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1. INTRODUCTION

- 1.1. This Scheme (*defined hereinafter*) is presented under the provisions of Sections 230-232 of the Companies Act, 2013 read with relevant Rules of the Companies (Compromises, Arrangements & Amalgamations) Rules, 2016 for amalgamation of wholly owned subsidiaries namely: (a) Nabinagar Power Generating Company Limited ("Transferor Company 1"); and (b) Kanti Bijlee Utpadan Nagam Limited ("Transferor Company 2") (collectively "Transferor Companies") with NTPC Limited ("Transferee Company").
- 1.2. The Transferor Companies are wholly owned subsidiary of Transferee Company hence, in consideration thereof, the Transferee Company will not issue any shares under the scheme of Arrangement pursuant to the amalgamation of the Transferor Companies with the Transferee Company. The existing holding of Transferee Company in Transferor Company gets cancel pursuant to the scheme of amalgamation.
- 1.3. In addition, this Scheme also provides for various others matter consequential or otherwise integrally connected herewith.
- 1.4. The amalgamation of the Transferor Companies with the Transferee Company, pursuant to and in accordance with this Scheme, under Sections 230-232 and other relevant provisions of the Companies Act, 2013, shall take place with effect from the Appointed Date (*defined hereinafter*) and shall be in compliance with Section 2(1B) of the Income Tax Act, 1961.

2. DEFINITIONS

- 2.1. In the Scheme, unless contrary to the meaning or context thereof, (a) terms defined in the introductory paragraphs and recitals shall have the same meanings throughout this Scheme; and (b) the following words and expressions, wherever used (including in the recitals and introductory paragraphs above), shall have the following meaning:

"Act" means the Companies Act, 2013;

"Appointed Date" means [1st April 2021], or such other date as may be proposed and approved by the MCA;

"Effective Date" means the date on which the certified copies of the Order(s) of the MCA, vesting the assets, properties, liabilities, rights, duties, obligation, and the likes thereof, of the Transferor Companies, in the Transferee Company are filed with the Registrar of Companies, after obtaining the necessary consents, approvals, permission, resolutions, agreement, sanction and order in this regards. References in this Scheme to 'Scheme becoming effective' or 'date of coming into effect of the Scheme' or 'effectiveness of the Scheme' shall mean the Effective Date;

"Government Company" has the meaning ascribed to such term in the Companies Act, 2013;

"Listing Regulations" means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes any amendments, modification or any enactment thereof;

"MCA Notification" means Ministry of Corporate Affairs Notification No. G.S.R. 582 (E), Dated 13th June, 2017 in which the word "Tribunal", wherever it occurs, the words "Central Government" shall be substituted in Chapter XV, Sections 230 to 232 of the Companies Act, 2013;

"MCA" means Ministry of Corporate Affairs;



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"Registrar of Companies" or "ROC" means the Registrar of Companies at New Delhi;

"Rules" includes rules, circulars and notifications in force and issued from time to time under the provisions of the Act and any statutory modification or re-enactments thereof, unless stated otherwise.

"Scheme" means this Scheme of Amalgamation of the Transferor Companies with the Transferee Company in its present form or with such modifications as sanctioned by the Ministry of Corporate Affairs;

"Stock Exchanges" shall mean BSE Limited (BSE), NSE limited (NSE) or any other stock exchange, where equity shares of NTPC are currently listed/may be listed.

"Transferee Company" means NTPC Limited (CIN: L40101DL1975GO1007966), a company incorporated on November 7, 1975 under the Companies Act, 1956 and having its registered office at NTPC Bhawan, SCOPE Complex, 7, Institutional Area Lodhi Road, New Delhi 110003;

"Transferor Company 1" means Nabinagar Power Generating Company Limited (CIN: U40104DL2008PLC183024), a company incorporated on September 9, 2008 under the Companies Act, 1956 and having its registered office at NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi 110003;

"Transferor Company 2" means Kanti Bijlee Utpadan Nigam Limited (CIN: U40102DL2006GO1153167), a company incorporated on September 6, 2006 under the Companies Act, 1956 and having its registered office at NTPC Bhawan, Core - 7 SCOPE Complex, 7, Institutional Area, Lodhi Road New Delhi 110003;

