



PAHARPUR COOLING TOWERS LIMITED

Paharpur House, 8/1B, Diamond Harbour Road,
Kolkata- 700 027, INDIA

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Web : www.paharpur.com

CIN : U02005WB1949PLC018363

NOTICE

MEETING OF THE UNSECURED CREDITORS OF PAHARPUR COOLING TOWERS LIMITED

(Convened pursuant to the order dated 9th March, 2018,
as amended by an order dated 6th April, 2018 passed by
the Hon'ble National Company Law Tribunal, Kolkata Bench)

MEETING	
Day	Wednesday
Date	June, 6th, 2018
Time	12.30 P.M.
Venue	Rotary Sadan, 94 / 2, Chowringhee Road, Kolkata – 700 020

POSTAL BALLOT	
Start Date and Time	6th May, 2018 at 9.00 A.M. (900 hours)
End Date and Time	5th June, 2018 at 5.00 P.M. (1700 hours)



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FORM NO. CAA.2

[Pursuant to Section 230(3) and rule 6 and 7]

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
KOLKATA BENCH AT KOLKATA**

C. A. (C.A.A.) No. 88/KB/2018

IN THE MATTER OF Companies Act, 2013.

And

IN THE MATTER OF Section 230 read with Section 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.

And

In the matter of:

PAHARPUR COOLING TOWERS LIMITED, 8/1B, Diamond Harbour Road, Kolkata – 700 027, West Bengal

... Demerged Company

And

In the matter of:

PAHARPUR COOLING TECHNOLOGIES PRIVATE LIMITED, 8/1B, Diamond Harbour Road, Kolkata – 700 027, West Bengal

... Resulting Company 1

PAHARPUR BUILDERS PRIVATE LIMITED, 8/1B, Diamond Harbour Road, Kolkata - 700027, West Bengal

... Resulting Company 2

PAHARPUR FLEXIBLES PRIVATE LIMITED, 8/1B, Diamond Harbour Road, Kolkata -700027, West Bengal

... Resulting Company 3

In the matter of:

1. **PAHARPUR COOLING TOWERS LIMITED**
2. **PAHARPUR COOLING TECHNOLOGIES PRIVATE LIMITED**
3. **PAHARPUR BUILDERS PRIVATE LIMITED**
4. **PAHARPUR FLEXIBLES PRIVATE LIMITED**

... APPLICANTS

**Notice of the meeting of Unsecured creditors of Paharpur Cooling Towers Limited**

Notice is hereby given that by an order dated the 9th March, 2018, as modified by order dated 6th April, 2018 the Kolkata Bench of the National Company Law Tribunal ("NCLT") has directed meeting to be held of unsecured creditors of applicant Company No.1 above named for the purpose of considering, and if thought fit, approving with or without modification, the arrangement proposed to be made between applicant company Nos. 1 to 4 and their shareholders and creditors.

In pursuance of the said orders and as directed therein further notice is hereby given that a meeting of unsecured creditors of the applicant company No.1 abovenamed will be held at 12.30 p.m. on Wednesday, 6th June, 2018, at Rotary Sadan, 94 /2, Chowringhee Road, Kolkata – 700 020 at which time and place the said unsecured creditors are requested to attend and to consider and, if thought fit, to pass following Resolution with or without modification(s):

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) and the rules, regulations, circulars and notifications issued thereunder, (hereinafter collectively referred to as "the Act") as may be applicable and subject to the enabling provisions in the Memorandum and Articles of Association of the Company and subject to the approval of the Hon'ble National Company Law Tribunal, Bench at Kolkata ("NCLT"), and subject to such other approval, permission and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the arrangement embodied in the Scheme of Arrangement among Paharpur Cooling Technologies Private Limited, Paharpur Builders Private Limited, Paharpur Flexibles Private Limited and the Company ("Scheme") placed before this meeting and initiated by the Chairman of the meeting for the purpose of identification, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and /or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper."

Copies of the said Scheme of Arrangement and the statement under section 230 read with section 232 of the Act, along with the enclosures as indicated in the index can be obtained free of charge at the registered office of the applicant Company No. 1 or at the office of their Advocates, M/s. Fox & Mandal, 12, Old Post Office Street, Kolkata 700001. Persons entitled to attend and vote at the meeting, may vote in person or by proxy, provided that all proxies in the prescribed form are deposited at the registered office of the applicant Company No. 1 at Paharpur House 8/1B, Diamond Harbour Road, Kolkata- 700 027 not later than 48 hours before the meeting.

In compliance with the provisions of Section 230(4) read with Section 108 and Section 110 of the Act, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 as



amended and Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Applicant Company- 1 has provided the facility of voting by postal ballot so as to enable the unsecured Creditors, to consider and approve the Scheme by way of the aforesaid resolution. Accordingly, voting by unsecured Creditors of the Applicant Company- 1 to the Scheme shall be carried out through (a) Postal Ballot; and (b) Ballot voting at the venue of the meeting to be held on Wednesday, 6th June, 2018. Unsecured creditors may cast their votes by returning duly filled in and signed, the postal ballot form in the self addressed and postage prepaid envelope, so as to reach the Scrutinizer on or before 5.00 p.m. on 5th June, 2018. The votes received after that date shall be treated as if votes from unsecured creditor has not been received.

Forms of proxy can be obtained from the registered office of the applicant company No. 1 abovenamed or at the office of the Solicitor & Advocate, Fox & Mandal at 12, Old Post Office Street, Kolkata - 700 001. The Hon'ble Tribunal has appointed Shri Sailendra Kumar Tiwari as the Chairperson for the meeting and Smt. Mamta Binani, Practising Company Secretary, as Scrutiniser for conducting the said postal ballot process and at the meeting of the unsecured creditors of Applicant Company No. 1 in a fair and transparent manner.

The Creditors who wish to exercise their vote using postal ballot form are requested to carefully go through the instructions printed over-leaf the Postal Ballot Form dispatched to all the unsecured creditors.

An unsecured creditor may participate in the meeting even after exercising his right to vote by postal ballot but shall not be entitled to cast their vote again in the meeting.

Upon completion of the scrutiny of the Postal Ballot Forms, the Scrutinizer will submit her report.

Unsecured creditors can opt for only one mode of voting i.e. either through Postal Ballot or by exercising the right of vote at the said meeting. If an unsecured creditor casts votes both by postal ballot and by exercising vote at the meeting, then voting done through Postal Ballot Form shall prevail and vote given at the meeting shall be treated as invalid.

The Scheme of Arrangement, if approved by the meeting, will be subject to subsequent approval of the Hon'ble National Company Law Tribunal, Kolkata Bench at Kolkata.

Dated this 19th day of April, 2018

Sailendra Kumar Tiwari
(Chairperson)

Notes:

1. An unsecured creditor entitled to attend and vote at the NCLT convened meeting (the "meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be an unsecured creditor of the company. Proxy, to be effective, must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting. A person can act as a proxy on behalf of Unsecured Creditors not exceeding fifty and holding in the aggregate not more than ten percent of the total Unsecured Debt of the Company.
2. Only Unsecured Creditors of the Applicant Company No. 1 as on 30.06.2017 may attend and vote either in person or by proxy (a proxy need not be an Unsecured Creditor of the Applicant

- Company no. 1) or in the case of a body by a representative authorised under Section 113 of the Companies Act, 2013 at the Meeting. The authorised representative of a body corporate which is an Unsecured Creditor of the Applicant Company No. 1 may attend and vote at the Meeting, provided a copy of the resolution of the board of directors or other governing body of the body corporate authorising such representative to attend and vote at the Meeting, duly certified to be a true copy by a director, the manager, the secretary or other authorised officer of such body corporate is deposited at the registered office of the Applicant Company No. 1 not later than 48 (forty eight) hours before the schedule time of the commencement of the Meeting.
3. The form of proxy can be obtained free of charge from the registered office of the Applicant Company No. 1 or at the office of the Solicitor & Advocate, Fox & Mandal at 12, Old Post Office Street, Kolkata – 700 001.
 4. All alterations made in the Proxy Form should be initiated.
 5. An unsecured Creditor or his proxy, attending the meeting, is requested to bring the Attendance Slip duly completed and signed.
 6. During the period beginning 24 (twenty four) hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the meeting, an Unsecured Creditor would be entitled to inspect the proxies lodged at any time during the business hours of the Applicant Company no. 1, provided that not less than 3 (three) days of notice in writing is given to the applicant company No. 1.
 7. In terms of the directions contained in the Order dated 9th March, 2018, the quorum for the Meeting shall be in terms of Section 103 of the Companies Act, 2013, i.e., 15 (Fifteen) Unsecured Creditors of the Applicant Company No. 1, present either in person or by proxy.
 8. The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the creditors at the registered office of the Applicant Company between 10.00 a.m. and 12.00 noon on all days (except Saturdays, Sundays and public holidays) up to the date of the meeting.
 9. The Notice, the Explanatory Statement together with the documents accompanying the same, are being sent to all the Unsecured Creditors of the Applicant Company No. 1 as on 30.06.2017 either by registered post / speed post / courier service to those Unsecured Creditors who have not registered their e-mail ids with the Applicant Company. The Notice along with copy of the Scheme and other documents may also be accessed on Company's website: www.paharpur.com
 10. The unsecured creditors of the Applicant Company No. 1 as on 30.06.2017 shall be eligible to attend and vote at the meeting of the Creditors of the Applicant Company or cast their votes by using postal ballot.
 11. Kindly note that the Unsecured Creditors can opt only one mode for voting i.e. either by postal ballot or voting at the venue of the meeting. Please further note that Unsecured Creditors who have voted either through postal ballot may still attend the Meeting, however, they shall not be allowed to vote at the Meeting.
 12. A postal ballot form along with self-addressed postage pre-paid envelope is also enclosed. Unsecured Creditors, voting through postal ballot form are requested to carefully read the instructions printed in the attached postal ballot form. Unsecured Creditors who have received the postal ballot form by e-mail and who wish to vote through postal ballot form, can download the postal ballot form from the Applicant Company no. 1's website www.paharpur.com or seek duplicate postal ballot form from the Applicant Company no. 1.
 13. The voting through postal ballot will commence at 9.00 a.m. on 6th May 2018 and will end at 5.00 p.m. on 5th June 2018. During this period, the Unsecured Creditors of the Applicant Company may cast their vote by postal ballot.
 14. Any queries/grievances in relation to the voting by postal ballot may be addressed to Mr.



Hirak Ghosh, Company Secretary of the Applicant Company at its registered office, or call at 03340133000 or through email to hirak.g@paharpur.com.

15. The Unsecured Creditors are requested to carefully read the instructions printed in the Postal Ballot Form and return the Postal Ballot Form duly completed with the assent (FOR) or dissent (AGAINST), in the enclosed postage pre-paid self-addressed envelope, so as to reach the Scrutinizer, not later than 5.00 p.m on 5th June 2018 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the creditor.
16. Envelopes containing Postal Ballot Form if deposited in person or sent by courier at the expense of the creditor will also be accepted.
17. As directed by the Hon'ble Tribunal, Ms. Mamta Binani, Practising Company Secretary shall act as Scrutinizer to scrutinize votes cast on Postal Ballot or at the Meeting.
18. The results, together with the scrutinizer's reports, will be displayed at the registered office of the Applicant Company No. 1, on the website of the Applicant Company No. 1, i.e., www.paharpur.com
19. The Route map showing direction to reach the venue is annexed.

Fox & Mandal,
Advocates,
12, Old Post Office Street,
Kolkata.



STATEMENT UNDER SECTION 102 AND SECTION 230 (3) OF THE COMPANIES ACT, 2013 READ WITH RULE 6 (3) OF THE COMPANIES (COMPROMISES, ARRANGEMENTS, AND AMALGAMATIONS) RULES, 2016.

