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COMPOSITE SCHEME OF ARRANGEMENT

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

BETWEEN

WEST BENGAL ELECTRONICS INDUSTRY DEVELOPMENT CORPORATION LIMITED (WBEIDC)

AND

WEBEL ELECTRONIC COMMUNICATION SYSTEMS LIMITED (WECS)

AND

WEBEL CONSUMER ELECTRONICS LIMITED (WCEL)

AND

WEBEL MEDIATRONICS LIMITED (WML)

AND

WEBEL INFORMATICS LIMITED (WIL)

AND

WEBEL ELECTRO-OPTICS LIMITED (WEOL)

AND

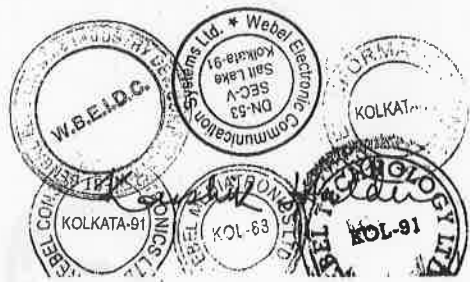
WEBEL TECHNOLOGY LIMITED (WTL)

AND

THEIR RESPECTIVE SHAREHOLDERS



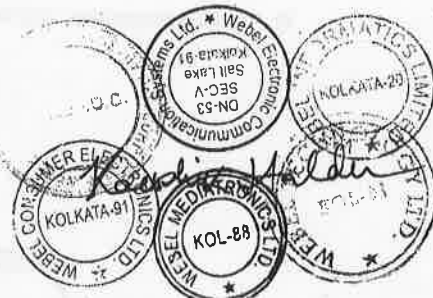
Amalendu Chatterjee



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- 1.3 "Amalgamation" means amalgamation of Transferor Companies with Transferee Company in accordance with Section 2(1B) of the Income Tax Act, 1961, in terms of Part D of the Scheme;
- 1.4 "Appointed Date" means 1st April 2017, or such other date as may be determined by the Board of Directors of the Transferor company or the Transferee Company or directed by the NCLT;
- 1.5 "Board of Directors" or "Board" in relation to each of the Companies, as the case may be, means the board of directors of such company;
- 1.6 "Effective Date" means such date as the Companies mutually agree being a date or the last of the dates or post the last of the dates on which all the conditions and matters referred to in clause 2 of the Scheme occur or have been fulfilled or waived in accordance with this Scheme;
- 1.7 "Governmental Authority" means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau, instrumentality, judicial or arbitral body, statutory body, including but not limited to the Reserve Bank of India ("RBI") or any other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of law;
- 1.8 "High Court" means the High Court of Judicature at Calcutta having jurisdiction in relation to the Companies and shall include the National Company Law Tribunal, as applicable or such other forum or authority as may be vested with any of the powers of a High Court under the 2013 Act;
- 1.9 "Income Tax Act" means the Income Tax Act, 1961, including any statutory modifications, re-enactments or amendments thereof for the time being in force;
- 1.10 "NCLT" means the National Company Law Tribunal, as applicable or such other forum or authority as may be vested with any of the powers of a High Court under the 2013 Act;
- 1.11 "Registrar of Companies" means the Registrar of Companies, Kolkata;
- 1.12 "Scheme", "the Scheme", "this Scheme" means this Composite Scheme of Arrangement in its present form or with any modification(s) made under Clause 27 of this Scheme or any modifications approved or directed by the National Company Law Tribunal (if necessary);


Handwritten signature: *Amal Chatterjee*


Handwritten signature: *Rajendra Haldar*

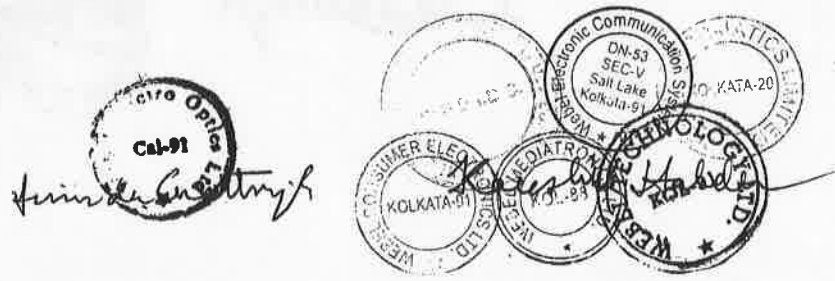
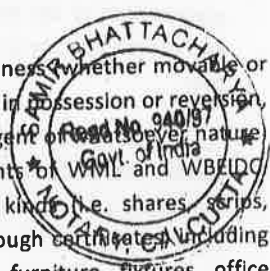
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1.13 "Transferee Company", "WBEIDC" means West Bengal Electronics Industry Development Corporation Limited(CIN - U52209WB1974SGC029237), a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Webel Bhavan, Block: EP&GP, Sector - V, Bidhan Nagar, Kolkata 700091;

1.14 "Transferor Companies" means WECS, WCEL, WIL, WEOL and Residual WML;

1.15 "e-GoV Undertakings" means and includes all business carried on by WML and WBEIDC in the State of West Bengal as a going concern relating to State Data Centre, State WAN, SP_SSDG, e-District, e-Office, Mobile Governance, Single Sign-On for EoDB, Digital Depository, Mobile Service Delivery Gateway, Outbound Dialler, Interactive Voice Response System, State enterprise Architecture, Telecom, Projects having 25% or more of the order value in monetary terms involving software development/customisation/updation and related procurements, including, without limitation:

- a) all the assets and properties relating to e-GoV Business, whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature, whether or not recorded in the books of accounts of WML and WBEIDC including, without limitation, investments of all kinds, i.e. shares, scrips, stocks, bonds, debenture stocks, unltis or pass through certificates including investments in shares of WTL held by WBEIDC, furniture, fixtures, office equipment, computers, fixed assets, current assets, cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, receivables, advances or deposits paid by or deemed to have been paid by WML and WBEIDC, financial assets, vehicles, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and where-so-ever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by WML and WBEIDC and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by WML and WBEIDC E-GoV Business;
- b) all permissions, approvals, consents, subsidies, privileges, Income tax benefits



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and exemptions, accumulated tax losses, unabsorbed depreciation, minimum alternate tax credits, indirect tax benefits and exemptions, all other rights, benefits and liabilities related to e-GoV Business thereto including licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to e-GoV Business of WML and WBEIDC;

- c) all contracts, agreements, engagements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, privileges and benefits of all contracts, agreements and all other rights, including license rights, lease rights, powers and facilities of every kind and description whatsoever or other understandings, deeds and instruments of whatsoever nature for which WML and WBEIDC are parties, including lease agreements, leave and license agreements, tenancy rights, equipment purchase agreements, hire purchase agreements, lending agreements and other agreements with the customers, sales orders, purchase orders and other agreements/contracts with the supplier of goods and/or service providers and all rights, title, interests, claims and benefits there under of whatsoever nature relating to e-GoV Business to which WML and WBEIDC are included as party;
- d) all Intellectual property rights (including intangible assets and business or commercial rights), registrations, trademarks, trade names, service marks, copyrights, patents, designs, domain names, including applications for trademarks, trade names, service marks, copyrights, patents, designs and domain names, relating to e-GoV Business used by or held for use by WML and WBEIDC, and other intellectual rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, list of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to the e-GoV Business activities and operations of WML and WBEIDC, whether used or held for use by them;
- e) all liabilities, lien or security thereon, whether in Indian rupees or foreign currency and whether or not provided for in the books of account or disclosed in the balance sheet of WML and WBEIDC; and

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f) any and all permanent employees, who are engaged in the e-GoV Business and on the payrolls of WML and WBEIDC, employees/personnel engaged on contract basis and contract labourers and interns/trainees, engaged by WML and WBEIDC for e-GoV Business, at their respective offices, branches or otherwise, and any other employees/personnel and contract labourers and interns/trainees hired by WML and WBEIDC for and related to the "E-Governance Business".