"Undertaking of the Transferor Companies" means all the undertakings, assets, properties, investments and liabilities of whatsoever nature and kind, and wherever situated and entire business of the Transferor Companies as a going concern together with all their assets and liabilities, including, without limitation:

- (a) all the assets and properties including fixed assets (whether movable or immovable, owned or leased, tangible or intangible, present, future or contingent of whatsoever nature) including patents, copyrights, designs and all other intellectual property rights, leases (including all leasehold rights) or tenancies in relation to offices or premises, software licenses, computer programs, etc. and current assets of the Transferor Companies, in each case, whether situated in India or abroad;
- (b) all permits, quotas, rights, entitlements, industrial and other licences, bids, tenders, letters of intent, expressions of interest, memoranda of understanding or similar instruments, development rights (whether vested or potential and whether under agreements or otherwise), municipal permissions, approvals, consents, subsidies, income tax benefits / exemptions, all other rights including tax deferrals and exemptions and other benefits and prospecting licenses (in each case including the benefit of any applications made therefor), and the surface rights in relation thereto, receivables, and liabilities related thereto, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company;
- (c) all concessions, subsidies, exemptions, incentives, rebates, rights, interests and entitlements or obligations of any nature, amount or kind whatsoever, associated or available thereto;



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- (d) all the leasehold rights, development rights and other rights of the Transferor Companies, together with all easements and rights benefiting the said land;
- (e) all the liabilities of the Transferor Companies, whether provided for or not in the books of account or disclosed in the balance sheet of the Transferor Companies;
- (f) all benefits and obligations under the contracts, deeds, bonds, agreements, schemes, arrangements, approvals and other instruments of any nature of the Transferor Companies; and
- (g) all intellectual property rights, trade and service names and marks, patents, copyrights, design and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information and drawings, software licenses (whether proprietary or otherwise), computer programmes, manuals, data, catalogues, quotations, sales and advertising material, lists 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 business activities and operations of the Transferor Companies; and
- (h) all employees of the Transferor Companies and all liabilities with regard to them, including with respect to payment of gratuity, superannuation, provident fund and others, if any.
- 2.2. References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.
- 2.3. The headings herein shall not affect the construction of this Scheme.
- 2.4. Unless the context otherwise requires:
- (a) the singular shall include the plural and vice versa; and references to one gender includes all genders; and
- (b) references to any law or to any provision thereof shall include references to any such law or to any provision thereof as it may, after the date hereof, from time to time, be amended, supplemented or re-enacted, or to any law or any provision which replaces it, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

3. SHARE CAPITAL

3.1. Transferor Company 1

The share capital structure of the Transferor Company 1 as on March 31, 2019 is as under:

A. Authorised Share Capital		Amount in Rs.
4600000000 equity shares of Rs. 10 each		4600,00,00,000
	Total	4600,00,00,000
B. Issued, Subscribed and Paid-up Share Capital		Amount in Rs.
3987155500 equity shares of Rs. 10 each		3987,15,55,000
	Total	3987,15,55,000



3.2. **Transferor Company 2**

The share capital structure of the Transferor Company 2 as on March 31, 2019 is as under:

A. Authorised Share Capital	Amount in Rs.
2000000000 equity shares of Rs. 10 each	2000,00,00,000
Total	2000,00,00,000

B. Issued, Subscribed and Paid-up Share Capital	Amount in Rs.
1510673705 equity shares of Rs. 10 each	1510,67,37,050
Total	1510,67,37,050

3.3. **Transferee Company**

The share capital structure of the Transferee Company as on March 31, 2019 is as under:

A. Authorised Share Capital	Amount in Rs.
10000000000 equity shares of Rs. 10 each	10000,00,00,000
Total	10000,00,00,000

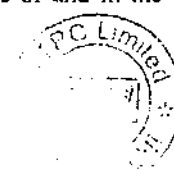
B. Issued, Subscribed and Paid-up Share Capital	Amount in Rs.
9894557280 equity shares of Rs. 10 each	9894,55,72,800
Total	9894,55,72,800