1. Pursuant to the order dated 9th March, 2018 and as amended by an order dated 6th April, 2018 passed by the National Company Law Tribunal, Kolkata Bench (hereinafter referred to as 'NCLT') in Company Application being C.A. (C.A.A.) No. 88 /KB/2018 filed by the applicants (hereinafter referred to as the "applicant companies"), a meeting of secured creditors of the Demerged Company will be held at 12.30 p.m. on 4th June, 2018 at the registered office of the applicant No. 1 i.e at 8/1B, Diamond Harbour Road, Kolkata- 700 027 and meeting of the unsecured creditors of the applicant company No. 1 abovenamed will be held at 12.30 p.m. on 6th June 2018, at Rotary Sadan, 94/2, Chowringhee Road, Kolkata- 700 020 for the purpose of considering and if thought fit, approving, with or without modification(s), the arrangement embodied in the proposed scheme of arrangement between the joint applicants (hereinafter referred to as the "Scheme"). A copy of the Scheme setting out details of parties involved in the proposed Scheme, appointed date, effective date, share exchange ratio is enclosed herewith and forms a part of the notice as well as the explanatory statement.
2. List of the companies/parties involved in the Scheme of Arrangement are:
 - (i) Paharpur Cooling Towers Limited (Demerged Company)
 - (ii) Paharpur Cooling Technologies Private Limited (Resulting Company 1)
 - (iii) Paharpur Builders Private Limited (Resulting Company 2)
 - (iv) Paharpur Flexibles Private Limited (Resulting Company 3)
3. The Scheme contains the details of all the applicant companies including Corporate Identification Number (CIN), company type, registered office address, main business carried on by the applicant companies, details of capital structure of all the companies including authorized, issued, subscribed and paid up share capital.
4. **Background of the Companies:**

I. Paharpur Cooling Towers Limited

- a) The Permanent Account Number (PAN), date of incorporation, e-mail address and amount due to creditors of the Demerged Company is as under:

Particulars	PAN	Date of Incorporation	e-mail address	Amount due to secured creditors on 30th June, 2017 (INR)	Amount due to unsecured creditors on 30th June 2017 (INR)
Paharpur Cooling Towers Limited	AABCP8017C	25/10/1949	hirak.g@paharpur.com	Fund based- Rs.235,30,99,699.96 Non Fund based- Rs. 564,50,51,174.93	Rs. 53,11,07,983.00

- b) The main objects of the Demerged Company as contained in its Memorandum of Association, inter alia includes, as follows:

“1. To carry on business as timber merchants, saw-mill proprietors and timber growers and to buy, sell, grow, prepare for market, manipulate import export

and deal in timber and wood of all kinds and to manufacture and deal in articles of all kinds in the manufacture of which timber or wood is used and to buy clear plant and work timber estates and to carry on any other business which may seem to the company capable of being conveniently carried on in connection with any of the above or calculated directly or indirectly to render profitable or enhance the value of the Company's property or right for the time being.

2. To acquire and take over as the going concern the business now carried on at No. 8, Netaji Subhas Road, Kolkata, under the style or firm of "PAHARPUR TIMBER," and all or any of the assets and liabilities of the proprietors of that business in connection therewith and that with a view there to enter into the agreement referred to in Clause 3 of the Company's Articles of Association and to carry the same into effect with or without modification.
 - a. To carry on the business of manufacturers, processors and/or dealers in cooling towers made of timber, concrete, plastics, steel, fibre glass or any other materials."
- c) During the last five years there has been no change in the name, registered office and main objects which are summarized above of the Demerged Company.
- d) The Demerged Company is a public company. It ceased to be deemed public company under section 43A(1A) upon enactment of the Companies (Amendment), 2000. The restrictive clause applicable to a private company in the Articles of Association (Article No 3) was deleted in accordance with the special resolution passed by the members of the Company at annual general meeting held on 29th September, 2001.
- e) The following are the details of the promoters and directors of the Demerged Company:

Sl. No.	Name	Address
Promoter and Promoter Group:		
1.	Mrs. Gyan M. Swarup	2 B, Judges Court Road, Kolkata 700027
2.	Mr. Vikram Swarup	2 B, Judges Court Road, Kolkata 700027
3.	Mr. Gaurav Swarup	White House Gardens, 17 A, Alipore Road, Kolkata-700027
Directors:		
1.	Mrs. Gyan M. Swarup	2 B, Judges Court Road, Kolkata 700027
2.	Mr. Vikram Swarup	2 B, Judges Court Road, Kolkata 700027
3.	Mr. Gaurav Swarup	White House Gardens, 17 A, Alipore Road, Kolkata-700027
4.	Ratan Lal Gaggar	11, Sarat Bose Road, Kolkata- 700020
5	Sumit Mazumder	Arjun Enclave, Flat No. 5A & 5B, 12c, Judges Court Road, Kolkata- 700027.
6	Satya Brata Ganguly	5C, New Road, Alipore, Kolkata 700027

**II. Paharpur Cooling Technologies Private Limited**

- a) The Permanent Account Number (PAN), date of incorporation, e-mail address and amount due to creditors of the Resulting Company-1 is as under:

Particulars	PAN	Date of Incorporation	E-Mail Address	Amount due to secured creditors on 30th June, 2017 (INR)	Amount due to unsecured creditors on 30th June, 2017 (INR)
Paharpur Cooling Technologies Private Limited	AAUCS5912L	05/06/2014	hirak.g@paharpur.com	NIL	NIL

- b) The main objects of the Resulting Company-1 as contained in its Memorandum of Association, inter alia includes, as follows:

To carry on the business of design & Engineering, manufacturing, commissioning, setting up, operating and/or maintaining and/or processing and/or dealing and/or exporting Cooling Towers, Heat Exchangers, Steam Condensers including any other equipment used for direct or indirect cooling and parts thereof made of timber, concrete, plastics, steel, fiber glass or any other materials.

- c) The name of the company was changed from SOVAN TEXTILES EXPORTS PRIVATE LIMITED to PAHARPUR COOLING TECHNOLOGIES PRIVATE LIMITED on 24th August 2017, subsequently, the registered office was changed to the present address and main objects of Resulting Company-1 were also changed to the above.
- d) The Resulting Company-1 is a private limited company and its securities are not listed on any stock exchange.
- e) The following are the details of the promoters and directors of the Resulting Company-1:

Sl. No.	Name	Address
Promoter and Promoter Group:		
1.	Mrs. Gyan M. Swarup	2 B, Judges Court Road, Kolkata 700027
2.	Mr. Vikram Swarup	2 B, Judges Court Road, Kolkata 700027
3.	Mr. Gaurav Swarup	White House Gardens, 17 A, Alipore Road, Kolkata-700027
Directors:		
1.	ARUN KUMAR SINGHANIA	FE-133, SECTOR-III SALT LAKE CITY, Bidhannagar (N), North 24 Parganas KOLKATA 700106
2.	PURURAJ DUTT	FLAT NO. 14 32, HAZRA ROAD KOLKATA 700029

**III. Paharpur Builders Private Limited**

- a) The Permanent Account Number (PAN), date of incorporation, e-mail address and amount due to creditors of the Resulting Company-2 is as under:

Particulars	PAN	Date of Incorporation	e-Mail Address	Amount due to secured creditors on 30th June, 2017 (INR)	Amount due to unsecured creditors on 30th June, 2017 (INR)
Paharpur Builders Private Limited	AANCA2370F	18/12/2014	hirak.g@paharpur.com	NIL	NIL

- b) The main objects of the Resulting Company-2 as contained in its Memorandum of Association, inter alia includes, as follows:

To acquire by purchase, lease, exchange, or otherwise and to sell, transfer, alienate, assign dispose of deal in and develop land, building, and hereditaments of any tenure or description whatsoever, any estate or interest therein, and any rights over or connected therewith, as may be seen expedient and in to account particular by preparing building sites, end the constructing, reconstructing altering, importing, pulling down developing renovating, designing, decorating, furnishing and maintaining offices, flats, house, factories, ware house, shops, stores wharves, building, works and conveniences of all kinds,- end by consolidating, connecting or sub-dividing properties, and by letting out; leasing and disposing of the same in any manner whatsoever either in whole or by way of apartments or flats or divide portion of floor space in constructed building or buildings planned to be constructed, or under construction. c) The name of the company was changed from ASANSOL PROPERTY MAINTENANCE PRIVATE LIMITED to PAHARPUR BUILDERS PRIVATE LIMITED on 16th August 2017, subsequently, the registered office was changed to the present address and main objects of Resulting Company-2 were also changed to the above.

- c) The Resulting Company-2 is a private limited company and its securities are not listed on any stock exchange.
- d) The following are the details of the promoters and directors of the Resulting Company-2:

Sl. No.	Name	Address
Promoter and Promoter Group:		
1.	Mrs. Gyan M. Swarup	2 B, Judges Court Road, Kolkata 700027
2.	Mr. Vikram Swarup	2 B, Judges Court Road, Kolkata 700027
3.	Mr. Gaurav Swarup	White House Gardens, 17 A, Alipore Road, Kolkata-700027
Directors:		
1.	ARUN KUMAR SINGHANIA	FE-133, SECTOR-III SALT LAKE CITY, BIDHANNAGAR (N), NORTH 24 PARGANAS KOLKATA 700106
2.	PURURAJ DUTT	FLAT NO. 14 32, HAZRA ROAD KOLKATA 700029

IV. Paharpur Flexibles Private Limited



- a) The Permanent Account Number (PAN), date of Incorporation, E-mail address and amount due to creditors of the Resulting Company-3 is as under:

Particulars	PAN	Date of Incorporation	e-Mail Address	Amount due to secured creditors on 30th June, 2017 (INR)	Amount due to unsecured creditors on 30th June, 2017 (INR)
Paharpur Flexibles Private Limited	AAFCC5784R	13/02/2014	hirak.g@paharpur.com	NIL	NIL

- b) The main objects of the Resulting Company-3 as contained in its Memorandum of Association, inter alia includes, as follows:

To carry on the business as manufacturers, traders, wholesalers and retailers of all types of pecking and packing materials including flexible packaging, polyester film, multilayer plastic film, co-extruded plastic films and their lamination, adhesion for Packaging systems, synthetic and natural products, pouches, PP/HDPE woven bags and sacks, leather and rubber products, both natural and synthetic rubber and leather chemicals and their derivatives, for use in packaging systems.

- c) The name of the company was changed from CITYBUILD ENTERPRISES PRIVATE LIMITED to PAHARPUR FLEXIBLES PRIVATE LIMITED on 9th August 2017, subsequently, the registered office was changed to the present address and main objects of Resulting Company-3 were also changed to the above.
- d) The Resulting Company-3 is a private limited company and its securities are not listed on any stock exchange.
- e) The following are the details of the promoters and directors of the Resulting Company-3:

Sl. No.	Name	Address
Promoter and Promoter Group:		
1.	Mrs. Gyan M. Swarup	2 B, Judges Court Road, Kolkata 700027
2.	Mr. Vikram Swarup	2 B, Judges Court Road, Kolkata 700027
3.	Mr. Gaurav Swarup	White House Gardens, 17 A, Alipore Road, Kolkata- 700027
Directors:		
1.	ARUN KUMAR SINGHANIA	FE-133, SECTOR-III SALT LAKE CITY, Bidhannagar (N), North 24 Parganas, KOLKATA 700106
2.	PURURAJ DUTT	FLAT NO. 14 32, HAZRA ROAD, KOLKATA 700029

7. Relationship subsisting between the Companies who are parties to the Scheme of Arrange-

ment is that the applicant companies are part of same group of companies.

8. The Board of Directors of the Demerged Company by a resolution passed unanimously at their meeting held on 9th September, 2017 approved the said Scheme.
9. The Board of Directors of Resulting Company-1 by a resolution passed unanimously at their meeting held on 15th September, 2017 approved the said Scheme.
10. The Board of Directors of Resulting Company-2 by a resolution passed unanimously at their meeting held on 13th September, 2017 approved the said Scheme.
11. The Board of Directors of Resulting Company-3 by a resolution passed unanimously at their meeting held on 15th September, 2017 approved the said Scheme.

Names of the Directors of the Demerged Company present at the meeting, who voted in favour / against the resolution and who did not vote or participate on such resolution:

Name of the Directors	Vote in favour/ against
Mrs. Gyan M. Swarup	in favour
Mr. Vikram Swarup	in favour
Mr. Gaurav Swarup	in favour
Ratan Lal Gaggar	in favour
Sumit Mazumder	in favour

Names of the Directors of the Resulting Company-1 present at the meeting, who voted in favour / against the resolution and who did not vote or participate on such resolution:

Name of the Directors	Vote in favour/ against
ARUN KUMAR SINGHANIA	in favour
PURURAJ DUTT	in favour
SITANSU PANDA	in favour

Names of the Directors of the Resulting Company-2 present at the meeting, who voted in favour / against the resolution and who did not vote or participate on such resolution:

Name of the Directors	Vote in favour/ against
ARUN KUMAR SINGHANIA	in favour
PURURAJ DUTT	in favour

Names of the Directors of the Resulting Company-3 present at the meeting, who voted in favour / against the resolution and who did not vote or participate on such resolution:

Name of the Directors	Vote in favour/ against
ARUN KUMAR SINGHANIA	in favour
PURURAJ DUTT	in favour

12. For the purpose of the Scheme the Appointed Date is 1st April, 2016 and Effective Date has been defined as last of the dates on which the conditions specified in Clause 34 of Part IV of the Scheme have been fulfilled and the order of the Hon'ble NCLT sanctioning the Scheme has been filed with the Registrar of Companies by the applicant companies abovenamed.
13. Upon coming into effect of the Scheme and in consideration of the transfer and vesting of



the Wet Cooling Tower Undertaking of the Demerged Company in the Resulting Company 1 in terms of Part II A of the Scheme, Paharpur Cooling Technologies will issue and allot 1,93,00,000 (One Crore Ninety Three Lakh) fully paid up equity shares of Rs. 10/- (Rupees Ten only) each to the Demerged Company based on the sustainable equity capital structure of the Resulting Company 1 as determined by such independent valuer. The fair value for transfer of the Wet Cooling Tower Undertaking on slump sale basis is Rs. 598,00,00,000/- (Rupees Five Hundred Ninety Eight Crores only) as determined by an independent valuer .