- 1.16 "WCEL" means Webel Consumer Electronics Limited(CIN-U32101WB1981PLC033776), a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Block: BN, Sector - V, Salt Lake City, Kolkata -700091;
- 1.17 "WECS" means Webel Electronic Communication Systems Limited (CIN - U32109WB1981PLC034124), a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Plot-53, Block: DN, Sector -V, Salt Lake City, Kolkata -700091;
- 1.18 "WIL" means Webel Informatics Limited (CIN-U72900WB1982PLC034324), a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 225F, A J C Bose Road, Beltala, Kolkata -700026;
- 1.19 "WML" means Webel Mediatronics Limited (CIN-U32109WB1981SGC033271), a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at P- 1, Taratala Road, Kolkata -700088;
- 1.20 "WEOL" means Webel Electro-Optics Limited (CIN-U33125WB1990PLC048779), a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Block: BP, Sector - V, Salt Lake City, Kolkata -700091;
- 1.21 "WTL" means Webel Technology Limited (CIN-U72200WB2001SGC092897), a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Webel Bhavan, Block: EP&GP, Sector - V, Bidhan Nagar, Kolkata -700091;
- 1.22 "Residual WML" means all businesses, activities and undertakings of WML other than e-GoV Undertaking.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

This Scheme set out herein in its present form or with any modification(s) approved or imposed by NCLT shall be effective from the Appointed Date but shall be operative from the last of the following dates, namely:

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Webel Electro-Optics Limited
Kolkata-91

Webel Electronic Communication Systems Limited
DN-53
SEC-V
Salt Lake
Kolkata-91

Webel Informatics Limited
Kolkata-20

Webel Mediatronics Limited
Kolkata-88

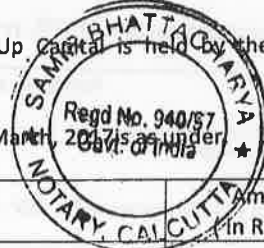
Webel Technology Limited
Kolkata-91

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3,96,007 equity shares of Rs. 10/- each	3,960,070
Total	3,960,070

- The entire Issued, Subscribed and Paid Up Capital is held by the Transferee Company (WBEIDC).

3.5 The share capital structure of WML as on 31st March, 2017 is as under:



Particulars	Amount (in Rupees)
Authorised Capital Equity Shares 60,00,000 equity shares of Rs. 10/- each	60,000,000
Total	60,000,000
Issued, Subscribed and Paid Up Capital Equity Shares 40,42,200 equity shares of Rs. 10/- each	40,422,000
Total	40,422,000

- The entire Issued, Subscribed and Paid Up Capital is held by the Transferee Company (WBEIDC).

3.6 The share capital structure of WEOL as on 31st March, 2017 is as under:

Particulars	Amount (In Rupees)
Authorised Capital Equity Shares 50,00,000 equity shares of Rs. 10/- each	50,000,000
Total	50,000,000
Issued, Subscribed and Paid Up Capital Equity Shares 33,70,251 equity shares of Rs. 10/- each	33,702,510
Total	33,702,510

- 98.28% of the Issued, Subscribed and Paid Up Capital is held by the Transferee Company (WBEIDC).

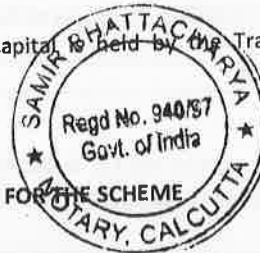


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3.7 The share capital structure of WTL as on 31st March, 2017 is as under:

Particulars	Amount (In Rupees)
Authorised Capital Equity Shares 20,00,000 equity shares of Rs. 10/- each	20,000,000
Total	20,000,000
Issued, Subscribed and Paid Up Capital Equity Shares 10,04,042 equity shares of Rs. 10/- each	10,040,420
Total	10,040,420

The entire Issued, Subscribed and Paid Up Capital is held by the Transferee Company (WBEIDC).



PART - B - BACKGROUND AND RATIONALE FOR THE SCHEME






4. The Background and circumstances which justify this Scheme are, *inter alia*, as follows:

- 4.1 (a) The Transferee Company (WBEIDC) is wholly owned by the Government of West Bengal and is a Government Company as per provision of section 2(45) of the 2013 Act.
- (b) WCEL, WECS, WIL, WML and WTL are wholly owned subsidiaries of the Transferee Company (WBEIDC) and are Government Companies as per provision of section 2(45) of the 2013 Act.
- (c) WEOL is a subsidiary of the Transferee Company (WBEIDC) which is holding 98.28% of the issued, subscribed and paid-up share capital of WEOL and is a Government Company as per provision of section 2(45) of the 2013 Act.

4.2 All the Companies involved in this Scheme are mainly engaged in IT, ITes businesses and IT Infrastructural development in the State of West Bengal.

4.3 Government of West Bengal has decided to restructure WBEIDC and it's 6



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subsidiaries to carry-out all business and related activities through only two entities viz. WBEIDC and WTL. WTL will pursue core "e- Governance" projects in the State of West Bengal including projects requiring 25% or more of the order value in monetary terms involving software development/customisation/updation and WBEIDC to pursue all existing and future activities other than mentioned above. For projects and activities outside the state of West Bengal, both WBEIDC and WTL will be free to participate in any manner without restrictions.

4.4 Under this Scheme, it is proposed to demerge the "e-Gov Undertakings" of WML and WBEIDC into WTL and amalgamate WCEL, WECS, WIL, WEOL and Residual WML (Transferor Companies) into WBEIDC (The Transferee Company).

4.5 The proposed Scheme would result in the following benefits:

- (a) Creation of single entity for IT and ITes business and another for E-Gov business will enable economies of scale in their respective business, which will also increase the ability to participate in open tenders;
- (b) Effective coordination to ensure better utilisation of available internal competencies and focused marketing efforts with dedicated accountability to increase share of business with various state government departments;
- (c) The proposed arrangement will eliminate unhealthy competition within the group companies resulting in administrative and operational rationalization, organisational efficiencies, reduction in overheads and other expenses and optimal utilization of various resources;
- (d) Reduce managerial overlaps, which are necessarily involved in running multiple entities; and
- (e) Improve shareholder value for the companies.
- (f) It will help the group companies to participate in all tenders which they are presently unable to participate due to negative net worth.

4.6 For the reasons stated above, the proposed restructuring is in the interest of the shareholders, creditors and all other stakeholders of all respective companies, and shall not in any manner be prejudicial to the interest of concerned shareholders, creditors and all other stakeholders or general public at large.

