannuation fund or any other fund(s), of which they are members, as the case may be, will be transferred respectively to such gratuity fund and superannuation fund or other fund(s) nominated by TGEL and/ or such new gratuity fund, superannuation fund or any other fund to be established by TGEL in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities. Pending the transfer as aforesaid, the dues of the said employees may be continued to be deposited in the existing gratuity fund, superannuation fund or other fund(s) respectively of TPL, as may be decided between the Transferor and Transferee Companies.
- 5.3 In so far as provident fund is concerned, the balances standing to the credit of the said employees in the existing provident fund of TPL may be retained in such provident fund and such provident fund may be continued for the benefit of: (a) the said employees who are transferred to TGEL, as aforesaid; and (b) other employees of TPL. In relation to the employees being transferred, TGEL shall stand substituted for TPL, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions thereof. The rules of such existing provident fund trust shall stand amended accordingly. The employees of TPL engaged in or in relation to the Renewable Power Undertakings who are transferred to TGEL, as aforesaid, shall be deemed to constitute a separate class of employees of TGEL for the purpose of compliance with the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952.



CERTIFIED TRUE COPY  
For Tarant Power Limited

*Reehul C. Shan*  
Company Secretary



- 5.4 Any question that may arise as to whether any employee belongs to or does not belong to Renewable Power Undertakings shall be decided by the Committee of Directors or Board of Directors of the Transferor Company and the Transferee Company respectively.

## **6. LEGAL PROCEEDINGS**

- 6.1 Upon coming into effect of this Scheme, all demands, claims, show cause notices, suits, actions, administrative proceedings, tribunals proceedings, legal and other dispute resolution proceedings of whatsoever nature (except proceedings under the Income Tax Act) by or against TPL pending and/or arising on or before the Appointed Date or which may be instituted at any time thereafter and in each case relating to the Renewable Power Undertakings shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme but shall be continued and be enforced by or against TGEL with effect from the Appointed Date in the same manner and to the same extent as would or might have been continued and enforced by or against TPL. TGEL shall be substituted in place of TPL or added as party to such proceedings and shall prosecute or defend all such proceedings at its own cost, in cooperation with TPL and the liability of TPL shall stand nullified. TPL shall in no event be responsible or liable in relation to any such legal or other proceedings in relation to the Renewable Power Undertakings.
- 6.2 TGEL undertakes to have all legal and other proceedings (except proceedings under the Income Tax Act) initiated by or against TPL referred to in Clause 6.1 above transferred to its name as soon as is reasonably practicable after the Effective Date and to have the same continued, prosecuted and enforced by or against TGEL to the exclusion of TPL on priority. Both the Transferor and Transferee Companies shall make relevant applications and take all steps as may be required in this regard.
- 6.3 It is hereby expressly clarified that any legal proceedings by or against the Transferor Company in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company and pertaining to the Renewable Power Undertakings shall be instituted, or as the case may be, continued, by or against, the Transferee Company after the coming into effect of the Scheme.
- 6.4 Notwithstanding anything contained hereinabove, if at any time after the Effective Date, TPL is in receipt of any demand, claim, notice and/ or is impleaded as a party in any proceedings before any Appropriate Authority (except proceedings under the Income Tax Act), in each case in relation to the Renewable Power Undertakings, TPL shall, in view of the transfer and vesting of the Renewable Power Undertakings pursuant to this Scheme, take all such steps in the proceedings before the Appropriate Authority to replace TPL with TGEL. However, if TPL is unable to get TGEL replaced in its place in such proceedings, TPL shall defend the same or deal with such demand in accordance with the advice of TGEL and at the cost of TGEL and



TRUE COPY  
For Renewable Power Limited  
*Rahul C. Shah*  
Company Secretary

the latter shall reimburse to TPL against all liabilities and obligations incurred by TPL in respect thereof.

- 6.5 Any proceedings, of whatsoever nature by or against the Transferor Company pending and/or arising after Appointed Date but before the Effective Date and relating to the Renewable Power Undertakings it shall have the same transferred in the name of Transferee Company. If such transfer is not possible for any reason whatsoever, then the Transferor Company shall defend the same in accordance with the advice of the Transferee Company and at the cost of the Transferee Company, and the latter shall reimburse and indemnify the Transferor Company against all liabilities and obligations incurred by the Transferor Company in respect thereof.

## 7. CONSIDERATION

- 7.1 In consideration for the Slump Sale of the Renewable Power Undertakings, TGEL shall pay a lump sum cash consideration of INR 1,056.97 crores detailed as under:

Sr. no.	Undertaking	Consideration (Rupees crores)
1.	Charanka Solar Power Undertaking	177.88
2.	Lalpur Wind Power Undertaking	57.80
3.	Mahidad Wind Power Undertaking	46.94
4.	Nakhatrana, Jamanwada, Nakhatrana Extension Wind Power Undertaking	774.35
	<b>TOTAL</b>	<b>1,056.97</b>

- 7.2 The consideration for the transfer of the Renewable Power Undertakings, as mentioned in Clause 7.1 above, shall be payable by TGEL to TPL, in one or more tranches, with or without interest within a period of six months from the Effective Date.