14. Upon coming into effect of the Scheme and in consideration of the transfer and vesting of the Dry Cooling Tower Undertaking of the Demerged Company in the Resulting Company 1 in terms of Part II B of the Scheme, Paharpur Cooling Technologies will issue and allot 3,00,000 (Three Lakhs) fully paid up equity shares of Rs. 10/- (Rupees Ten only) each to the Demerged Company based on the sustainable equity capital structure of the Resulting Company 1 as determined by such independent valuer. The fair value for transfer of the Dry Cooling Tower Undertaking on slump sale basis is Rs. 65,00,00,000/- (Rupees Sixty Five Crores only) as determined by an independent valuer.
15. Upon coming into effect of the Scheme and in consideration of the transfer and vesting of the Real Estate Undertaking of the Demerged Company in the Resulting Company 2 in terms of Part II B of the Scheme, Paharpur Builders will issue 6 equity shares of Rs.10/- (Rupees Ten only) each credited as fully paid for every 1 (one) equity share of Rs.100/- (Rupees Hundred only) each held by the shareholders in the Demerged Company (Paharpur Cooling Towers) to the shareholders of the Demerged Company as determined by an independent valuer based on the sustainable equity capital structure of the Resulting Company 2 post transfer of the Real Estate Undertaking.
16. Upon coming into effect of the Scheme and in consideration of the transfer and vesting of the Flexible Packaging Undertaking of the Demerged Company in the Resulting Company 3 in terms of Part II C of the Scheme, the Resulting Company 3, Paharpur Flexibles will issue 6 equity shares of Rs.10/- (Rupees Ten only) each credited as fully paid for every 1 (one) equity shares of Rs.100/- (Rupees One Hundred only) each held by the shareholders in the Demerged Company (Paharpur Cooling Towers) to the shareholders of the Demerged Company as determined by the independent valuer based on the sustainable Equity Capital structure of the Resulting Company 3 post transfer of Flexible Packaging Undertaking.
17. The above consideration has been arrived at on the basis of the share exchange ratio given in the Share Valuation Reports prepared by K.N. Gutgutia & Co., Chartered Accountants. Copy of the Share Valuation Reports are available for inspection by the secured and unsecured creditors of the Demerged Company from its registered office at 8/1B, Diamond Harbour Road, Kolkata- 700 027 upto one day prior to the date of the meeting between 10:30 a.m. to 5.00 p.m on all working days (except Saturdays, Sundays and public holidays).
18. It is stated that the proposed Scheme does not contemplate any corporate debt restructuring exercise.
19. The rationale and benefit of the proposed Scheme as perceived by the Board of Directors to the company, members, creditors and others has been duly provided in the proposed Scheme enclosed with the notice and explanatory statement.
- 20. Effect of Scheme on various stakeholders:**

Directors and Key managerial personnel: The Scheme will have no effect on the office of existing Directors or Key Managerial Personnel of the Demerged Company, Resulting Company 1, Resulting Company 2 and Resulting Company 3. It is clarified that following the Scheme, the composition of the Board of Directors and Key Managerial Personnel of such companies may

change in the usual course by appointments, retirements or resignations in accordance with the provisions of the Act and Memorandum and Articles of Association of such companies but the Scheme itself does not affect the office of Directors or Key Managerial Personnel of such companies.

(a) Promoter and Non –Promoter Members:

The Scheme will have no prejudicial effect on the promoter and non-promoter members.

(b) Depositors and Debenture Holders, Creditors,;

The Scheme will have no prejudicial effect on the depositors and debenture holders. The rights and interests of the secured and unsecured creditors of the Demerged Company and the Resulting Companies will not be prejudicially affected by the proposed Scheme of Arrangement as no sacrifice or waiver is at all called from them nor their rights sought to be modified in any manner post the Scheme of Arrangement.

(c) Debenture trustee and Deposit Trustee:

There are no debenture or deposit trustees in the Demerged Company and the Resulting Companies.

(d) Employees:

The Scheme will have no adverse effect on the existing employees of the, Demerged Company, Resulting Company 1, Resulting Company 2 and Resulting Company 3. In terms of the Scheme, the employees of respective undertaking being demerged will be taken over by respective resulting companies upon the same terms and condition which they were engaged in the Demerged Company without interruption and break of service as a result of such transfer

21. The Directors and Key Managerial Personnel of the applicant companies have no material interest in the said Scheme of Arrangement other than to their extent of their office of directorship/ KMP and their individual shareholding, if any.
22. The aggregate assets of the applicant companies are more than sufficient to meet all their liabilities and the said Scheme will not adversely affect the rights of any of the creditors of the applicant companies in any manner whatsoever and due provisions have been made for payment of all liabilities as and when the same fall due in usual course.
23. There are no proceedings pending under Sections 210 to 227 of the Companies Act, 2013 or under the corresponding provisions of the Companies Act, 1956 against the applicant companies. No winding up petitions have been admitted or filed against the applicant companies.
24. No investigation proceedings are pending against the applicant companies.
25. The following documents are available for obtaining extract from or for making or obtaining copies of or for inspection by the secured and unsecured creditors of the Demerged Company from its registered office at 8/1B, Diamond Harbour Road, Kolkata- 700 027 upto one day prior to the date of the meeting between 10:30 a.m. to 5.00 p.m on all working days (except Saturdays, Sundays and public holidays) :
 - (i) Latest audited financial statement of the Demerged Company including consolidated financial statements;
 - (ii) Financial statement of the Demerged Company as on 31st December, 2017;
 - (iii) Copy of the order of Hon'ble NCLT, dated 9th March, 2018 and also amended order dated 6th April, 2018 in pursuance of which the meeting is to be convened;
 - (iv) Copy of Scheme of Arrangement;



- (v) Contracts or agreements material to the arrangement, if any;
- (vi) Certificate issued by the auditor of the company to the effect that the accounting treatment, if any, proposed in the Scheme is in conformity with the accounting standards of Section 133 of the Companies Act, 2013; and
- (vii) Share Valuation Report.

Copies of the Scheme of Arrangement, Statement under Rule 6 (3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, Blank Postal Ballot Form and Proxy Form may be obtained free of charge from the registered office of the Demerged Company or at the office of their Solicitors & Advocates, M/s Fox Mandal at 12, Old Post Office Street, Kolkata 700001

- 26. In compliance with the requirement of Section 230 (5) of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 notice in the prescribed form and seeking approvals, sanctions or no-objections shall be served upon the concerned regulatory and government authorities for the purpose of the proposed Scheme.
- 27. Meeting of the secured and unsecured creditors of the Demerged Company has been called to consider and if thought fit to approve the said Scheme of Amalgamation, with or without modification.
- 28. A copy of the Scheme of Arrangement is sent herewith and may be treated as part of the Statement.
- 29. The person to whom this notice is sent may vote in the meeting of secured creditors either in person or by proxy.
- 30. The person to whom this notice is sent may vote in the meeting of unsecured creditors either in person or by proxy or by postal ballot form.
- 31. The Demerged Company considers that the Scheme is reasonable and has been made for the interest and for benefit of the shareholders.

Dated this the 19th day of April, 2018

[Chairperson]



SCHEME OF ARRANGEMENT
UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013
And all other applicable provisions of the Companies Act, 2013
(to the extent notified) and Companies Act, 1956 (to the extent still in force)

BETWEEN

PAHARPUR COOLING TOWERS LIMITED,
8/1B, Diamond Harbour Road, Kolkata – 700 027
(for short “Paharpur Cooling Towers” or “Demerged Company”)

PAHARPUR COOLING TECHNOLOGIES PRIVATE LIMITED,
8/1B, Diamond Harbour Road, Kolkata – 700 027
(for short “Paharpur Cooling Technologies” or “Resulting Company 1”)

PAHARPUR BUILDERS PRIVATE LIMITED,
8/1B, Diamond Harbour Road, Kolkata – 700 027
(for short “Paharpur Builders” or “Resulting Company 2”)

AND

PAHARPUR FLEXIBLES PRIVATE LIMITED,
8/1B, Diamond Harbour Road, Kolkata – 700 027
(for short “Paharpur Flexibles” or “Resulting Company 3”)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PREAMBLE

This composite Scheme of Arrangement is presented under the provisions of Sections 230 – 232 and other applicable provisions of the Companies Act, 2013 for the demerger of the Demerged Undertakings (as defined hereinafter) of the Demerged Company (as defined hereinafter) and vesting of the same with the Resulting Company(ies) (as defined hereinafter); (i) transfer of the Wet Cooling Tower Undertaking (as defined hereinafter) of the Demerged Company and vesting of the same with the Resulting Company 1 (as defined hereinafter) on a going concern basis by way of a Slump Sale (as defined hereinafter); (ii) transfer of the Dry Cooling Tower Undertaking (as defined hereinafter) of the Demerged Company and vesting of the same with the Resulting Company 1 (as defined hereinafter) on a going concern basis by way of a Slump Sale (as defined hereinafter); (iii) transfer by way of demerger of the Real Estate Undertaking (as defined hereinafter) of the Demerged Company and vesting of the same with Resulting Company 2 (as defined hereinafter) on a going concern basis and (iv) transfer by way of Demerger of the Flexible Packaging Undertaking (as defined hereinafter) of the Demerged Company and vesting of the same with Resulting Company 3 (as defined hereinafter) on a going concern basis. In addition, this composite scheme of arrangement also provides for various other matters consequential or otherwise integrally connected herewith.

A) Description of Companies

(1) Paharpur Cooling Towers Limited (hereinafter referred to as the “Demerged Company” or

“Paharpur Cooling Towers”) having Corporate Identity Number U02005WB1949PLC018363 is a public limited company. It was incorporated on 25th October, 1949 as a private limited company with the name of Paharpur Timbers Private Limited under the provisions of the Companies Act, 1913. Its name was later changed to Paharpur Cooling Towers Private Limited on 28th June, 1971 and it became a deemed public company vide Section 43A(1A) of the Companies Act, 1956 vide order dated 15th June, 1988. Accordingly its name was changed to its present name. It is a Company within the meaning of the Companies Act 2013 having its registered office at 8/1B, Diamond Harbour Road, Kolkata – 700 027, West Bengal and is engaged inter alia in the business of construction, installation, operation and maintenance of cooling towers.

- (2) Paharpur Cooling Technologies Private Limited (hereinafter referred to as the Paharpur Cooling Technologies” or “Resulting Company 1”) having corporate Identity Number U17291WB2014PTC202042 is a private limited company. It was incorporated on 5th June, 2014 as a private limited company with the name Sovan Textiles Exports Private Limited under the provisions of the Companies Act, 2013. Its name was later changed to Paharpur Cooling Technologies Private Limited on 5th July, 2017. It is a Company within the meaning of the Companies Act, 2013, having its registered office at 8/1B, Diamond Harbour Road, Kolkata – 700 027, West Bengal. It has been incorporated inter alia for carrying on the business of manufacturing, processing, dealing, exporting of cooling towers.
- (3) Paharpur Builders Private Limited (hereinafter referred to as the “Paharpur Builders” or “Resulting Company 2”) having Corporate Identity Number U70102WB2014PTC204600 is a private limited company. It was incorporated on 18th December, 2014 as a private limited company with the name Asansol Property Maintenance Private Limited under the provisions of the Companies Act, 2013. Its name was later changed to Paharpur Builders Private Limited on 5th July, 2017. It is a Company within the meaning of the Companies Act, 2013, having its registered office at 8/1B, Diamond Harbour Road, Kolkata – 700 027. It has been incorporated inter alia for carrying on the business of acquiring by purchase, lease, exchange, or otherwise and to sell, transfer, alienate, assign, dispose of, deal in and develop land, building.
- (4) Paharpur Flexibles Private Limited (hereinafter referred to as the “Paharpur Flexibles or Resulting Company 3”) having Corporate Identity Number U45400WB2014PTC200219 is a private limited company. It was incorporated on 13th February, 2014 as a private limited company with the name Citybuild Enterprises Private Limited under the provisions of the Companies Act, 2013. Its name was later changed to Paharpur Flexibles Private Limited on 5th July, 2017. It is a Company within the meaning of the Companies Act, 2013, having its registered office at 8/1B, Diamond Harbour Road, Kolkata – 700 027, West Bengal. It has been incorporated inter alia for carrying on the business of manufacture and export of blown film, rotogravure printing, adhesive lamination, extrusion lamination, pouches, bags, co-extruded films, printed laminated films.