Arindam Ghosh

Kaushik Halder





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PART - C - DEMERGER OF 'e- GoV UNDERTAKINGS' OF WML AND WBEIDC INTO WTL

5. DEMERGER OF THE 'e-GoV Undertakings':

- 5.1 The e-GoV Undertakings of WML and WBEIDC as defined in Clause 1.15 shall stand transferred to and vested in or deemed to be transferred to and vested in WTL, as a going concern, in accordance with Section 2(19AA) of the Income Tax Act, 1961 and in the manner as follows.
- 5.2 Upon coming into effect of the Scheme and with effect from the Appointed Date, the e-GoV Undertakings of WML and WBEIDC including all the assets, unbilled revenues, debts, outstanding, credits, liabilities, duties and obligations whatsoever concerning the e-GoV Undertakings of WML and WBEIDC and the investments of WTL held by WBEIDC on the Appointed Date, shall stand transferred to and vested in and/or be deemed to be and stand transferred to and vested in WTL pursuant to the provisions of Section 230 to 232 and other provisions of the 2013 Act. Without prejudice to the generality of the above, all benefits, concessions, reliefs related to the e-GoV Undertakings of WML and WBEIDC including but not limited to the benefit/s under income tax, sales tax, service tax, goods and service tax cess, licenses (if any), benefits for or under Special Economic Zones or any other registrations (if any), etc., to which the e-GoV Undertakings of WML and WBEIDC are entitled to in terms of various statues and/or schemes of Union, State and Local Governments/bodies and/or otherwise shall be available to and vest in WTL.
- 5.3 In respect of such of the assets of the e-GoV Undertakings of WML and WBEIDC which are movable in nature or are otherwise capable of transfer by manual delivery, they shall be physically handed over by manual delivery or endorsement and delivery, and the same may be so transferred by WML and WBEIDC without requiring any deed or instrument of conveyance for the same and shall become the property of WTL to the end and intent that the ownership and property therein passes to WTL on such handing over in pursuance of the provisions of Section 232 of the 2013 Act.
- 5.4 In respect of such of the assets of the e-GoV Undertakings of WML and WBEIDC other than those referred to in Clause 5.3 above, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in WTL pursuant to the provision of Section 232 of the 2013 Act.
- 5.5 In relation to the assets belonging to the e-GoV Undertakings of WML and WBEIDC, which require separate documents of transfer, the parties will execute necessary

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documents, as and when required.

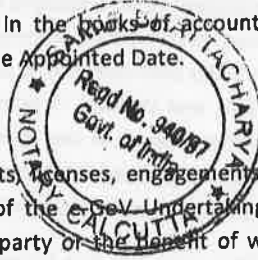
- 5.6 In respect of the identifiable debts, liabilities, grants in aid, subsidies, duties and obligations, of the e-GoV Undertakings of WML and WBEIDC, It is hereby clarified that It shall not be necessary to obtain the consent of any third party or other person, who is a party to any contract or arrangement by virtue of which such debts, liabilities, grants in aid, subsidies, duties and obligations have arisen, to transfer the same to WTL.
- 5.7 In respect of unspent amounts, if any, relating to the e-GoV Undertakings of WML and WBEIDC and lying in/ kept in deposits with any bank by WML and/or WBEIDC and not separable, shall, upon the Scheme become effective, be transferred by WML and/or WBEIDC to WTL.
- 5.8 For the removal of doubt, It is clarified that to the extent that there are inter-company balances, obligations or other outstanding as between WML and WTL and/or between WBEIDC and WTL to the extent of inter-company balances, obligation or outstanding in respect of e-GoV Undertakings of WML and WBEIDC, the obligation in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of WML, WBEIDC and WTL, with effect from the Appointed Date.

6. **CONTRACTS AND DEEDS**

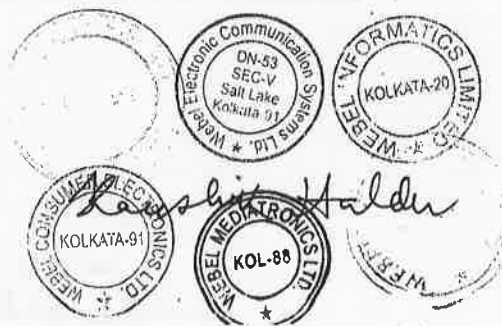
All contracts, deeds, bonds, agreements, arrangements, licenses, engagements and other instruments of whatsoever nature in respect of the e-GoV Undertakings of WML and WBEIDC, to which WML and WBEIDC is a party or the benefit of which WML and WBEIDC may be eligible, and which have not lapsed and are subsisting on the Effective Date, shall remain in full force and effect against or in favour of WTL and may be enforced by or against WTL as fully and effectually, as if instead of the WML and WBEIDC, WTL had been a party or beneficiary thereto.

7. **EMPLOYEES**

- 7.1 Upon the coming into effect of this Scheme, all permanent employees, who are on the payrolls of WML and WBEIDC and engaged in the e-GoV Undertakings of WML and WBEIDC, employees/personnel engaged on contract basis and contract labourers and interns/trainees of WML and WBEIDC, who are on their payrolls and engaged in the e-GoV Undertakings of WML and WBEIDC, shall become employees of WTL with effect from the Effective Date, on such terms and conditions as are no less favorable than those on which they are currently engaged by WML and WBEIDC, without any interruption of service as a result of this transfer. With regard to provident fund,



Arindam Chatterjee
 Director, e-GoV Office
 Salt Lake



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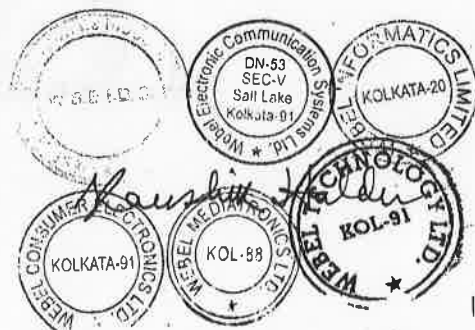
gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of WML and WBEIDC, upon this Scheme becoming effective, WTL shall stand substituted for WML and WBEIDC for all purposes whatsoever, including with regard to the obligation to make contributions to relevant authorities, 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 the transferred employees and the services of all the transferred employees of WML and WBEIDC for such purpose shall be treated as having been continuous.

- 7.2 The existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme and any other special scheme or benefits created by WML and WBEIDC for its employees engaged in the e-GoV Undertakings shall be continued on the same terms and conditions or be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by WML or as may be created by WTL for such purpose. It is the intent that all rights, duties, powers and obligations of WML and WBEIDC in relation to such fund or funds shall stand transferred to WTL without need of any fresh approval from any statutory authority. Pending such transfer, the contributions required to be made in respect of such employees shall continue to be made by WML and WBEIDC to the existing funds maintained by them.
- 7.3 WTL undertakes that for the purpose of payment of any retrenchment compensation, leave salary, gratuity and other terminal benefits to the employees of WML and WBEIDC who are engaged in the E-GoV Undertakings, the past services of such employees with WML and WBEIDC shall also be taken into account and it shall pay the same accordingly, as and when such amounts are due and payable. Upon this Scheme becoming effective, WML and WBEIDC will transfer/handover to WTL, copies of employment information, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files relating to its and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause.