The aforesaid amount payable by way of cash consideration shall be subject to Book Value Adjustments. For the purpose of this clause, "Book Value Adjustments" shall be computed as under:

- a. If the Book Value as on Appointed Date is more than the Book Value as on Cut-off Date, then the difference shall be added to the amount of cash consideration,
- b. If the Book Value as on Appointed Date is less than the Book Value as on Cut-off Date, then the difference shall be reduced from the amount of cash consideration

"Book Value as on Cut-off Date" means Rs. 1056.97 crores as on 30<sup>th</sup> June, 2023.



CERTIFIED TRUE COPY  
For Torrent Power Limited  
*Rachin C. Shah*  
Company Secretary



- 7.3 Further, the Transferor and Transferee Companies may agree that for the whole or part of the consideration, (i) TGEL may issue to TPL one or more debt securities carrying such interest / return and on such terms and conditions to be mutually agreed between the Transferor and Transferee Companies; and (ii) TGEL may convert it into an interest-bearing loan on terms and conditions to be mutually agreed between the Transferor and Transferee Companies.

## **8. ACCOUNTING TREATMENT**

### **8.1 ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEE COMPANY**

Notwithstanding anything to the contrary contained herein, the Transferee Company shall account for the acquisition of the Renewable Power Undertakings in its books of account on and from the Appointed date as follows:

- recognise assets and liabilities of the Renewable Power Undertakings at the carrying values as appearing in the financial statements of the Transferor
- recognise consideration payable/paid
- difference (if any) between the consideration paid/payable and carrying value of net assets recognised shall be adjusted in capital reserve within equity.

Any matter not dealt with in clause hereinabove will be dealt in accordance with applicable accounting principles as prescribed under the Companies (Indian Accounting Standards) Rules, 2015, as may be amended and relevant clarification issued by Institute of Chartered Accountants of India

### **8.2 ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEROR COMPANY**

Notwithstanding anything to the contrary contained herein, the Transferor Company shall account for the transfer of the Renewable Power Undertakings in its books of accounts on the Appointed date by de-recognising assets and liabilities of the Renewable Power Undertakings and recognising consideration received/receivable.

Any matter not dealt with in clause hereinabove will be dealt in accordance with applicable accounting principles as prescribed under the Companies (Indian Accounting Standards) Rules, 2015, as may be amended and relevant clarification issued by Institute of Chartered Accountants of India.

## **9. REMAINING UNDERTAKING**

- 9.1 The Remaining Undertaking shall continue to belong to and be owned and managed by TPL. TPL shall continue to be liable to perform and discharge



**CERTIFIED TRUE COPY**  
For Torrent Power Limited  
*Rahmi C. Shan*  
Company Secretary



all its liabilities and obligations in relation to the Remaining Undertaking and TGEL shall not have any liability or obligation in relation to the Remaining Undertakings.

- 9.2 If TGEL is in receipt of any demand, claim, notice and/or is impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Remaining Undertaking, TGEL shall take all such steps in the proceedings before the Appropriate Authority to substitute TGEL with TPL. However, if TGEL is unable to get TPL so substituted in such proceedings, it shall defend the same or deal with such demand in accordance with the advice of TPL and at the cost of TPL and the latter shall reimburse TGEL, against all liabilities and obligations incurred by or against TGEL, in respect thereof.

#### **10. BUSINESS UNTIL EFFECTIVE DATE**

With effect from the date when the Board of TPL approves this Scheme and up to and including the Effective Date, TPL shall carry on the business pertaining to the Renewable Power Undertakings in the ordinary course consistent with past practice.

#### **11. PROPERTY IN TRUST**

Notwithstanding anything contained in this Scheme, on and after the Effective Date, until any property, asset, license, Permit, contract, agreement and rights and benefits arising therefrom pertaining to the Renewable Power Undertakings is transferred, vested, recorded, effected and/ or perfected, in the records of any Appropriate Authority or otherwise, in favour of TGEL, TGEL is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, Permit, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, Permit, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authorities, TPL will continue to hold the property and/or the asset, license, Permit, contract or agreement and rights and benefits arising therefrom in trust for and on behalf of TGEL.

#### **12. FACILITATION PROVISIONS**

Upon the Scheme being effective, the Transferor and Transferee Companies shall enter into agreements as may be mutually agreed, *inter alia*, in relation to use of land, office space, brand, infrastructure facilities, information technology services, security personnel, legal, administrative and other services, etc. on such terms and conditions as may be mutually agreed between them.

#### **13. APPLICATIONS/ PETITIONS TO THE TRIBUNAL**

The Transferor and Transferee Companies shall make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the Tribunal, for sanction of this Scheme under the provisions of the Act.