4. **OBJECTS AND RATIONAL OF THE SCHEME**

- 4.1. The Transferor Companies are wholly owned and step-down subsidiary of Transferee Company. The Transferor Companies and Transferee Company are in same line of business i.e. Generation of electricity. The proposed amalgamation will provide several benefits including streamlined group structure by reducing the number of legal entities, reducing the multiplicity of legal and regulatory compliances, rationalizing costs.
- 4.2. In addition to above, the proposed amalgamation will also have following benefits:
- Synergy of operation;
 - Reduction in overhead expenditure;
 - Effective Administrative & management control;
 - Reduced cost of borrowing;
 - Operational efficiencies;
- 4.3. In view of the above, it is considered desirable and expedient to amalgamate the Transferor Companies with the Transferee Company in accordance with this Scheme, pursuant to Sections 230-232 of the Companies Act, 2013.

5. **TRANSFER OF UNDERTAKING**5.1. **General**

Upon the coming into effect of the Scheme and with effect from the Appointed Date, the Undertaking of the Transferor Companies shall, pursuant to the provisions of Sections 230-232 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.



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5.2. Transfer of Assets

- (a) Without prejudice to the generality of Clause 5.1 above, upon the coming into effect of the Scheme, all the estate, assets, properties, rights, claims, title, interest and authorities including all accretions to and appurtenances comprised in the Undertaking of the Transferor Companies of whatsoever nature and wheresoever situated, whether or not included in the books of the Transferor Companies, and all assets and properties, which are acquired by the Transferor Companies on or after the Appointed Date but prior to the Effective Date, shall, without any further act or deed, be and stand transferred to and vested in the Transferee Company 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 (or in case of any estate, assets, etc. acquired on a date after the Appointed Date, with effect from such date), the estate, assets, properties, rights, claims, title, interest and authorities of the Transferee Company, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.
- (b) Without prejudice to the provisions of sub-Clause 5.2(a) above, in respect of 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, payment or by endorsement and/or delivery, the effectiveness of the Scheme shall be deemed to constitute delivery or deemed delivery or constructive delivery, as the case may be, of such property and shall, become the assets and property of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Sections 230-232 of the Act, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.
- (c) All the rights, remedies, claims and rights of action of the Transferor Companies against third parties shall, pursuant to Sections 230-232 of the Act, without any further act or deed, be and deemed to be rights, remedies, claims and rights of action of the Transferee Company upon the coming into effect of the Scheme and with effect from the Appointed Date.
- (d) All the consents, certificates, clearances, authorities, licenses, permits, entitlements, quotas, approvals, permissions, registrations, incentives, sales tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges 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 before or after the Appointed Date, including but not limited to those available under the Customs Act, 1962, Central Excise Act, 1944, Finance Act, 1994, Central Sales Tax Act, 1956, Central Goods and Services Tax Act, 2017, State specific Value Added Tax and State specific Goods and Services Tax, as the case may be, regulations, income tax benefits and exemptions, all other rights, exemptions and benefits including those acquired by the Transferor Companies on or after the Appointed Date, shall, under the provisions of Sections 230-232 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company, as if the same were originally given or issued to or executed in favour of the Transferee Company, so as to become, as and from the Appointed Date, consents, certificates, clearances, authorities, licenses, permits, entitlements, quotas, approvals, permissions, registrations, incentives, sales tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.



- (e) All concessions, subsidies, exemptions, incentives, rebates, rights, interests, entitlements and obligations of any nature, amount or kind whatsoever, associated or available to the Transferor Companies, shall, under the provisions of Sections 230-232 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company as if the same were originally given or issued to or executed in favour of the Transferee Company so as to become as, and from the Appointed Date, along with all concessions, subsidies, exemptions, incentives, rebates, rights, interests and entitlements of any nature, amount or kind whatsoever, associated or available thereto, of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

5.3. Contracts, Deeds etc.

- (a) Upon the coming into effect of the Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, powers of attorney and other instruments of whatsoever nature, to which the Transferor Companies are a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder.
- (b) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting and transfer of the Undertaking of the Transferor Companies occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of the Scheme, in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Companies are a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme.
- (c) With effect from the Appointed Date, all inter-party transactions between the Transferor Companies and the Transferee Company shall be considered as intra-party transactions for all purposes.