C) Rationale for the Scheme

The business of Paharpur Cooling Towers can be divided into five segments (i) Wet Cooling Towers, (ii) Dry Cooling Towers, (iii) Real Estate, (iv) Flexible Packaging, and (v) Wind Power Generation. Each of the businesses carried on by Paharpur Cooling Towers have significant potential for growth. The nature of risk and competition involved in each of these businesses is distinct from one another and consequently each business is capable of attracting different set of investors, strategic partners and other stakeholders.

With the objective to have clear focus on each business and for leveraging the strength of each business including attracting investments from private parties, Paharpur Cooling Towers proposes



to re-organise and segregate its Wet Cooling Towers Undertaking, Dry Cooling Towers Undertaking, Real Estate Undertaking and Flexible Packaging Undertaking and vesting thereof to Paharpur Cooling Technologies, Paharpur Builders and Paharpur Flexibles respectively. The Wind Power Generation Undertaking along with other assets including investments shall continue to remain with Paharpur Cooling Towers.

It is believed that the proposed restructuring will allow a focused strategy in operations, which would be in the best interest of Paharpur Cooling Towers, its shareholders, creditors and all persons connected with Paharpur Cooling Towers.

It will also provide scope for independent collaboration and expansion without committing the existing organisation in its entirety.

The proposed transfer/demerger of various undertakings of Paharpur Cooling Towers will unlock value for shareholders, attract investors and provide better flexibility in accessing capital and funds for the respective businesses for facilitating its growth on independent sustainable basis.

It is believed that this Scheme will create enhanced value for shareholders and allow a focused growth strategy which would be in the best interests of all stakeholders. The restructuring proposed by this Scheme will also provide flexibility to investors to select investments which were best suited to their investment strategies and risk profile.

Post the restructuring activity, Paharpur Cooling Towers shall retain the Wind Power Business alongwith other assets including investments in various companies including subsidiaries and associates and the Company will be focusing on the growth and prospect of the said business.

Pursuant to the restructuring, the difference between the consideration and the value of the net assets of the undertakings transferred from Paharpur Cooling Towers to the resulting companies will be transferred to Statement of Profit and Loss in case of transfer of Undertaking on slump sale basis and in case of demerger of Real Estate Undertaking and Flexible Packaging Undertaking shall be adjusted with the balance of Reserves & Surplus of Paharpur Cooling Towers. This however does not involve repayment of paid-up capital to shareholders, diminution of liability in respect of unpaid share capital and the same does not adversely affect the interest of the creditors of Paharpur Cooling Towers in any manner whatsoever. The rearrangement is based on present operations and it will also ensure that the resulting equity share capital of Paharpur Cooling Towers as well as the Resulting Companies, post transfer of the Cooling Tower Undertaking, Real Estate Undertaking and Flexible Packaging Undertaking as dealt with in the Scheme is not disproportionate to the requirements of the respective businesses and is serviceable.

In view of the aforesaid, the Boards of Directors of the Demerged Company as well as the Resulting Companies have considered and proposed the transfer/demerger of the various undertakings and business of the Demerged Company to the Resulting Companies as abovementioned in order to benefit the stakeholders of both Demerged Company and respective Resulting Companies. Accordingly, the Boards of Directors of the Companies have formulated this Scheme of Arrangement for the transfer and vesting of the various undertakings and businesses of the Demerged Company to the respective Resulting Companies as abovementioned pursuant to the provisions of Section 230 to Section 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.

D) Parts of the Scheme of Arrangement

The Scheme of Arrangement is thus divided into the following parts:

PART I which deals with definitions of the terms used in this Scheme of Arrangement and sets out the Share Capital of the Demerged Company and the Resulting Companies;



PART IIA which deals with the transfer of the Wet Cooling Tower Undertaking of Paharpur Cooling Towers with all its assets and liabilities as a going concern on a slump sale basis in accordance with Section 2 (42C) of the Income Tax Act, 1961 and applicable provisions of the Companies Act, 2013 to Paharpur Cooling Technologies and the payment of consideration.

PART IIB which deals with the transfer of the Dry Cooling Tower Undertaking of Paharpur Cooling Towers with all its assets and liabilities as a going concern on a slump sale basis in accordance with Section 2 (42C) of the Income Tax Act, 1961 and applicable provisions of the Companies Act, 2013 to Paharpur Cooling Technologies and the payment of consideration.

PART IIC which deals with the demerger of the Real Estate Undertaking of Paharpur Cooling Towers with all its assets and liabilities as a going concern to Paharpur Builders and the payment of consideration.

PART IID which deals with the demerger of the Flexible Packaging Undertaking of Paharpur Cooling Towers with all its assets and liabilities as a going concern to Paharpur Flexibles and the payment of consideration.

PART III which deals with the accounting treatment for the transfers and declaration of dividends.

PART IV which deals with general terms and conditions applicable to this Scheme and other matters consequential and integrally connected thereto.

PART I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS AND INTERPRETATIONS

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

1. **“Act” or “The Act”** means the Companies Act, 2013 (to the extent notified) and shall include any statutory modification, re-enactment or amendments thereof for the time being in force and the Companies Act, 1956 (to the extent still in force);
- 1.2. **“Appointed Date”** means 1st April, 2016 or such other date as may be fixed or approved by the Tribunal;
- 1.3. **“Appropriate Authority”** means any government, statutory, regulatory, departmental or public body or authority having jurisdiction over the Demerged Company and Resulting Companies, including the Registrar of Companies and the National Company Law Tribunal;
- 1.4. **“Board of Directors” or “Board”** shall mean the respective Board of Directors of the Demerged Company and Resulting Companies, as the case may be and shall include duly constituted committees thereof;
- 1.5. **“Wet Cooling Tower Undertaking”** of the Demerged Company shall mean
 - (a) All the assets and properties (whether movable and immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Demerged Company relating to or recognised or treated as a part of the Wet Cooling Tower Undertaking of the Demerged Company, including, without being limited to all its land and building, office equipments, accessories, power lines, deposits, assets, investments in subsidiaries, joint ventures having cooling tower operations and other investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units), cash balances (including with Banks), loans, advances, contingent rights or benefits, receivables, earnest moneys, advances or deposits

paid by the Demerged Company and relating likewise to its Wet Cooling Tower Undertaking, its goodwill, financial assets, lease and hire purchase contracts, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantee, reversions, powers, municipal permissions, authorities, allotments, approvals, consents, licences, registrations, contracts, engagements, arrangements, customer approvals, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situated 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 the Demerged Company and relating to its Wet Cooling Tower Undertaking, including licenses, fixed and other assets, trade and service names, liberties, patents, trademarks, designs, copyrights and other intellectual properties, approvals, authorisations, right to use and avail of telephones, telexes, facsimile connections, LAN installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets and properties and all agreements and all other interests held on trust, registrations, contracts, engagements, arrangements of all kinds, privileges and all other rights including sales tax deferrals, titles, interests, other benefits (including tax benefits), easements, arrangements of all kinds, privileges, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested or granted in favour of or enjoyed by the Demerged Company and relating likewise to its Wet Cooling Tower Undertaking, 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 the Demerged Company and relating to/ in connection with/ recognized or treated as part of the Wet Cooling Tower Undertaking;

- (b) All secured and unsecured debts, liabilities (including contingent liabilities), duties and obligations of the Demerged Company of every kind, nature and description whatsoever and howsoever arising, raised, incurred or utilized for the benefit of or enjoyed by the Demerged Company and relating to/ in connection with/ recognized or treated as part of its Wet Cooling Tower Undertaking;
- (c) All agreements, rights, contracts, entitlements, permits, licences, approvals, authorities, concessions, consents, quota rights, fuel linkages, engagements, arrangements, authorities, allotments, security arrangements, benefits of any guarantee, reversions, powers and all other approvals of every kind, nature, description whatsoever relating to the business activities and operations of the Demerged Company and relating to/ in connection with/ recognized or treated as part of its Wet Cooling Tower Undertaking;
- (d) All intellectual property, records, files, papers, computer programmes, information, manuals, data, catalogues, quotations, sales material, list of present and former clients and suppliers, other client information, client credit information, client pricing information and all other records and documents, whether in physical form or electronic form relating to the business activities and operations of the Demerged Company and relating to/ in connection with/ recognized or treated as part of its Wet Cooling Tower Undertaking;
- (e) All staff, workmen, and employees engaged in or relating to the business activities and operations of the Demerged Company and relating to/ in connection with/ recognized or treated as part of its Wet Cooling Tower Undertaking.
- (f) Any question that may arise as to whether a specific asset pertains or does not pertain to the Wet Cooling Tower Undertaking of the Demerged Company shall be decided by agreement between the Boards of Directors of the Demerged Company and the Resulting Company 1 or committee(s) thereof authorised by the respective Boards of Directors, or in such other manner as agreed between the Demerged Company and the Resulting Company 1.

1.6. **“Dry Cooling Tower Undertaking”** of the Demerged Company shall mean

- (a) All the assets and properties (whether movable and immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Demerged Company relating to or recognised or treated as a part of the Dry Cooling Tower Undertaking of the Demerged Company, including, without being limited to all its land and building, office equipments, accessories, power lines, deposits, assets, investments in subsidiaries, joint ventures having cooling tower operations and other investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units), cash balances (including with Banks), loans, advances, contingent rights or benefits, receivables, earnest moneys, advances or deposits paid by the Demerged Company and relating likewise to its Dry Cooling Tower Undertaking, its goodwill, financial assets, lease and hire purchase contracts, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantee, reversions, powers, municipal permissions, authorities, allotments, approvals, consents, licences, registrations, contracts, engagements, arrangements, customer approvals, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situated 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 the Demerged Company and relating to its Dry Cooling Tower Undertaking, including licenses, fixed and other assets, trade and service names, liberties, patents, trademarks, designs, copyrights and other intellectual properties, approvals, authorisations, right to use and avail of telephones, telexes, facsimile connections, LAN installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets and properties and all agreements and all other interests held on trust, registrations, contracts, engagements, arrangements of all kinds, privileges and all other rights including sales tax deferrals, titles, interests, other benefits (including tax benefits), easements, arrangements of all kind, privileges, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested or granted in favour of or enjoyed by the Demerged Company and relating likewise to its Dry Cooling Tower Undertaking, 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 the Demerged Company and relating to/ in connection with/ recognized or treated as part of its Dry Cooling Tower Undertaking;
- (b) All secured and unsecured debts, liabilities (including contingent liabilities), duties and obligations of the Demerged Company of every kind, nature and description whatsoever and howsoever arising, raised, incurred or utilized for the benefit of or enjoyed by Demerged Company and relating to/ in connection with/ recognized or treated as part of its Dry Cooling Tower Undertaking;
- (c) All agreements, rights, contracts, entitlements, permits, licences, approvals, authorities, concessions, consents, quota rights, fuel linkages, engagements, arrangements, authorities, allotments, security arrangements, benefits of any guarantee, reversions, powers and all other approvals of every kind, nature, description whatsoever relating to the business activities and operations of the Demerged Company and relating to/ in connection with/ recognized or treated as part of its Dry Cooling Tower Undertaking;
- (d) All intellectual property, records, files, papers, computer programmes, information, manuals, data, catalogues, quotations, sales material, list of present and former clients and suppliers, other client information, client credit information, client pricing information and all other records and documents, whether in physical form or electronic form relating to the business activities and operations of the Demerged Company and relating to/ in connection with/ recognized or treated as part of its Dry Cooling Tower Undertaking;