**CERTIFIED TRUE COPY**  
For Torrent Power Limited  
*Rahul C. Shan*  
Company Secretary



#### **14. MODIFICATION OR AMENDMENTS TO THIS SCHEME**

- 14.1 The Board of the Transferor and Transferee Companies acting jointly may make any modifications or amendments to this Scheme at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or appropriate. The Board of the Transferor and Transferee Companies may consent to any conditions or limitations that the Tribunal or any other Appropriate Authority may impose.
- 14.2 In case, post approval of the Scheme by the NCLT, there is any confusion or ambiguity in interpreting any clause of this Scheme, or otherwise, the Board of Directors of the Transferor Company and the Transferee Company will have complete power to take the most sensible interpretation so as to render the Scheme operational.
- 14.3 For the purposes of giving effect to this Scheme, the Board of Directors of the Transferor Company and the Transferee Company may jointly give such directions including directions for settling any question or difficulty that may arise and such directions shall be binding as if the same were specifically incorporated in this Scheme.

#### **15. CONDITIONS PRECEDENT**

- 15.1 Unless otherwise decided (or waived) by the relevant Transferor and Transferee Companies, the Scheme is conditional upon and subject to the following conditions precedent:
- 16.1.1 obtaining no-objection/ observation letter from the Stock Exchanges in relation to the Scheme under Regulation 37 of the SEBI LODR Regulations;
- 16.1.2 approval of the Scheme by the requisite majority of shareholders and creditors of the Transferor and Transferee Companies in value, as applicable or as may be required under the Act and as may be directed by the Tribunal;
- 16.1.3 the sanctions and orders of the Tribunal, under Sections 230 to 232 of the Act being obtained by the Transferor and Transferee Companies; and
- 16.1.4 the certified copy of the orders of the Tribunal being filed with the RoC by the Transferor and Transferee Companies.
- 15.2 It is hereby clarified that submission of this Scheme to the Tribunal and to the Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, titles or defences that Transferor and Transferee Companies may have under or pursuant to all Applicable Laws.

#### **16. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS**

In the event of any of the said sanctions and approvals referred to in above clause not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by NCLT and/or order or



FOR TRUE COPY  
For Torrent Power Limited  
*Rohini C. Shah*  
Company Secretary



orders not being passed as aforesaid, this Scheme shall stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se between the Transferor Company and Transferee Company or their respective shareholders or creditors or employees or any other person and save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the Applicable Law and in such case, each party shall bear its own costs unless otherwise mutually agreed.

#### **17. WITHDRAWAL OF THIS SCHEME**

- 17.1 The Board of TPL and TGEL, acting jointly, shall be at liberty to withdraw the Scheme, any time before the Scheme is effective.
- 17.2 In the event of withdrawal of the Scheme under Clause 18.1 above, no rights and liabilities whatsoever shall accrue to or be incurred by *inter se* the Transferor and Transferee Companies or their respective shareholders or creditors or employees or any other Person.

#### **18. COSTS AND EXPENSES**

All costs, charges and expenses payable in relation to or in connection with this Scheme and incidental to the completion of the transfer and vesting of the Renewable Power Undertakings in TGEL in pursuance of this Scheme including stamp duty on the order(s) of the Tribunal, if any, to the extent applicable and payable shall be borne in the manner as may be mutually agreed to between the Board of Directors of Transferor Company and Transferee Company..



**CERTIFIED TRUE COPY**  
For Torrent Power Limited

*Rachael C. Chan*

Company Secretary



## SCHEDULE

### STATEMENT INDICATING NET ASSET VALUE (BOOK VALUE) OF RENEWABLE POWER UNDERTAKINGS AS AT 30<sup>TH</sup> JUNE 2023

Particulars (All amounts in Rs. Crores)	Nakhatrana, Jamanwada, Nakhatrana Extension Wind Power Undertaking	Mahidad Wind Power Undertaking	Lalpur Wind Power Undertaking	Charanka Solar Power Undertaking	Total
Total Non-Current Assets	743.84	44.98	92.57	163.11	1,044.50
Total Current Assets	39.38	2.66	4.36	16.35	62.75
<b>Total Assets</b>	<b>783.22</b>	<b>47.64</b>	<b>96.92</b>	<b>179.46</b>	<b>1,107.25</b>
Secured Borrowings			37.52		37.52
Current Liabilities	6.92	0.52	1.11	1.03	9.58
Others	1.95	0.18	0.49	0.55	3.17
<b>Total Liabilities</b>	<b>8.87</b>	<b>0.70</b>	<b>39.12</b>	<b>1.59</b>	<b>50.28</b>
<b>Net Asset Value</b>	<b>774.35</b>	<b>46.94</b>	<b>57.80</b>	<b>177.88</b>	<b>1,056.97</b>

The aggregate Net value of Renewable Power Undertakings is Rs. 1,056.97 crores as above.



**CERTIFIED TRUE COPY**  
 For Torrent Power Limited  
*Rahul C. Shah*  
 Company Secretary