8. LEGAL PROCEEDINGS

- 8.1 All proceedings of whatsoever nature (legal and others, including any suits, appeals, arbitrations, execution proceedings, revisions, writ petitions, if any) relating to e-GoV


Sumita Chatterjee

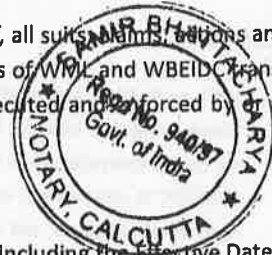


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Undertakings of WML and WBEIDC shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer or anything contained in this Scheme but the said proceedings, shall, till the Effective Date be continued, prosecuted and enforced by or against WML and WBEIDC, as if this Scheme had not been made.

8.2 Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) relating to e-GoV Undertakings of WML and WBEIDC, whether pending and/or arising on or before the Effective Date shall be continued and / or enforced by or against WTL as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against WTL.

8.3 WTL undertakes to have accepted on behalf of itself, all suits, actions and legal proceedings initiated relating to e-GoV Undertakings of WML and WBEIDC transferred to its name and to have the same continued, prosecuted and enforced by or against WTL.

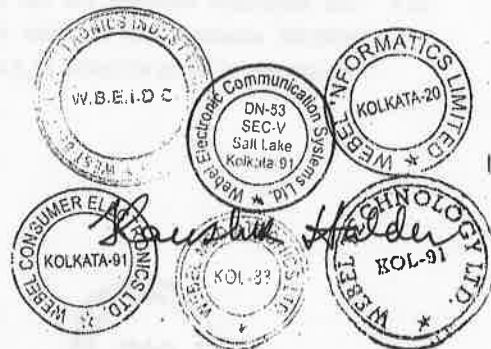


9. CONDUCT OF BUSINESS

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

- a. WML and WBEIDC shall carry on and be deemed to have carried on all business and activities of e-GoV Undertakings and shall hold and stand possessed of and shall be deemed to hold and stand possessed of the e-GoV Undertakings for and on account of, and in trust for, WTL;
- b. all profits and income accruing or arising relating to e-GoV Undertakings of WML and WBEIDC, and losses and expenditure arising or incurred by the e-GoV Undertakings of WML and WBEIDC for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be, of WTL;
- c. any of the rights, powers, authorities or privileges relating to e-GoV Undertakings of WML and WBEIDC exercised by WML and WBEIDC shall be deemed to have been exercised by WML and WBEIDC for and on behalf of, and in trust for and as an agent of WTL. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by WML and WBEIDC shall be deemed to have been undertaken for and on behalf of and as an agent of WTL;

10. SAVING OF CONCLUDED TRANSACTIONS

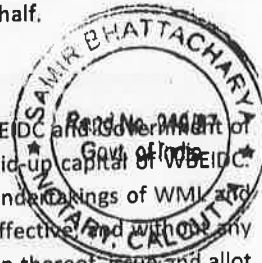


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Subject to the terms of the Scheme, the transfer and vesting of the e-GoV Undertakings of WML and WBEIDC, the continuance of Proceedings and the effectiveness of contracts and deeds as per the provisions of the Scheme shall not affect any transactions or proceedings already concluded by WML and WBEIDC on or before the Appointed Date or after the Appointed Date till the Effective Date. WTL accepts and adopts all acts, deeds and things made, done and executed by WML and WBEIDC in respect thereto, as if done and executed on its behalf.

11. CONSIDERATION

- a. WTL and WML are wholly owned subsidiaries of WBEIDC and Government of West Bengal is holding the entire subscribed and paid-up capital of WBEIDC. As far as consideration for the demerger of e-GoV Undertakings of WML and WBEIDC is concerned, upon the Scheme becoming effective and without any further application, act or deed, WTL, in consideration thereof, issue and allot directly to the shareholder of WBEIDC i.e. Government of West Bengal 12, 00,000 Equity Shares of Rs. 10/- each in WTL credited as fully paid up.
- b. The new Equity shares in WTL to be issued to the shareholder of WBEIDC pursuant to Claus 11(a) above shall be subject to the Memorandum and Articles of Association of WTL.
- c. Upon the Scheme becoming effective and on transfer of Investments in WTL by WBEIDC, all the existing paid-up equity share capital of WTL i.e. 1004,042 equity shares of Rs. 10/- each shall be cancelled and there shall be no further obligation in that behalf.



12. ACCOUNTING TREATMENT IN THE BOOKS OF WTL, WML and WBEIDC

In the Books of WTL

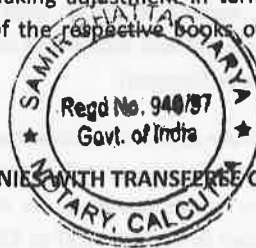
- 12.1 All the identified assets and liabilities of the e-GoV Undertakings of WML and WBEIDC shall be recorded in the books of account of WTL at their existing carrying amounts and in the same form.
- 12.2 The inter-corporate deposits/loans and advances/balances outstanding between WML and WTL and between WBEIDC and WTL, relating to the e-GoV Undertakings of WML and WBEIDC, if any, stand cancelled and there shall be no further obligation/outstanding in that behalf.
- 12.3 The difference between the net assets of the e-GoV Undertakings of WML and WBEIDC acquired and recorded in the books of account of WTL after making adjustment in terms of Clause 12.2 above shall be adjusted in the reserve.

Samir Bhattacharya
Circular stamp: Zibotro Optics, Cal-91

Harsh Halder
Circular stamps: WBEIDC, Electronic Communication Services, WBEI CORP. SUMER ELECTRONICS LTD. KOLKATA, WBEI MEDIA ELECTRONICS LTD. KOL-88, INFORMATICS LTD. KOLKATA-201

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- 12.4 The difference between the book value of shares cancelled and the book value of new shares issued by WTL will be adjusted in the books of WTL with the reserves.
- 12.5 In case any difference in accounting policy between WTL and WML and Between WTL and WBEIDC with respect to the e-GoV Undertakings of WML and WBEIDC, impact of the same till the Appointed Date will be quantified and adjusted in the reserves of WTL to ensure that the financial statements of WTL reflect the financial position on the basis of consistent accounting policy.
- In the books of WML and WBEIDC
- 12.6 All the identified assets and liabilities of the e-GoV Undertakings of WML and WBEIDC, which are being transferred to WTL shall be credited / debited to the respective accounts head in the books of account of WML and WBEIDC at their existing carrying amounts.
- 12.7 The inter-corporate deposits/loans and advances/balances outstanding between WML and WTL and between WBEIDC and WTL, relating to the e-GoV Undertakings of WML and WBEIDC, if any, stand cancelled and shall be credited / debited to the respective accounts head in the books of account of WML and WBEIDC at their existing carrying amounts.
- 12.8 The net difference between the assets and liabilities of the "e-GoV Undertakings" of WML and WBEIDC transferred to WTL after making adjustment in terms of Clause 12.6 above shall be adjusted in the reserves of the respective books of account of WML and WBEIDC.