- (e) All staff, workmen, and employees engaged in or relating to the business activities and operations of its Demerged Company and relating to/ in connection with/ recognized or treated as part of its Dry Cooling Tower Undertaking.
 - (f) Any question that may arise as to whether a specific asset pertains or does not pertain to the Dry Cooling Tower Undertaking of Paharpur Cooling Towers shall be decided by mutual agreement between the Boards of Directors of the Demerged Company and the Resulting Company 1 or committee(s) thereof authorised by the respective Boards of Directors, or in such other manner as agreed between the Demerged Company and the Resulting Company 1.
- 1.8. **“Demerged Undertakings”** shall mean the Cooling Tower Undertaking, the Real Estate Undertaking and the Flexible Packing Undertaking collectively.
- 1.9. **“Flexible Packaging Undertaking”** of the Demerged Company shall mean:
- (a) All the assets and properties (whether movable and immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Demerged Company relating to or recognised or treated as a part of the Flexible Packaging Undertaking of the Demerged Company, including, without being limited to all its land and building, office equipments, accessories, power lines, deposits, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units), cash balances (including with Banks), loans, advances, contingent rights or benefits, receivables, earnest moneys, advances or deposits paid by the Demerged Company and relating likewise to the Flexible Packaging Undertaking, its goodwill, financial assets, lease and hire purchase contracts, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantee, reversions, powers, municipal permissions, authorities, allotments, approvals, consents, licences, registrations, contracts, engagements, arrangements, customer approvals, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situated 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 the Demerged Company and relating to the Flexible Packaging Undertaking, including licenses, fixed and other assets, trade and service names, liberties, patents, trademarks, designs, copyrights and other intellectual property, approvals, authorisations, right to use and avail of telephones, telexes, facsimile connections, LAN installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets and properties and all agreements and all other interests held on trust, registrations, contracts, engagements, arrangements of all kinds, privileges and all other rights including sales tax deferrals, titles, interests (including income tax, MAT credit under section 115JAA of the Income Tax Act, 1961, other benefits (including tax benefits), easements, arrangements of all kind, privileges, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested or granted in favour of or enjoyed by the Demerged Company and relating likewise to the Flexible Packaging Undertaking, 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 the Demerged Company and relating to/ in connection with/ recognized or treated as part of the Flexible Packaging Undertaking;
 - (b) All secured and unsecured debts, liabilities (including contingent liabilities), duties and obligations of the Demerged Company of every kind, nature and description whatsoever and howsoever arising, raised, incurred or utilized for the benefit of or enjoyed by the Demerged Company and relating to/ in connection with/ recognized or treated as part of the Flexible Packaging Undertaking;
 - (c) All agreements, rights, contracts, entitlements, permits, licences, approvals, authorities, concessions, consents, quota rights, fuel linkages, engagements, arrangements, authorities,

allotments, security arrangements, benefits of any guarantee, reversions, powers and all other approvals of every kind, nature, description whatsoever relating to the business activities and operations of the Demerged Company and relating to/ in connection with/ recognized or treated as part of the Flexible Packaging Undertaking;

- (d) All intellectual property, records, files, papers, computer programmes, information, manuals, data, catalogues, quotations, sales material, list of present and former clients and suppliers, other client information, client credit information, client pricing information and all other records and documents, whether in physical form or electronic form relating to the business activities and operations of the Demerged Company and relating to/ in connection with/ recognized or treated as part of the Flexible Packaging Undertaking;
- (e) All staff, workmen, and employees engaged in or relating to the business activities and operations of the Demerged Company and relating to/ in connection with/ recognized or treated as part of the Flexible Packaging Undertaking.
- (f) Any question that may arise as to whether a specific asset pertains or does not pertain to the Flexible Packaging Undertaking of the Demerged Company shall be decided by agreement between the Board of Directors of the Demerged Company and the Resulting Company 3 or committee(s) thereof authorised by the respective Boards of Directors, or in such other manner as agreed between the Demerged Company and the Resulting Company 3.

1.10. **“Real Estate Undertaking”** of the Demerged Company shall mean:

- (a) All the assets and properties (whether movable and immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Demerged Company relating to or recognised or treated as a part of the Real Estate Undertaking of the Demerged Company, including, without being limited to all its land and building, office equipments, accessories, power lines, deposits, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units), cash balances (including with Banks), loans, advances, contingent rights or benefits, receivables, earnest moneys, advances or deposits paid by the Demerged Company and relating likewise to the Real Estate Undertaking, its goodwill, financial assets, lease and hire purchase contracts, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantee, reversions, powers, municipal permissions, authorities, allotments, approvals, consents, licences, registrations, contracts, engagements, arrangements, customer approvals, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situated 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 the Demerged Company and relating to the Real Estate Undertaking, including licenses, fixed and other assets, trade and service names, liberties, patents, trademarks, designs, copyrights and other intellectual property, approvals, authorisations, right to use and avail of telephones, telexes, facsimile connections, LAN installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets and properties and all agreements and all other interests held on trust, registrations, contracts, engagements, arrangements of all kinds, privileges and all other rights including sales tax deferrals, titles, interests (including income tax, MAT credit under section 115JAA of the Income Tax Act, 1961, other benefits (including tax benefits), easements, arrangements of all kind, privileges, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested or granted in favour of or enjoyed by the Demerged Company and relating likewise to the Real Estate Undertaking, 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 the Demerged Company and relating to/ in connection with/ recognized or treated as part of the Real Estate Undertaking;



- (b) All secured and unsecured debts, liabilities (including contingent liabilities), duties and obligations of the Demerged Company of every kind, nature and description whatsoever and howsoever arising, raised, incurred or utilized for the benefit of or enjoyed by the Demerged Company and relating to/ in connection with/ recognized or treated as part of the Real Estate Undertaking;
 - (c) All agreements, rights, contracts, entitlements, permits, licences, approvals, authorities, concessions, consents, quota rights, fuel linkages, engagements, arrangements, authorities, allotments, security arrangements, benefits of any guarantee, reversions, powers and all other approvals of every kind, nature, description whatsoever relating to the business activities and operations of the Demerged Company and relating to/ in connection with/ recognized or treated as part of the Real Estate Undertaking;
 - (d) All intellectual property, records, files, papers, computer programmes, information, manuals, data, catalogues, quotations, sales material, list of present and former clients and suppliers, other client information, client credit information, client pricing information and all other records and documents, whether in physical form or electronic form relating to the business activities and operations of the Demerged Company and relating to/ in connection with/ recognized or treated as part of the Real Estate Undertaking;
 - (e) All staff, workmen, and employees engaged in or relating to the business activities and operations of the Demerged Company and relating to/ in connection with/ recognized or treated as part of the Real Estate Undertaking.
 - (f) Any question that may arise as to whether a specific asset pertains or does not pertain to the Real Estate Undertaking shall be decided by agreement between the Boards of Directors of the Demerged Company and the Resulting Company 2 or committee(s) thereof authorised by the respective Board of Directors, or in such other manner as agreed between the Demerged Company and the Resulting Company 2.
- 1.11. **“Effective Date”** means the last of the dates on which the conditions specified in Clause -34 of Part IV hereof have been fulfilled and the order of the NCLT sanctioning the Scheme has been filed with the Registrar of Companies by the Demerged Company and the Resulting Companies. References in this scheme to the date of “upon this Scheme becoming effective” or “on “effectiveness of this scheme” or “coming into effect of this Scheme” shall mean the Effective Date.
- 1.12. **“Equity Share”** means an equity share of Rs.10/- (Rupees Ten) each.
- 1.13. **“Record Date”** means the date to be fixed by the Board of Directors or a committee thereof of the Demerged Company for the purpose of determining the names of the members of the Demerged Company who shall be entitled to receive shares of the Resulting Companies Nos. 2 and 3 upon the Scheme coming into effect as specified in this Scheme.
- 1.14. **“Remaining Undertakings”** of the Demerged Company shall mean and include the whole of the assets, properties (including all intellectual properties in relation to the “Paharpur” trademark, logo and all rights in such brand of a commercial nature and attached goodwill, title, interest, labels and brand registrations, copyrights, patents, trademarks, service marks, trade names, domain names and such other intellectual or industrial rights of whatsoever nature attached to such brand), liabilities and the undertakings and all the businesses of the Demerged Company remaining after transfer of the Wet Cooling Tower Undertaking, Dry Cooling Tower Undertaking, the Real Estate Undertaking and the Flexible Packaging Undertaking as provided in Part II of the Scheme..
- 1.15. **“Resulting Company”** or **“Paharpur Cooling Technologies”** means Paharpur Cooling Technologies Private Limited.



- 1.16. **“Resulting Company 2”** or **“Paharpur Builders”** means Paharpur Builders Private Limited.
- 1.17. **“Resulting Company 3”** or **“Paharpur Flexibles”** means Paharpur Flexibles Private Limited.
- 1.18. **“Scheme”** means this Scheme of Arrangement in its present form or with such modifications approved or directed by the National Company Law Tribunal.
- 1.19. **“Demerged Company”** or **“Paharpur Cooling Towers”** means Paharpur Cooling Towers Limited.
- 1.20. **“NCLT”** means the National Company Law Tribunal, Bench at Kolkata.

2. SHARE CAPITAL

- 2.1. The authorised, issued, subscribed and paid-up share capital of Paharpur Cooling Towers as would appear from its latest audited Balance Sheet of March 31, 2017 is as under:

Authorised

10,00,000 Equity Shares of Rs.100/- each aggregating to Rs.10,00,00,000/- (Rupees Ten Crores only).

Issued, Subscribed & Paid Up

8,40,000 Equity Shares of Rs.100/- each fully paid up aggregating to Rs.8,40,00,000/- (Rupees Eight Crores Forty Lakhs only).

Subsequent to the above Balance Sheet, there has been no change in its share capital.

- 2.2. The authorised, issued, subscribed and paid-up share capital of Paharpur Cooling Technologies as would appear from its latest audited Balance Sheet of March 31, 2017 is as under:

Authorised

50,000 Equity Shares of Rs.10/- each aggregating to Rs.5,00,000/- (Rupees Five Lakhs only).

Issued, Subscribed & Paid Up

10,000 Equity Shares of Rs.10/- each fully paid up aggregating to Rs.1,00,000/- (Rupees One Lakh only).

Subsequent to the above Balance Sheet the authorized capital of Paharpur Cooling Technologies has been increased to 2,00,00,000 Equity Shares of Rs.10/- each aggregating to Rs.20,00,00,000/- (Rupees Twenty Crores only). There has been no change in the issued, subscribed and paid up capital.

- 2.3. The authorised, issued, subscribed and paid-up share capital of Paharpur Builders as would appear from its latest audited Balance Sheet of March 31, 2017 is as under:

Authorised

10,000 Equity Shares of Rs.10/- each aggregating to Rs.1,00,000/- (Rupees One Lakh only).

Issued, Subscribed & Paid Up

10,000 Equity Shares of Rs.10/- each fully paid up aggregating to Rs. 1,00,000/- (Rupees One Lakh only).

Subsequent to the above Balance Sheet the authorized capital of Paharpur Builders has been increased to 60,00,000 Equity Shares of Rs.10/- each aggregating to Rs.6,00,00,000/- (Rupees Six Crores only). There has been no change in the issued, subscribed and paid up capital.

- 2.4. The authorised, issued, subscribed and paid-up share capital of Paharpur Flexibles as would appear from its latest audited Balance Sheet of March 31, 2017 is as under:



Authorised

2,40,000 Equity Shares of Rs. 10/- each aggregating to Rs. 24,00,000/- (Rupees Twenty Four Lakhs only).

Issued, Subscribed & Paid Up

10,000 Equity Shares of Rs.10/- each fully paid up aggregating to Rs.1,00,000/- (Rupees One Lakh only).

Subsequent to the above Balance Sheet the authorized capital of Paharpur Flexibles has been increased to 60,00,000 Equity Shares of Rs.10/- each aggregating to Rs.6,00,00,000/- (Rupees Six Crores only). There has been no change in the issued, subscribed and paid up capital.

PART IIA

TRANSFER AND VESTING OF THE WET COOLING TOWER UNDERTAKING INTO RESULTING COMPANY-1

3. (a) Upon the Scheme coming into effect, the Wet Cooling Towers Undertaking of Paharpur Cooling Towers comprising of all the estates, assets, rights, titles and interests including accretions and appurtenances thereto shall, subject to the provisions of this clause in relation to the mode of vesting and pursuant to Section 232(4) of the Act, be transferred to and vested in or be deemed to have been transferred to and vested in Paharpur Cooling Technologies as a going concern on a slump sale basis so as to become with effect from the opening of business on the Appointed Date, the estates, assets, rights, titles and interests of Paharpur Cooling Technologies.
- (b) In respect of the assets of the Wet Cooling Tower Undertaking including investments, cash and bank balances relating to the day to day operations and specific to the working of this Undertaking, as are movable in nature or are otherwise capable of transfer by manual delivery, payment or by endorsement and delivery, the same may be so transferred by Paharpur Cooling Towers, and shall become the property of Paharpur Cooling Technologies as the case may be, as an integral and indivisible part of such Undertaking being demerged.
- (c) In respect of such of the assets of the Wet Cooling Tower Undertaking other than those referred to in sub-clause (b) above, the same shall, as more particularly provided in sub-clause (a) above, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in Paharpur Cooling Technologies pursuant to the order of the National Company Law Tribunal under the provisions of Section 230 to 232 of the Act.
- (d) All assets acquired by Paharpur Cooling Towers after the Appointed Date and prior to the Effective Date for operations of the Wet Cooling Tower Undertaking shall also stand transferred to and vested in Paharpur Cooling Technologies upon the coming into effect of the Scheme.
- (e) In so far as any encumbrance in respect of liabilities being transferred as part of this Undertaking is concerned, such encumbrance shall, without any further act, instrument or deed being required be modified and shall be extended to and shall operate only over the assets comprised in the Wet Cooling Tower Undertaking which may have been encumbered in respect of liabilities as transferred to the Resulting Company No. 1 pursuant to the Scheme. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Undertakings are concerned, the encumbrance, if any, over such assets relating to the liabilities being transferred, without any further act, instrument or deed being required, be released and discharged from the obligations and

encumbrances relating to the same. Further, insofar as the assets comprised in the Wet Cooling Tower Undertaking are concerned, the encumbrance over such assets relating to any loans, debentures, debts or borrowing of Paharpur Cooling Towers not in connection with the Wet Cooling Tower Undertaking shall without any further act or deed be released and discharged from the same and shall no longer be available as security in relation to such liabilities of Paharpur Cooling Towers.