5.4. Transfer of Liabilities

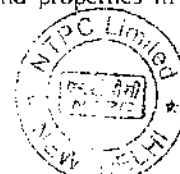
- (a) Upon the coming into effect of this Scheme, all liabilities, duties and obligations of the Transferor Companies, shall, under the provisions of Sections 230-232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company, and the same shall be assumed by the Transferee Company to the extent they are outstanding on the Effective Date so as to become, on and from the Appointed Date (or in case of any liabilities incurred on a date after the Appointed Date, with effect from such date) the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Companies, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause.
- (b) For the avoidance of doubt:



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- (i) all the liabilities of the Transferor Companies incurred, or which arise or accrue on or after the Appointed Date till the Effective Date shall be deemed to be and shall become the liabilities of the Transferee Company upon the coming into effect of this Scheme.
 - (ii) where any such liability of the Transferor Companies have been discharged by the them on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.
 - (iii) all liabilities incurred or undertaken by the Transferor Companies on or after the Appointed Date and prior to the Effective Date shall be deemed to have been incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230-232 of the Act, without any further act, instrument or deed be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Companies and shall become the liabilities of the Transferee Company.
- (c) The loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a liability including a contingent liability in whatever form), if any, due on the Effective Date between the Transferor Companies and the Transferee Company shall automatically stand discharged and come to an end and there shall be no liability in that behalf on either the Transferor Companies and the Transferee Company and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.

5.5. Encumbrances

- (a) The transfer and vesting of the assets comprised in the Undertaking of the Transferor Companies, to and in the Transferee Company upon the coming into effect of the Scheme shall be subject to the encumbrances, if any, affecting the same as hereinafter provided.
- (b) All encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Companies shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date. Provided that, if any of the assets of the Transferor Companies have not been encumbered in respect of the liabilities, such assets shall remain unencumbered and the existing encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such encumbrances shall not relate or attach to any of the other assets of the Transferee Companies. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of this Clause.
- (c) The existing encumbrances over the other assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Companies transferred to and vested in the Transferee Company by virtue of the Scheme.
- (d) Any reference to the Transferor Companies and their assets and properties in any



security documents or arrangements to which any of the Transferor Companies is a party to, shall be construed as a reference to the Transferee Company and the same assets and properties of the Transferor Companies transferred to the Transferee Company by virtue of the 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 RoC to give formal effect to the above provisions, if required.

- (e) Upon the coming into effect of the Scheme, the Transferee Company shall be liable to perform all obligations in respect of the liabilities which have been vested and transferred to it in terms of the Scheme.
- (f) Save as herein provided, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of the Scheme except to the extent that such amendment is required by necessary implication.
- (g) The provisions of this Clause shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings or the terms of sanction or issue or any security document shall stand modified and/or superseded by the foregoing provisions.

5.6. Employees

- (a) Upon the coming into effect of this Scheme, all employees of the Transferor Companies shall become the employees of the Transferee Company with effect from the Appointed Date (or in case of any employee engaged by the Transferor Companies on a date after the Appointed Date, with effect from such date), and, subject to the provisions hereof, on terms and conditions not less favourable than those on which they are engaged by the Transferor Companies and without any interruption of or break in service as a result of the amalgamation of the Transferor Companies with the Transferee Company in terms of this Scheme. For the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such employees with the Transferor Companies shall also be taken into account, and paid (as and when payable) by the Transferee Company.
- (b) It is clarified that save as expressly provided for in the Scheme, the employees of the Transferor Companies who become the employees of the Transferee Company by virtue of this Scheme, shall be bound by the employment policies and shall be entitled to avail of any schemes and benefits that may be applicable and available to any of the other employees of the Transferee Company, unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into by the Transferor Companies with any union/employee of the Transferor Companies.
- (c) Insofar as the provident fund, gratuity fund, superannuation fund, retirement fund or benefits and any other funds created by the Transferor Companies or in respect of which the Transferor Companies makes contributions, for the employees of the Companies and such other funds or trusts, the benefits of which the employees of the Transferor Companies enjoy (collectively referred to as the "Funds"), all amounts standing to the credit of the Funds and investments made by the Funds in relation to the employees Transferor Companies shall be transferred to the Transferee Company or the trustees of similar trusts created by the Transferee Company and shall be held for the benefit of those employees of the Transferor Companies who are eligible for