PART - D – AMALGAMATION OF TRANSFEROR COMPANIES WITH TRANSFEREE COMPANY

13. TRANSFER OF UNDERTAKING:

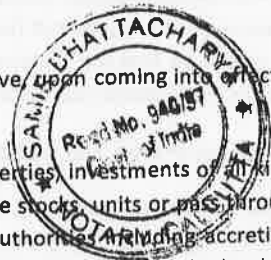
- 13.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, the Transferor Companies shall stand amalgamated with the Transferee Company as provided in the Scheme, and pursuant to the sanction of the Scheme by the NCLT and pursuant to the provisions of Sections 230 to 232 of the 2013 Act and other provisions of the 2013 Act, all the assets, unbilled revenues, debts, outstanding, credits, liabilities, duties, and obligations whatsoever concerning the Transferor Companies as on the Appointed Date will be and shall, accordingly, stand transferred to and vested in and/or be deemed to have been transferred to and vested in the Transferee



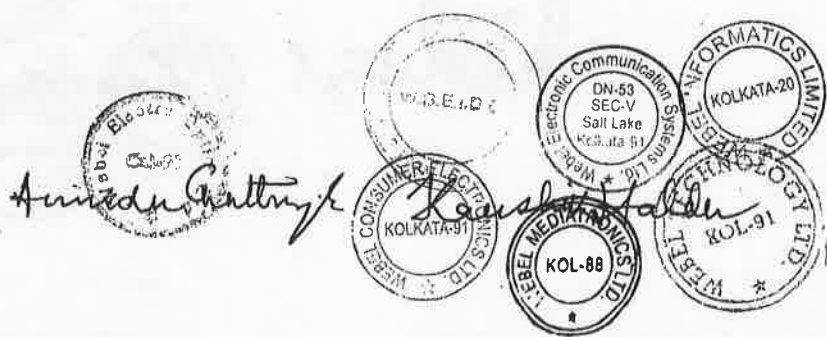
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Company, as a going concern, by virtue of and in the manner provided in this Chapter.

13.2 Without prejudice to the generality of Clause 13.1 above, upon coming into effect of the Scheme and with effect from the Appointed Date:

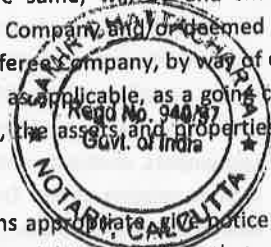


- a) all the assets (including intangible assets), properties, investments of all kinds (that is, shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), rights, claims, title, interest and authorities including accretions and appurtenances, whether or not provided and/or recorded in the books of accounts of the Transferor Companies, of whatsoever nature and where-so-ever situated shall, under the provisions of Sections 230 to 232 of the 2013 Act, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, will be and shall stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the assets (including intangible assets), properties, investments of all kinds (that is, shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), rights, claims, title, interest and authorities including accretions and appurtenances of the Transferee Company.
- b) such of the assets and properties of the Transferor Companies as are movable in nature or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and/or delivery shall, under the provisions of Sections 230 to 232 of the 2013 Act, and all other provisions of applicable law, if any, without any cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in the Transferee Company and/or be deemed to stand transferred to the Transferee Company as a going concern so as to become from the Appointed Date, the assets and properties of the Transferee Company. The vesting, pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recorded pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
- c) all other movable properties of the Transferor Companies, including investments of all kinds (that is, shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), sundry debtors, receivables, bills,



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credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, deposits with any Government, quasi government, local or other authority or body or with any company or other person shall, under the provisions of Sections 230 to 232 of the 2013 Act, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, will be and shall stand transferred to and vested in the Transferee Company and/or deemed to have been transferred to and vested in the Transferee Company, by way of delivery of possession of the respective documents, as applicable, as a going concern, so as to become from the Appointed Date, the assets and properties of the Transferee Company.



- d) The Transferee Company may, if it so deems appropriate, give notice in such form as it deems fit and proper, to each such debtor or obligor that pursuant to the sanction of this Scheme by the NCLT, such debt, loan, advance, claim, bank balance, deposit or other asset be paid or made good or held on account of the Transferee Company as the person entitled thereto, to the end and intent that the right of the Transferor Companies to recover or realize all such debts (including the debts payable by such debtor or obligor to the Transferor Companies) stands transferred and assigned to the Transferee Company and that appropriate entries should be passed in the books of accounts of the relevant debtors or obligors to record such change. It is hereby clarified that investments, if any, made by the Transferor Companies and all the rights, title and interest of the Transferor Companies in any licensed properties or leasehold properties shall, pursuant to Section 232 of the 2013 Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company.
- e) all lease/license or rent agreements entered into by the Transferor Companies with various landlords, owners and lessors in connection with the use of the assets of the Transferor Companies, together with security deposits and advance/prepaid lease/license fee, etc., shall stand transferred and vested in favor of the Transferee Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The Transferee Company shall continue to pay rent or lease or license fee as provided for in such agreements and the Transferee Company and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants there-under. Without limiting the generality of the foregoing, the Transferee Company shall also be entitled to

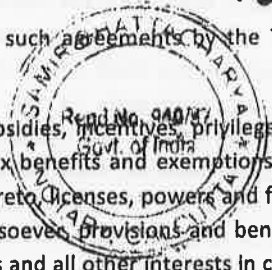
Arundha Chatterjee



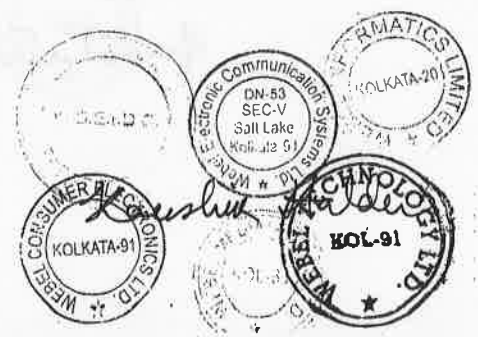
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refund of security deposits paid under such agreements by the Transferor Companies.

- f) All permissions, approvals, consents, subsidies, incentives, privileges, income tax benefits and exemptions, indirect tax benefits and exemptions, all other rights, benefits and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Companies enjoyed or conferred upon or held or availed of by the Transferor Companies and all rights and benefits that have accrued or which may accrue to the Transferor Companies, whether on, before or after the Appointed Date, if any, shall, under the provisions of Sections 230 to 232 of the 2013 Act, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same be and stand transferred to and vest in and/or be deemed to be transferred to and vested in the Transferee Company as a going concern, so as to become, as and from the Appointed Date, the permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions, indirect tax benefits and exemptions, all other rights, benefits and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions. It is further clarified that they shall be deemed to have originally been given by, issued to or executed in favor of the Transferee Company and the Transferee Company shall be bound by the terms thereof and the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.
- g) All Intellectual property rights of any nature whatsoever, including but not limited to Intangible assets appertaining to the Transferor Companies, whether or not provided in books of accounts of the Transferor Companies, shall under the provisions of Sections 230 to 232 of the 2013 Act and other provisions of the 2013 Act and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred and vested in the Transferee Company as a going concern, so as to become, as and from the Appointed Date, the intellectual property of the Transferee Company.
- h) All Intangible assets, if any, including various business or commercial rights,



Arvind Chatterjee
 Director
 Kolkata-91



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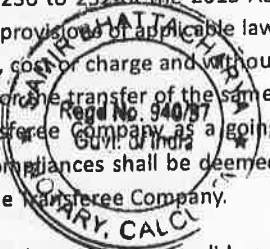
etc. belonging to but not recorded in books of the Transferor Companies shall be accounted for as per applicable Accounting Standards.