In respect of such of the assets and properties of the Wet Cooling Tower Undertaking of Paharpur Cooling Towers as are immovable in nature, whether held as fixed assets and/or inventory, the same shall be so transferred by the Paharpur Cooling Towers and shall, upon such transfer, become as and from the Appointed Date, the immovable assets of Paharpur Cooling Technologies, and it shall not be necessary to obtain the consent of any third party or other person in order to give effect to the provisions of this clause. Paharpur Cooling Technologies shall under the provisions of this Scheme be deemed to be authorized to execute any such instruments, deeds and writings on behalf of Paharpur Cooling Towers and to implement or carry out all such formalities or compliances on the part of Paharpur Cooling Towers to be carried out or performed in order to give effect to the provisions of this clause.

- (f) In respect of movable assets, including outstanding loans and advances, if any, recoverable in cash or in kind or value to be received, bank balances and deposits, if any, which forms part of the Wet Cooling Tower Undertaking, Paharpur Cooling Towers shall give notice in such form as it may deem fit and proper to each party, debtor or depositor of Paharpur Cooling Towers as the case may be, that pursuant to the order of NCLT sanctioning the Scheme, on and from the Appointed Date, the said debts, loans and advances, etc. shall be paid or made good or be held on account of Paharpur Cooling Technologies as the person entitled thereto, to the end and intent that the right of Paharpur Cooling Towers to recover or realise the same stands extinguished, and that such rights to recover or realise the same shall vest in Paharpur Cooling Technologies may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the order of the Court sanctioning the Scheme, the said person, debtor or depositor should pay the debt, loan or advance or make good the same or hold the same to the account of Paharpur Cooling Technologies respectively and that the right of Paharpur Cooling Technologies to recover or realise the same is in substitution of the right of Paharpur Cooling Towers.
- 4. (a) With effect from the Appointed Date, the liabilities, obligations, all types of guarantees provided including performance guarantee of Paharpur Cooling Towers which arose out of the activities or operations of the Wet Cooling Tower Undertaking including in particular debts, duties, or other claims relating to the activities or operations of the Wet Cooling Tower Undertaking shall be deemed to have been transferred to Paharpur Cooling Technologies and to the extent they are outstanding on the Effective Date shall, without any further act or deed be and stand transferred to Paharpur Cooling Technologies and shall become the liabilities and obligations of Paharpur Cooling Technologies which shall undertake to meet, discharge and satisfy the same ; and
- (b) Where any of the liabilities and obligations of Paharpur Cooling Towers as on the Appointed Date deemed to be transferred to Paharpur Cooling Technologies have been discharged by Paharpur Cooling Towers after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of Paharpur Cooling Technologies and all loans raised and used and all liabilities and obligations incurred by Paharpur Cooling Towers for the operations of the Wet Cooling Tower Undertaking after

the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of Paharpur Cooling Technologies and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to Paharpur Cooling Technologies and shall become the liabilities and obligations of Paharpur Cooling Technologies which Paharpur Cooling Technologies shall undertake to meet, discharge and satisfy.

5. (a) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, incentives, benefits, exemptions, entitlements, arrangements and other instruments of whatsoever nature in relation to the Wet Cooling Tower Undertaking or to which the Wet Cooling Tower Undertaking is a party or to the benefit of which the Wet Cooling Tower Undertaking may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour, as the case may be, of Paharpur Cooling Technologies and may be enforced as fully and effectually as if, instead of the Wet Cooling Tower Undertaking or Paharpur Cooling Towers, Paharpur Cooling Technologies had been a party or beneficiary or obligee thereto.
- (b) Paharpur Cooling Technologies may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Wet Cooling Tower Undertaking is a party or any writings as may be necessary to be executed in order to novate or give formal effect to the above provisions. Paharpur Cooling Towers will, if necessary, also be a party to the above as a confirming party with no obligation cast upon or assumed by it. Paharpur Cooling Technologies shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings and to carry out or perform all such formalities or compliances referred to above as may be deemed proper and necessary for effectuating the transfer and vesting of the Wet Cooling Tower Undertaking unto itself.
- (c) Upon the coming into effect of this Scheme and with effect from the Appointed Date, any statutory licences, permissions or approvals or consents held by Paharpur Cooling Towers and required to carry on operations in or any business of the Wet Cooling Tower Undertaking shall stand vested in or transferred to Paharpur Cooling Technologies without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of Paharpur Cooling Technologies. The benefit of all statutory and regulatory permissions, factory licences, environmental approvals and consents including statutory licences, permissions or approvals or consents required to carry on the operations of the Wet Cooling Tower Undertaking shall vest in and become available to Paharpur Cooling Technologies pursuant to the Scheme. Any no-objection certificates, licences, permissions, consents, approvals, authorisations, registrations or statutory rights as are jointly held by the Wet Cooling Tower Undertaking and any other undertaking of Paharpur Cooling Towers shall be deemed to constitute separate licences, permissions, no-objection certificates, consents, approvals, authorities, registrations or statutory rights, and the relevant or concerned statutory authorities and licensors shall endorse and/or mutate or record the separation, so as to facilitate the continuation of operations of the Wet Cooling Tower Undertaking and such other undertaking of Paharpur Cooling Towers without any hindrance or let from the Appointed Date.
- (d) Paharpur Cooling Technologies undertakes to engage, on and from the Effective Date, all employees of Paharpur Cooling Towers relatable to and/or necessary for the Wet Cooling Tower Undertaking or necessary for Paharpur Cooling Technologies to independently

carry on its business, and which employees are in the employment of Paharpur Cooling Towers or on secondment to it as on the Effective Date (the “Transferred Employees”), on the same terms and conditions on which they are engaged by Paharpur Cooling Towers, without any interruption or break of service as a result of the transfer. Paharpur Cooling Technologies undertakes to continue to abide by any agreement/settlement entered into by Paharpur Cooling Towers in respect of the Wet Cooling Tower Undertaking with any Union/employee of Paharpur Cooling Towers, being the Transferred Employees. Paharpur Cooling Technologies agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, past services of the Transferred Employees with Paharpur Cooling Towers shall also be taken into account and agrees and undertakes to pay the same as and when payable. Where Paharpur Cooling Towers has created or formed Trusts or set up Funds for administration of retiral benefits such as gratuity, pension etc., in relation to the employees and workmen of the Wet Cooling Tower Undertaking, Paharpur Cooling Towers shall as and when called upon by Paharpur Cooling Technologies, transfer or procure to have transferred the funds/benefits in so far as they relate to the workers and employees of the Wet Cooling Tower Undertaking to corresponding Trusts and Funds set up by Paharpur Cooling Technologies or where Paharpur Cooling Technologies is or may become a member based on actuarial valuations using the assumptions/facts that Paharpur Cooling Towers was following when the Wet Cooling Tower Undertaking formed a part of its business and till such time, continue with such Trusts and/or Funds for and on behalf of the Transferred Employees of Paharpur Cooling Technologies. The transfer of retiral funds of employees/workmen of the Wet Cooling Tower Undertaking by Paharpur Cooling Towers in favour of Paharpur Cooling Technologies may be done, where appropriate, by substituting Trustees nominated by Paharpur Cooling Towers with the nominees of Paharpur Cooling Technologies.

- (e) Upon the coming into effect of the Scheme, all legal or other proceedings by or against Paharpur Cooling Towers under any statute, and as agreed between Paharpur Cooling Towers and Paharpur Cooling Technologies, whether pending on the Appointed Date or which may be instituted in future (whether before or after the Effective Date) in respect of any matter arising before the Effective Date and relating to the Wet Cooling Tower Undertaking shall be continued and enforced by or against Paharpur Cooling Technologies after the Effective Date.
 - (f) If any proceedings are taken against Paharpur Cooling Towers in respect of the matters referred to in sub-clause (e), it shall defend the same in accordance with the advice of Paharpur Cooling Technologies and at the cost of Paharpur Cooling Technologies and the latter shall reimburse and indemnify Paharpur Cooling Towers against all costs, liabilities and obligations incurred by Paharpur Cooling Towers in respect thereof.
 - (g) Paharpur Cooling Technologies agrees to have all legal or other proceedings initiated by or against Paharpur Cooling Towers referred to in sub-clause (e) transferred to its own name and to have the same continued, prosecuted and enforced by or against Paharpur Cooling Technologies to the exclusion of Paharpur Cooling Towers.
6. With effect from the Appointed Date and upto and including the Effective Date:
- (i) Paharpur Cooling Towers shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Wet Cooling Tower Undertaking and shall stand possessed of all the estates, assets, rights, titles and interests of the Wet Cooling Tower Undertaking for and on account of, and in trust for Paharpur Cooling Technologies ;
 - (ii) All profits and losses accruing to Paharpur Cooling Towers, or losses arising or incurred



by it relating to the Wet Cooling Tower Undertaking shall for all purposes, be treated as the profits or losses, as the case may be, of Paharpur Cooling Technologies ;

- (iii) All accretions and depletions to the Wet Cooling Tower Undertaking shall be for and on account of Paharpur Cooling Technologies.
- 7. Paharpur Cooling Towers hereby undertakes that it will from the Appointed Date upto and including the Effective Date preserve and carry on the Wet Cooling Tower Undertaking with diligence, prudence and agrees that it will not, without the prior written consent of Paharpur Cooling Technologies, alienate, charge or otherwise deal with or dispose of the Wet Cooling Tower Undertaking or any part thereof or recruit new employees (in each case except in the ordinary course of business) or conclude settlements with unions or employees or undertake substantial expansion of the Wet Cooling Tower Undertaking, other than expansions which have already been commenced.
- 8.1 It is further provided that upon the Scheme coming into effect, all taxes payable by Paharpur Cooling Towers and all or any refunds and claims, from the Appointed Date, relating to the Wet Cooling Tower Undertaking shall, for all purposes, be treated as the tax liabilities or refunds and claims, as the case may be of Paharpur Cooling Technologies . Accordingly, upon the Scheme becoming effective, Paharpur Cooling Towers and Paharpur Cooling Technologies are also expressly permitted to revise their respective Income Tax Returns, TDS Returns, Service Tax Returns, Fringe Benefits Tax Returns, Sales Tax Returns, Excise /and Cenvat Returns and other tax/ statutory returns and to claim refunds, advance tax and withholding tax credits etc. pursuant to the provisions of the Scheme.
- 8.2 In accordance with the Modvat/ Cenvat Rules framed under the Central Excise Act, 1944, Service Tax Rules and the Goods & Service Tax Act as are prevalent on the Effective Date, the unutilised credits relating to the excise duties paid on inputs/ capital goods lying to the account of the Wet Cooling Tower Undertaking and service tax credits shall be permitted to be transferred to the credit of Paharpur Cooling Technologies, as if all such unutilised credits were lying to the account of Paharpur Cooling Technologies . Paharpur Cooling Technologies shall accordingly be entitled to set off all such unutilised credits against the excise duty and service tax payable by it.
- 8.3 The transfer and vesting of the Wet Cooling Tower Undertaking comprising of the assets, liabilities and obligations appertaining/allocated thereto and the continuance of the proceedings by or against Paharpur Cooling Technologies shall not affect any transactions or proceedings already completed by Paharpur Cooling Towers on and after the Appointed Date to the end and intent that, subject to clause 7, Paharpur Cooling Technologies accepts all acts, deeds and things done and executed by and/or on behalf of Paharpur Cooling Towers as acts, deeds and things done and executed by and on behalf of Paharpur Cooling Technologies .
- 9. Consideration
 - 9.1 The fair value for transfer of the Wet Cooling Tower Undertaking on slump sale basis is Rs. 598,00,00,000/- (Rupees Five Hundred Ninety Eight Crores only) as determined by an independent valuer. In consideration for the transfer of the Wet Cooling Tower Undertaking, Paharpur Cooling Technologies will issue and allot 1,93,00,000 (One Crore Ninety Three Lakh Equity Shares) fully paid up Equity Shares of Rs. 10/- (Rupees Ten only) each to the Demerged Company based on the sustainable equity capital structure of the Resulting Company 1 as determined by such independent valuer.
 - 9.2 The issue and allotment of Equity Shares in the Resulting Company 1 in terms of clause 9.1 above shall be deemed to have been carried out in compliance with the procedure laid down under Section 42 and Section 62 and other applicable provisions, if any, of the Companies Act,



2013 and it is clarified that no separate approvals shall need to be obtained by the Resulting Company 1 in this regard.