- i) All taxes (including but not limited to advance tax, tax deducted at source, tax collected at source, minimum alternate tax credits, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, excise duty, Goods and Service Tax etc.) payable by or refundable to or being the entitlement of the Transferor Companies, including all or any refunds or claims shall be treated as the tax liability or refunds/credits/claims, as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, tax holidays, ~~permissions, deductions~~ etc as would have been available to the Transferor Companies, shall pursuant to this Scheme becoming effective, be available to the Transferee Company. Benefit of tax losses including brought forward losses, unabsorbed depreciation, etc., up to Appointed Date, shall be available to Transferee Company w.e.f. the Appointed Date in terms of Section 72A of Income Tax Act.
- ii) The Transferee Company shall be entitled to claim refunds or credits, including Input Tax Credits, with respect to taxes paid by, for, or on behalf of, the Transferor Companies under applicable laws, including but not limited to sales tax, value added tax, service tax, excise duty, Goods and Service Tax or any other tax, whether or not arising due to any inter se transaction, even if the prescribed time limits for claiming such refunds or credits have lapsed. For the avoidance of doubt, Input Tax Credits already availed of or utilized by the Transferor Companies and the Transferee Company in respect of inter se transactions shall not be adversely impacted by the cancellation of inter se transactions pursuant to this Scheme.
- k) All statutory rights and obligations of Transferor Companies would vest on/accrue to Transferee Company. Hence, obligation of the Transferor Companies, prior to the Effective Date, to issue or receive any statutory declaration or any other Forms by whatever name called, under the State VAT Acts or the Central Sales Tax Act or any other act for the time being in force, would be deemed to have been fulfilled if they are issued or received by Transferee Company and if any Form relating to the period prior to the said Effective Date is received in the name of the Transferor Companies, it would be deemed to have been received by the Transferee Company in fulfillment of its obligations.
- l) Benefits of any and all corporate approvals as may have already been taken by the Transferor Companies, whether being in the nature of compliances or



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otherwise, shall under the provisions of Sections 230 to 232 of the 2013 Act and other provisions of the 2013 Act and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred and vested in the Transferee Company as a going concern, and the said corporate approvals and compliances shall be deemed to have originally been taken / complied with by the Transferee Company.



- m) The resolutions, if any, of the Transferor Companies, which are valid and subsisting on the Effective Date, shall under the provisions of Sections 230 to 232 of the 2013 Act and other provisions of the 2013 Act, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the 1956 Act or the 2013 Act as applicable, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.
- n) Such of the assets which are acquired by the Transferor Companies on or after the Appointed Date but prior to the Effective Date, shall under the provisions of Sections 230 to 232 of the 2013 Act and other provisions of the 2013 Act, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a going concern, so as to become, as and from the Appointed Date, the assets of the Transferee Company.

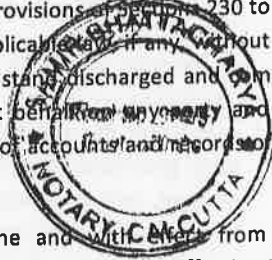
13.3 Without prejudice to the generality of Clause 13.1 above, upon coming into effect of this Scheme and with effect from the Appointed Date,

- (a) All liabilities, whether or not provided in the books of the Transferor Companies, shall, under the provisions of Sections 230 to 232 of the 2013 Act and other provisions of the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument, deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as



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and the Transferee Company shall, under the provisions of sections 230 to 232 of the 2013 Act, and all other provisions of applicable law, if any, without any further act, instrument, deed, cost or charge, stand discharged and come to an end and there shall be no liability in that behalf from any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.



- (f) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Companies which secure or relate to the liabilities shall, without any further act, instrument, deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, continue to relate and attach to such assets or any part thereof to which they were related or attached prior to the Effective Date and are transferred to the Transferee Company. It is being clarified that the aforesaid encumbrances shall not be extended to any other assets of the Transferor Company which were earlier not Encumbered or the existing assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above. Any reference in any security documents or arrangements (to which the Transferor Companies a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Companies transferred to the Transferee Company pursuant to this Scheme. Without prejudice to the foregoing provisions, the Transferee Company may execute any Instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.

14. CONTRACTS AND DEEDS

All contracts, deeds, bonds, agreements, arrangements, licenses, engagements and other instruments of whatsoever nature to which the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which have not lapsed and are subsisting on the Effective Date, shall remain 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 Companies, the Transferee Company had been a party or beneficiary thereto.



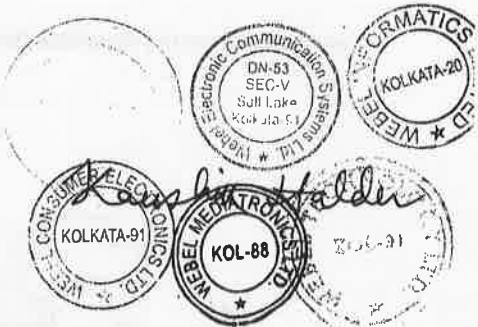
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15. EMPLOYEES

- 15.1 Upon the coming into effect of this Scheme, all permanent employees, who are on the payrolls of the Transferor Companies, employees/personnel engaged on contract basis and contract laborers and Interns/trainees of the Transferor Companies who are on its payrolls shall become employees of the Transferee Company with effect from the Effective Date, on such terms and conditions as are no less favorable than those on which they are currently engaged by the Transferor Companies, without any interruption of service as a result of this amalgamation and transfer. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Transferor Companies, upon this Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Companies for all purposes whatsoever, including with regard to the obligation to make contributions to relevant authorities, 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 the transferred employees and the services of all the transferred employees of the Transferor Companies for such purpose shall be treated as having been continuous.
- 15.2 The existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme and any other special scheme or benefits created by the Transferor Companies for its employees shall be continued on the same terms and conditions or be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Transferee Company or as may be created by the Transferee Company for such purpose. It is the intent that all rights, duties, powers and obligations of Transferor Companies in relation to such fund or funds shall stand transferred to the Transferee Company without need of any fresh approval from any statutory authority. Pending such transfer, the contributions required to be made in respect of such employees shall continue to be made by the Transferee Company to the existing funds maintained by the Transferor Companies.
- 15.3 The Transferee Company undertakes that for the purpose of payment of any retrenchment compensation, leave salary, gratuity and other terminal benefits to the employees of the Transferor Companies, the past services of such employees with the Transferor Companies shall also be taken into account and it shall pay the same accordingly, as and when such amounts are due and payable. Upon this Scheme becoming effective, the Transferor Companies will transfer/handover to the Transferee Company, copies of employment information, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits),

Amarendra Chatterjee
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payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files relating to its and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause.