- 9.3 The equity shares issued and allotted by the Resulting Company 1 in terms of the scheme shall be subject to the provisions of Memorandum and Articles of Association of the Resulting Company.
- 9.4 All Equity Shares to be issued and allotted by Paharpur Cooling Technologies in terms hereof shall rank paripassu in all respects including dividend from the date of their allotment in terms of the Scheme with the existing Equity Shares of Paharpur Cooling Technologies. The holders of the Equity Shares of Paharpur Cooling Technologies shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights including the right to receive dividends from Paharpur Cooling Technologies till the Effective Date.

In the event, Paharpur Cooling Technologies declares any dividend between the date of filing of the Scheme and the Record Date, then in such event, the Demerged Company who are entitled to receive shares of the Resulting Company 1 pursuant to clause 9.1 above, shall on the record date be also eligible to receive an amount representing such dividend proportionate to their share entitlement. For this purpose, the Paharpur Cooling Technologies shall reserve the amount required for payment of dividend to its shareholders as aforesaid and pay and declare the same after the record date. For avoidance of doubt it is clarified that no interest shall be payable on such amount.

It is clarified that the aforesaid provision in respect of declaration of dividend, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Resulting Company 1 to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of Directors of the Resulting Company 1 and subject, wherever necessary, to the approval of the shareholders of the Resulting Company 1, only.

PART IIB

TRANSFER AND VESTING OF THE DRY COOLING TOWER INTO RESULTING COMPANY 1

10. (a) Upon the Scheme coming into effect, the Dry Cooling Tower Undertaking of Paharpur Cooling Towers comprising of all the estates, assets, rights, titles and interests including accretions and appurtenances thereto shall, subject to the provisions of this clause in relation to the mode of vesting and pursuant to Section 232(4) of the Act, be transferred to and vested in or be deemed to have been transferred to and vested in Paharpur Cooling Technologies as a going concern on a slump sale basis so as to become with effect from the opening of business on the Appointed Date, the estates, assets, rights, titles and interests of Paharpur Cooling Technologies .
- (b) In respect of the assets of the Dry Cooling Tower Undertaking including investments, cash and bank balances relating to the day to day operations and specific to the working of this Undertaking, as are movable in nature or are otherwise capable of transfer by manual delivery, payment or by endorsement and delivery, the same may be so transferred by Paharpur Cooling Towers, and shall become the property of Paharpur Cooling Technologies as the case may be, as an integral and indivisible part of such Undertaking being demerged.
- (c) In respect of such of the assets of the Dry Cooling Tower Undertaking other than those referred to in sub-clause (b) above, the same shall, as more particularly provided in sub-clause (a) above, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in Paharpur Cooling Technologies

pursuant to the order of the National Company Law Tribunal under the provisions of Section 230 to 232 of the Act.

- (d) All assets acquired by Paharpur Cooling Towers after the Appointed Date and prior to the Effective Date for operations of the Dry Cooling Tower Undertaking shall also stand transferred to and vested in Paharpur Cooling Technologies upon the coming into effect of the Scheme.
- (e) In so far as any encumbrance in respect of liabilities being transferred as part of this Undertaking is concerned, such encumbrance shall, without any further act, instrument or deed being required be modified and shall be extended to and shall operate only over the assets comprised in the Dry Cooling Tower Undertaking which may have been encumbered in respect of liabilities as transferred to the Resulting Company No. 1 pursuant to the Scheme. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Undertakings are concerned, the encumbrance, if any, over such assets relating to the liabilities being transferred, without any further act, instrument or deed being required, be released and discharged from the obligations and encumbrances relating to the same. Further, insofar as the assets comprised in the Dry Cooling Tower Undertaking are concerned, the encumbrance over such assets relating to any loans, debentures, debts or borrowing of Paharpur Cooling Towers not in connection with the Dry Cooling Tower Undertaking shall without any further act or deed be released and discharged from the same and shall no longer be available as security in relation to such liabilities of Paharpur Cooling Towers.

In respect of such of the assets and properties of the Dry Cooling Tower Undertaking of Paharpur Cooling Towers as are immovable in nature, whether held as fixed assets and/or inventory, the same shall be so transferred by the Paharpur Cooling Towers and shall, upon such transfer, become as and from the Appointed Date, the immovable assets of Paharpur Cooling Technologies, and it shall not be necessary to obtain the consent of any third party or other person in order to give effect to the provisions of this clause. Paharpur Cooling Technologies shall under the provisions of this Scheme be deemed to be authorized to execute any such instruments, deeds and writings on behalf of Paharpur Cooling Towers and to implement or carry out all such formalities or compliances on the part of Paharpur Cooling Towers to be carried out or performed in order to give effect to the provisions of this clause.

- (f) In respect of movable assets, including outstanding loans and advances, if any, recoverable in cash or in kind or value to be received, bank balances and deposits, if any, which forms part of the Dry Cooling Tower Undertaking, Paharpur Cooling Towers shall give notice in such form as it may deem fit and proper to each party, debtors or depositor of Paharpur Cooling Towers as the case may be, that pursuant to the order of NCLT sanctioning the Scheme, on and from the Appointed Date, the said debts, loans and advances, etc. shall be paid or made good or be held on account of Paharpur Cooling Technologies as the person entitled thereto, to the end and intent that the right of Paharpur Cooling Towers to recover or realise the same stands extinguished, and that such rights to recover or realise the same shall vest in Paharpur Cooling Technologies may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the order of the Court sanctioning the Scheme, the said person, debtor or depositor should pay the debt, loan or advance or make good the same or hold the same to the account of Paharpur Cooling Technologies respectively and that the right of Paharpur Cooling Technologies to recover or realise the same is in substitution of the right of Paharpur Cooling Towers.

11. (a) With effect from the Appointed Date, the liabilities, obligations, all types of guarantees provided including performance guarantee of Paharpur Cooling Towers which arose out of the activities or operations of the Dry Cooling Tower Undertaking including in particular debts, duties, or other claims relating to the activities or operations of the Dry Cooling Tower Undertaking shall be deemed to have been transferred to Paharpur Cooling Technologies and to the extent they are outstanding on the Effective Date shall, without any further act or deed be and stand transferred to Paharpur Cooling Technologies and shall become the liabilities and obligations of Paharpur Cooling Technologies which shall undertake to meet, discharge and satisfy the same ; and
- (b) Where any of the liabilities and obligations of Paharpur Cooling Towers as on the Appointed Date deemed to be transferred to Paharpur Cooling Technologies have been discharged by Paharpur Cooling Towers after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of Paharpur Cooling Technologies and all loans raised and used and all liabilities and obligations incurred by Paharpur Cooling Towers for the operations of the Dry Cooling Tower Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of Paharpur Cooling Technologies and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to Paharpur Cooling Technologies and shall become the liabilities and obligations of Paharpur Cooling Technologies which Paharpur Cooling Technologies shall undertake to meet, discharge and satisfy.
12. (a) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, incentives, benefits, exemptions, entitlements, arrangements and other instruments of whatsoever nature in relation to the Dry Cooling Tower Undertaking or to which the Dry Cooling Tower Undertaking is a party or to the benefit of which the Dry Cooling Tower Undertaking may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour, as the case may be, of Paharpur Cooling Technologies and may be enforced as fully and effectually as if, instead of the Dry Cooling Tower Undertaking or Paharpur Cooling Towers, Paharpur Cooling Technologies had been a party or beneficiary or obligee thereto.
- (b) Paharpur Cooling Technologies may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Dry Cooling Tower Undertaking is a party or any writings as may be necessary to be executed in order to novate or give formal effect to the above provisions. Paharpur Cooling Towers will, if necessary, also be a party to the above as a confirming party with no obligation cast upon or assumed by it. Paharpur Cooling Technologies shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings and to carry out or perform all such formalities or compliances referred to above as may be deemed proper and necessary for effectuating the transfer and vesting of the Dry Cooling Tower Undertaking unto itself.
- (c) Upon the coming into effect of this Scheme and with effect from the Appointed Date, any statutory licences, permissions or approvals or consents held by Paharpur Cooling Towers and required to carry on operations in or any business of the Dry Cooling Tower Undertaking shall stand vested in or transferred to Paharpur Cooling Technologies without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of Paharpur Cooling Technologies. The benefit of all statutory and regulatory permissions, factory licences, environmental approvals and

consents including statutory licences, permissions or approvals or consents required to carry on the operations of the Dry Cooling Tower Undertaking shall vest in and become available to Paharpur Cooling Technologies pursuant to the Scheme. Any no-objection certificates, licences, permissions, consents, approvals, authorisations, registrations or statutory rights as are jointly held by the Dry Cooling Tower Undertaking and any other undertaking of Paharpur Cooling Towers shall be deemed to constitute separate licences, permissions, no-objection certificates, consents, approvals, authorities, registrations or statutory rights, and the relevant or concerned statutory authorities and licensors shall endorse and/or mutate or record the separation, so as to facilitate the continuation of operations of the Dry Cooling Tower Undertaking and such other undertaking of Paharpur Cooling Towers without any hindrance or let from the Appointed Date.

- (d) Paharpur Cooling Technologies undertakes to engage, on and from the Effective Date, all employees of Paharpur Cooling Towers relatable to and/or necessary for the Dry Cooling Tower Undertaking or necessary for Paharpur Cooling Technologies to independently carry on its business, and which employees are in the employment of Paharpur Cooling Towers or on secondment to it as on the Effective Date (the "Transferred Employees"), on the same terms and conditions on which they are engaged by Paharpur Cooling Towers, without any interruption or break of service as a result of the transfer. Paharpur Cooling Technologies undertakes to continue to abide by any agreement/settlement entered into by Paharpur Cooling Towers in respect of the Dry Cooling Tower Undertaking with any Union/employee of Paharpur Cooling Towers, being the Transferred Employees. Paharpur Cooling Technologies agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, past services of the Transferred Employees with Paharpur Cooling Towers shall also be taken into account and agrees and undertakes to pay the same as and when payable. Where Paharpur Cooling Towers has created or formed Trusts or set up Funds for administration of retiral benefits such as gratuity, pension etc., in relation to the employees and workmen of the Dry Cooling Tower Undertaking, Paharpur Cooling Towers shall as and when called upon by Paharpur Cooling Technologies, transfer or procure to have transferred the funds/benefits in so far as they relate to the workers and employees of the Dry Cooling Tower Undertaking to corresponding Trusts and Funds set up by Paharpur Cooling Technologies or where Paharpur Cooling Technologies is or may become a member based on actuarial valuations using the assumptions/facts that Paharpur Cooling Towers was following when the Dry Cooling Tower Undertaking formed a part of its business and till such time continue with such Trusts and/or Funds for and on behalf of the Transferred Employees of Paharpur Cooling Technologies. The transfer of retiral funds of employees/workmen of the Dry Cooling Tower Undertaking by Paharpur Cooling Towers in favour of Paharpur Cooling Technologies may be done, where appropriate, by substituting Trustees nominated by Paharpur Cooling Towers with the nominees of Paharpur Cooling Technologies.
- (e) Upon the coming into effect of the Scheme, all legal or other proceedings by or against Paharpur Cooling Towers under any statute, and as agreed between Paharpur Cooling Towers and Paharpur Cooling Technologies, whether pending on the Appointed Date or which may be instituted in future (whether before or after the Effective Date) in respect of any matter arising before the Effective Date and relating to the Dry Cooling Tower Undertaking shall be continued and enforced by or against Paharpur Cooling Technologies after the Effective Date.
- (f) If any proceedings are taken against Paharpur Cooling Towers in respect of the matters referred to in sub-clause (e), it shall defend the same in accordance with the advice of Paharpur Cooling Technologies and at the cost of Paharpur Cooling Technologies and

the latter shall reimburse and indemnify Paharpur Cooling Towers against all costs, liabilities and obligations incurred by Paharpur Cooling Towers in respect thereof.

- (g) Paharpur Cooling Technologies agrees to have all legal or other proceedings initiated by or against Paharpur Cooling Towers referred to in sub-clause (e) transferred to its own name and to have the same continued, prosecuted and enforced by or against Paharpur Cooling Technologies to the exclusion of Paharpur Cooling Towers.

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

- (i) Paharpur Cooling Towers shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Dry Cooling Tower Undertaking and shall stand possessed of all the estates, assets, rights, titles and interests of the Dry Cooling Tower Undertaking for and on account of, and in trust for Paharpur Cooling Technologies;
- (ii) All profits and losses accruing to Paharpur Cooling Towers, or losses arising or incurred by it relating to the Dry Cooling Tower Undertaking shall for all purposes, be treated as the profits or losses, as the case may be, of Paharpur Cooling Technologies;
- (iii) All accretions and depletions to the Dry Cooling Tower Undertaking shall be for and on account of Paharpur Cooling Technologies.