16. LEGAL PROCEEDINGS

16.1 All proceedings of whatsoever nature (legal and others, including any suits, appeals, arbitrations, execution proceedings, revisions, writ petitions, if any, by or against the Transferor Companies shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Transferor Companies or anything contained in this Scheme but the said proceedings, shall, from the Effective Date be continued, prosecuted and enforced by or against the Transferee Companies, as if this Scheme had not been made.

16.2 Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Companies, whether pending and/or arising on or before the Effective Date shall be continued and / or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the Transferee Company.

16.3 The Transferee Company undertakes to have accepted on behalf of itself, all suits, claims, actions and legal proceedings initiated by or against the Transferor Companies transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company.

16.4 On and from the Effective date the Transferee Company may, if required, initiate any legal proceedings in relation to the present and past businesses of the Transferor Companies.

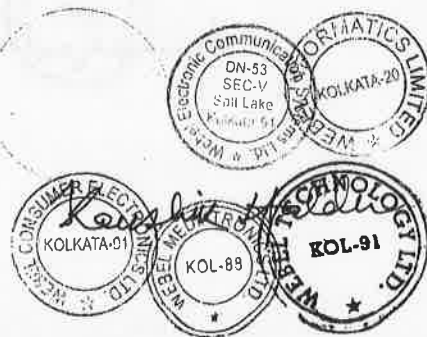
17. BOOKS & RECORDS

All books, documents, records, files, papers, information, databases, and all other books and records, whether in physical or electronic form, of the Transferor Companies, to the extent possible and permitted under applicable laws, be handed over to the Transferee Company.

18. CONDUCT OF BUSINESS

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

Amarendra Chatterjee



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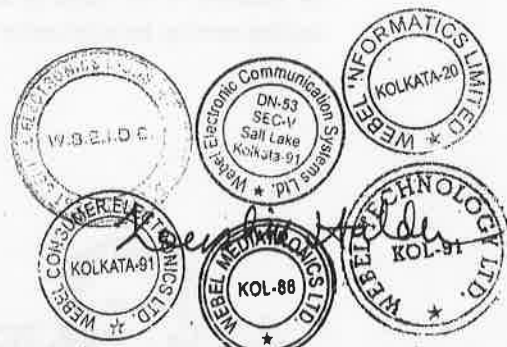
- 18.1 The Transferor Companies shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of the entire business for and on account of, and in trust for, the Transferee Company;
- 18.2 All profits and income accruing or arising to the Transferor Companies, and losses and expenditure arising or incurred by the Transferor Companies for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be, of the Transferee Company;
- 18.3 Any of the rights, powers, authorities or privileges exercised by the Transferor Companies shall be deemed to have been exercised by the Transferor Companies for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Companies shall be deemed to have been undertaken for and on behalf of and as an agent of the Transferee Company;
- 18.4 All taxes, where applicable, (including but not limited to advance income tax, tax deducted at source, minimum alternate tax, goods and service tax, taxes withheld/paid in a foreign country, sales tax, excise duty, customs duty, service tax, VAT, tax refunds) payable by or refundable to the Transferor Companies, including all or any tax refunds or tax liabilities or tax claims arising from pending tax proceedings, under any law, on or before the Effective Date, shall be treated as or deemed to be treated as the tax liability or tax refunds/ tax claims (whether or not recorded in the books of the Transferor Companies) as the case may be, of the Transferee Company, and any unabsorbed tax losses and depreciation, etc., as would have been available to the Transferor Companies on or before the Effective Date, shall be available to the Transferee Company upon the Scheme coming into effect;

19. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of the Scheme, the transfer and vesting of the Transferor Companies, the continuance of Proceedings and the effectiveness of contracts and deeds as per the provisions of the Scheme shall not affect any transactions or proceedings already concluded by the Transferor Companies on or before the Appointed Date or after the Appointed Date till the Effective Date. The Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Companies in respect thereto, as if done and executed on its behalf.

20. PAYMENTS TO THE MINORITY SHAREHOLDERS


Ananda Chatterjee



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All the Transferor Companies are wholly owned subsidiaries of the Transferee Company except WEOL, where the Transferee Company is holding 98.28% of its subscribed, issued and paid-up capital and the minority shareholders is holding 1.72% of the subscribed, issued and paid-up capital of WEOL;

- 20.1 As far as consideration for the shareholding of 1.72% held by the minority shareholders in WEOL is concerned, upon the Scheme becoming effective, and under the provisions of Sections 236 of the 2013 Act, and all other provisions of applicable law, without any further application, act or deed, the Transferee Company shall, in consideration of the amalgamation, pay in cash to every shareholders holding fully paid-up equity shares in WEOL and whose names appear on the register of members on record date, Rs.70.99 per shares on the basis of valuation of shares of WEOL;
- 20.2 The Transferee Company shall deposit, an amount equal to the value of shares held by the minority shareholders in WEOL as per clause 20.1 above, in a separate bank account exclusively for this purpose and will not be used for any other purpose and to be operated by the Transferee Company for at least one year for payment to the minority shareholders;
- 20.3 Upon the Scheme become effective, the Transferee Company shall disburse to the entitled shareholders as per clause 20.1 within 30 days and shall continue to be made for a period of one year.

21. CANCELLATION OF SHARES

Upon the Scheme coming into effect and pursuant to the provisions of Sections 230 to 232 of the 2013 Act and all other provisions of the 2013 Act, the shares held by the Transferee Company in the share capital of the Transferor Companies will stand cancelled and there will be no issuance of shares by the Transferee Company. All dividends, whether due and payable or contingently payable on the share capital of the Transferor Companies stands cancelled and no payments or shares will be issued by the Transferee Company in this regard.

22. ACCOUNTING TREATMENT

- 22.1 The Transferee Company i.e. WBEIDC shall follow the pooling of interest method for accounting of the amalgamation in their books of account as per Accounting Standard-14 prescribed by the Companies (Accounting Standards) Rule, 2006.
 - a) All assets and liabilities including reserves, of the Transferor Companies shall be recorded in the books of account of the Transferee Company at their existing carrying amounts and in the same form.










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- b) The equity and preference shares held by the Transferee Company in the Transferor Companies appearing in the books of accounts of the Transferee Company shall stand cancelled in terms of clause 9 above and there shall be no further obligation in that behalf.
- c) The difference between the net assets (assets less liabilities) and reserves of the Transferor Companies transferred to the Transferee Company after making the adjustment as mentioned in Clause 9 above shall be credited/debited in the Amalgamation Reserve Account or Goodwill on Amalgamation Account as the case may be.

22.2 To the extent that there are Inter-company loans, advances, deposits, balances unpaid dividend or other obligations as amongst the Transferor Companies and the Transferee Company, the obligation in respect thereof will come to an end and corresponding effect shall be given in the books of account and records of the Transferee Company as well as Transferor Companies for the reduction of any assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balances, with effect from the Appointed Date.

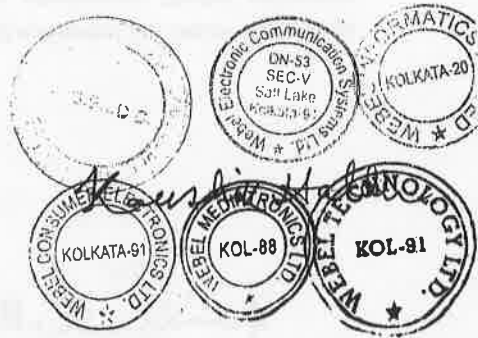
22.3 The Transferee Company shall record in its books of account, all transactions of the Transferor Companies in respect of assets, liabilities, income and expenses, from Appointed Date to the Effective Date.

22.4 In case of any difference in accounting policy between the Transferor Companies and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in the Amalgamation Reserve or Goodwill on Amalgamation account, as the case may be, of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

23. VALIDITY OF THE EXISTING RESOLUTIONS etc.

Upon the coming into effect of the Scheme and with effect from the Appointed Date, the resolutions already passed by the Board of the Transferor Companies as are considered necessary by the Board of the Transferee Company which are validly subsisting, be considered as resolutions of the Transferee Company and if any such resolution have any monetary limits approved, subject to the provisions of the 1956 Act and/or the 2013 Act as may be applicable or of any other applicable statutory provisions, then the said limits as are considered necessary by the Board of the Transferee Company shall be added to the limits, if any, under the like resolutions passed by the Transferee Company.

Aminder Chetty

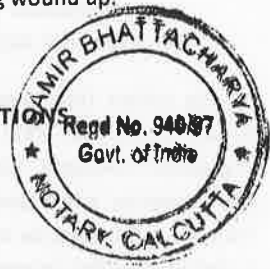


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24. DISSOLUTION OF THE TRANSFEROR COMPANIES

Upon the coming into effect of the Scheme, the Transferor Companies viz. WECS, WCEL, WIL, WML AND WEOL, shall, without any further act, instrument or deed by the parties to the Scheme, stand dissolved without being wound up.

PART E – OTHER TERMS AND CONDITIONS



25. REORGANISATION OF AUTHORISED SHARE CAPITAL

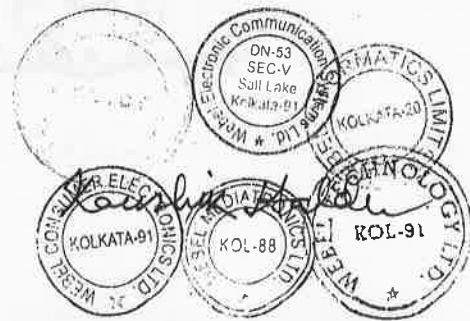
25.1 As an integral part of the Scheme, upon this Scheme becoming effective and with effect from Appointed Date, the authorised share capital of the Transferor Company as on the Effective Date shall, without any further act, instrument or deed or payment of additional fees payable to the Registrar of Companies or stamp duty, stand transferred to and be merged with the authorised share capital of the Transferee Company (WBEIDC).

25.2 Clause V of the Memorandum of Association of the Transferee Company (WBEIDC) shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Section 13 of the 2013 Act and other applicable provisions of the 2013 Act, as the case may be and be replaced by the following clause:

"The Authorised Share Capital of the Company is Rs.277,00,00,000 (Rupees Two hundred seventy seven Crores only) divided into 27,70,00,000 (Twenty seven Crores Seventy Lacs) Equity Shares of Rs.10/- (Rupees Ten only) each, with rights, privileges and conditions attaching thereto as may be provided by the Articles of Association of the Company. The Company shall have the power to increase or reduce its capital for the time being and to consolidate, divide or sub-divide and re-classify the shares in such capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as to dividend, voting or otherwise and to vary, modify or abrogate any such rights, privileges or conditions in accordance with the provisions of the Act and Articles of the Company and issue Shares of higher or lower denominations."

25.3 It is further clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/approval for the Increase of the authorized capital, amendment of the capital clause of the Memorandum of Association, under the provisions of Section 13 of the 2013 Act and other applicable

Handwritten signature of Anir Bhattacharya.



provisions of the 2013 Act.

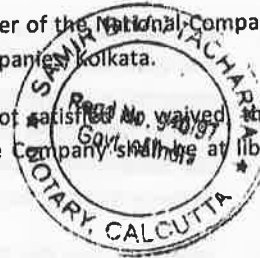
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26. CONDITIONS TO EFFECTIVENESS OF THE SCHEME

26.1 The Scheme is conditional upon and subject to:

- (a) this Scheme being approved by the respective requisite majorities of the various classes of shareholders, as applicable, of the Transferor Companies, WTL and the Transferee Company as required under the 2013 Act, as applicable, and the requisite order of the National Company Law Tribunal being obtained, or dispensation having been received from the National Company Law Tribunal in relation to obtaining such consent from the shareholders, as applicable;
- (b) the National Company Law Tribunal having accorded sanction to the Scheme; and
- (c) such certified/authenticated copy of the Order of the National Company Law Tribunal being filed with the Registrar of Companies, Kolkata.

26.2 In case any of the conditions in the Scheme are not satisfied, then the Transferor Companies, WTL and /or the Transferee Company shall be at liberty to withdraw the Scheme.



27. APPLICATION

27.1 The Transferor Companies, WTL and the Transferee Company shall make necessary applications before the National Company Law Tribunal for the sanction of this Scheme under Sections 230 to 232 and other applicable provisions of 2013 Act, as applicable, seeking orders for dispensing with or convening, holding and/or conducting of the meetings of the classes of their respective shareholders and/or the respective creditors and for sanctioning this Scheme with such modifications, as may be approved by the National Company Law Tribunal.

27.2 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to carry on the business of the Transferor Companies.

28. MODIFICATIONS TO THE SCHEME

The Transferor Companies, WTL and the Transferee Company (by their respective Board of Directors) may, in their full and absolute discretion, jointly and as mutually






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agreed in writing:

- (a) assent to any alteration(s) or modification(s) to this scheme which the National Company Law Tribunal and/or any other Governmental Authority may deem fit to approve or impose, and to effect any other modification or amendment jointly and mutually agreed in writing, including, without limitation, any modifications to the accounting treatment set out in the Scheme due to the Indian Accounting Standards being made applicable to the Companies or to the matters set forth in this Scheme and to do all acts, deeds and things as may be necessary, desirable or expedient for the purposes of this Scheme;
- (b) give such directions (acting jointly) as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation hereof or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to any of those (to the extent permissible under law);
- (c) modify or vary this Scheme prior to the Effective Date in any manner at any time; or
- (d) if any part of this Scheme is found to be unworkable for any reasons whatsoever withdraw this Scheme prior to the Effective Date in any manner at any time; or
- (e) determine jointly whether any asset, liability, employee, legal or other proceedings pertains to the Transferor Companies or not, on the basis of any evidence that they may deem relevant for this purpose.

29. SEVERABILITY

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

30. COSTS

All costs, charges and expenses (including, but not limited to, any taxes and duties, stamp duty, registration charges, etc.) in relation to or in connection with the Scheme and incidental to the completion of the Demerger and Amalgamation in pursuance of the Scheme shall be borne by WTL in respect of Demerger and the Transferee Company in respect of Amalgamation.

Arvind Chatterjee

Kaushik Halder

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31. RESIDUAL PROVISIONS

In the event of this Scheme failing to take effect finally, this Scheme shall become null and void and in that case no rights or liabilities whatsoever shall accrue to or be incurred *inter se* by the parties or their shareholders or creditors or employees or any other person.