14. Paharpur Cooling Towers hereby undertakes that it will from the Appointed Date upto and including the Effective Date preserve and carry on the Dry Cooling Tower Undertaking with diligence, prudence and agrees that it will not, without the prior written consent of Paharpur Cooling Technologies, alienate, charge or otherwise deal with or dispose of the Dry Cooling Tower Undertaking or any part thereof or recruit new employees (in each case except in the ordinary course of business) or conclude settlements with unions or employees or undertake substantial expansion of the Dry Cooling Tower Undertaking, other than expansions which have already been commenced.

15.1 It is further provided that upon the Scheme coming into effect, all taxes payable by Paharpur Cooling Towers and all or any refunds and claims, from the Appointed Date, relating to the Dry Cooling Tower Undertaking shall, for all purposes, be treated as the tax liabilities or refunds and claims, as the case may be of Paharpur Cooling Technologies . Accordingly, upon the Scheme becoming effective, Paharpur Cooling Towers and Paharpur Cooling Technologies are also expressly permitted to revise their respective Income Tax Returns, TDS Returns, Service Tax Returns, Fringe Benefits Tax Returns, Sales Tax Returns, Excise /and Cenvat Returns and other tax/ statutory returns and to claim refunds, advance tax and withholding tax credits etc. pursuant to the provisions of the Scheme.

15.2 In accordance with the Modvat/ Cenvat Rules framed under the Central Excise Act, 1944, Service Tax Rules and the Goods & Service Tax Act as are prevalent on the Effective Date, the unutilised credits relating to the excise duties paid on inputs/ capital goods lying to the account of the Dry Cooling Tower Undertaking and service tax credits shall be permitted to be transferred to the credit of Paharpur Cooling Technologies , as if all such unutilised credits were lying to the account of Paharpur Cooling Technologies . Paharpur Cooling Technologies shall accordingly be entitled to set off all such unutilised credits against the excise duty and service tax payable by it.

15.3 The transfer and vesting of the Dry Cooling Tower Undertaking comprising of the assets, liabilities and obligations appertaining/allocated thereto and the continuance of the proceedings by or against Paharpur Cooling Technologies shall not affect any transactions or proceedings already completed by Paharpur Cooling Towers on and after the Appointed Date to the end and intent that, subject to clause 7, Paharpur Cooling Technologies accepts all acts, deeds and



things done and executed by and/or on behalf of Paharpur Cooling Towers as acts, deeds and things done and executed by and on behalf of Paharpur Cooling Technologies .

16. Consideration

16.1 The fair value for transfer of the Dry Cooling Tower Undertaking on slump sale basis is Rs. 65,00,00,000/- (Rupees Sixty Five Crores only) as determined by an independent valuer. In consideration for the transfer of the Dry Cooling Tower Undertaking, Paharpur Cooling Technologies will issue and allot 3,00,000 (Three Lakhs Equity Shares) fully paid up Equity Shares of Rs. 10/- (Rupees Ten only) each to the Demerged Company based on the sustainable equity capital structure of the Resulting Company 1 as determined by such independent valuer.

16.2 The issue and allotment of Equity Shares in the Resulting Company 1 in terms of clause 16.1 above shall be deemed to have been carried out in compliance with the procedure laid down under Section 42 and Section 62 and other applicable provisions, if any, of the Companies Act, 2013 and it is clarified that no separate approvals shall need to be obtained by the Resulting Company in this regard.

16.3 The equity shares issued and allotted by the Resulting Company 1 in terms of the scheme shall be subject to the provisions of Memorandum and Articles of Association of the Resulting Company 1.

16.4 All Equity Shares to be issued and allotted by Paharpur Cooling Technologies in terms hereof shall rank paripassu in all respects including dividend from the date of their allotment in terms of the Scheme with the existing Equity Shares of Paharpur Cooling Technologies. The holders of the Equity Shares of Paharpur Cooling Technologies shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights including the right to receive dividends from Paharpur Cooling Technologies till the Effective Date.

In the event, Paharpur Cooling Technologies declares any dividend between the date of filing of the Scheme and the Record Date, then in such event, the Demerged Company who are entitled to receive shares of the Resulting Company 1 pursuant to clause 16.1 above, shall on the record date be also eligible to receive an amount representing such dividend proportionate to the their share entitlement. For this purpose, the Paharpur Cooling Technologies shall reserve the amount required for payment of dividend to its shareholders as aforesaid and pay and declare the same after the record date. For avoidance of doubt it is clarified that no interest shall be payable on such amount.

It is clarified that the aforesaid provision in respect of declaration of dividend, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Resulting Company 1 to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of Directors of the Resulting Company 1 and subject, wherever necessary, to the approval of the shareholders of the Resulting Company 1, only.

17. Upon the Scheme becoming effective and subject to the above provisions, the shareholders of the Demerged Company as on the Record Date shall receive new share certificates or demat share receipts of credit of new Equity Shares in their share accounts maintained with the depository participants reflecting the equity capital held by each member in Paharpur Cooling Technologies and Paharpur Cooling Technologies shall, if so required, be eligible to issue letters of allotment for the Equity Shares pending issue of share certificates or receipts for credit to the share account of the shareholders with the depository participant under the depository system. In so far as the issue of Equity Shares is concerned, each of the members holding Equity Shares in physical form shall have the option, exercisable by notice in writing by them on or before such date as may be determined by the Board of Directors of Paharpur Cooling



Technologies or a committee of such Board of Directors, to receive, either in certificate form or in dematerialized form, the Equity Shares of Paharpur Cooling Technologies in lieu thereof in accordance with the terms hereof. In the event that such notice has not been received by Paharpur Cooling Technologies in respect of any of the members, the Equity Shares of Paharpur Cooling Technologies shall be issued to such members in certificate form. Those of the members exercising the option to receive the Equity Shares in dematerialized form shall be required to have an account with a depository participant and shall provide details thereof and such other confirmations as may be required. It is only thereupon that Paharpur Cooling Technologies shall issue and directly credit the demat/dematerialized securities account of such member with the Equity Shares of Paharpur Cooling Technologies. It is clarified that each of the members holding Equity Shares in dematerialized form shall be issued the Equity Shares of Paharpur Cooling Technologies in dematerialised form as per the records maintained by the depository participant as on the Record Date.

PART II-B

TRANSFER AND VESTING OF THE REAL ESTATE UNDERTAKING INTO RESULTING COMPANY 2

18. (a) Upon the Scheme coming into effect the Real Estate Undertaking of Paharpur Cooling Towers comprising of all the estates, assets, rights, titles and interests including accretions and appurtenances thereto shall, subject to the provisions of this clause in relation to the mode of vesting and pursuant to Section 232(4) of the Act, be transferred to and vested in or be deemed to have been transferred to and vested in Paharpur Builders as a going concern so as to become with effect from the opening of business on the Appointed Date, the estates, assets, rights, titles and interests of Paharpur Builders respectively.
- (b) In respect of the assets of the Real Estate Undertaking including investments, cash and bank balances relating to the day to day operations and specific to the working of this Undertaking, as are movable in nature or are otherwise capable of transfer by manual delivery, payment or by endorsement and delivery, the same may be so transferred by Paharpur Cooling Towers, and shall become the property of Paharpur Builders as the case may be, as an integral and indivisible part of such Undertaking being demerged.
- (c) In respect of such of the assets of the Real Estate Undertaking other than those referred to in sub-clause (b) above, the same shall, as more particularly provided in sub-clause (a) above, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in Paharpur Builders pursuant to the order of the National Company Law Tribunal under the provisions of Section 230 to 232 of the Act.
- (d) All assets acquired by Paharpur Cooling Towers after the Appointed Date and prior to the Effective Date for operations of the Real Estate Undertaking shall also stand transferred to and vested in Paharpur Builders upon the coming into effect of the Scheme.
- (e) In so far as any encumbrance in respect of liabilities being transferred as part of undertaking is concerned, such encumbrance shall, without any further act, instrument or deed being required be modified and shall be extended to and shall operate only over the assets comprised in the Real Estate Undertaking which may have been encumbered in respect of liabilities as transferred to the Paharpur Builders pursuant to the Scheme. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Undertaking are concerned, the encumbrance, if any, over such assets relating to the liabilities being transferred, without any further act, instrument or deed being required, be released and discharged from the obligations and encumbrances relating

to the same. Further, insofar as the assets comprised in the Real Estate Undertaking are concerned, the security or charge over such assets relating to any loans, debentures or borrowing of Paharpur Cooling Towers not in connection with the Real Estate Undertaking shall without any further act or deed be released and discharged from the same and shall no longer be available as security in relation to such liabilities of Paharpur Cooling Towers.

In respect of such of the assets and properties of the Real Estate Undertaking of Paharpur Cooling Towers as are immovable in nature, whether held as fixed assets and/or inventory, the same shall be so transferred by the Paharpur Cooling Towers and shall, upon such transfer, become as and from the Appointed Date, the immovable assets of Paharpur Builders, and it shall not be necessary to obtain the consent of any third party or other person in order to give effect to the provisions of this clause. Paharpur Builders shall under the provisions of this Scheme be deemed to be authorized to execute any such instruments, deeds and writings on behalf of Paharpur Cooling Towers and to implement or carry out all such formalities or compliances on the part of Paharpur Cooling Towers to be carried out or performed in order to give effect to the provisions of this clause.

- (f) In respect of movable assets, including outstanding loans and advances, if any, recoverable in cash or in kind or value to be received, bank balances and deposits, if any, which forms part of the Real Estate Undertaking, Paharpur Cooling Towers shall give notice in such form as it may deem fit and proper to each party, debtors or depositors of Paharpur Cooling Towers as the case may be, that pursuant to the order of NCLT sanctioning the Scheme, on and from the Appointed Date, the said debts, loans and advances, etc. shall be paid or made good or be held on account of Paharpur Builders as the person entitled thereto, to the end and intent that the right of Paharpur Cooling Towers to recover or realise the same stands extinguished, and that such rights to recover or realise the same shall vest in Paharpur Builders. Paharpur Builders may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the order of the Court sanctioning the Scheme, the said person, debtor or depositor should pay the debt, loan or advance or make good the same or hold the same to the account of Paharpur Builders respectively and that the right of Paharpur Builders to recover or realise the same is in substitution of the right of Paharpur Cooling Towers.
19. (a) With effect from the Appointed Date, the liabilities and obligations of Paharpur Cooling Towers which arose out of the activities or operations of the Real Estate Undertaking including in particular debts, duties, or other claims relating to the activities or operations of the Real Estate Undertaking shall be deemed to have been transferred to Paharpur Builders and to the extent they are outstanding on the Effective Date shall, without any further act or deed be and stand transferred to Paharpur Builders and shall become the liabilities and obligations of Paharpur Builders which shall undertake to meet, discharge and satisfy the same ; and
- (b) Where any of the liabilities and obligations of Paharpur Cooling Towers as on the Appointed Date deemed to be transferred to Paharpur Builders have been discharged by Paharpur Cooling Towers after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of Paharpur Builders and all loans raised and used and all liabilities and obligations incurred by Paharpur Cooling Towers for the operations of the Real Estate Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of Paharpur Builders and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to Paharpur

Builders and shall become the liabilities and obligations of Paharpur Builders which Paharpur Builders shall undertake to meet, discharge and satisfy.

20. (a) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, incentives, benefits, exemptions, entitlements, arrangements and other instruments of whatsoever nature in relation to the Real Estate Undertaking or to which the Real Estate Undertaking is a party or to the benefit of which the Real Estate Undertaking may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour, as the case may be, of Paharpur Builders and may be enforced as fully and effectually as if, instead of the Real Estate Undertaking or Paharpur Cooling Towers, Paharpur Builders had been a party or beneficiary or obligee thereto.
- (b) Paharpur Builders may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Real Estate Undertaking is a party or any writings as may be necessary to be executed in order to novate or give formal effect to the above provisions. Paharpur Cooling Towers will, if necessary, also be a party to the above as a confirming party with no obligation cast on or assumed upon it. Paharpur Builders shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings and to carry out or perform all such formalities or compliances referred to above as may be deemed proper and necessary for effectuating the transfer and vesting of the Real Estate Undertaking into itself.
- (c) Upon the coming into effect of this Scheme and with effect from the Appointed Date, any statutory licences, permissions or approvals or consents held by Paharpur Cooling Towers and required to carry on operations in or any business of the Real Estate Undertaking shall stand vested in or transferred to Paharpur Builders without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of Paharpur Builders. The benefit of all statutory and regulatory permissions, factory licences, environmental approvals and consents including statutory licences, permissions or approvals or consents required to carry on the operations of the Real Estate Undertaking shall vest in and become available to Paharpur Builders pursuant to the Scheme. Any no-objection certificates, licences, permissions, consents, approvals, authorisations, registrations or statutory rights as are jointly held by the Real Estate Undertaking and any other undertaking of Paharpur Cooling Towers shall be deemed to constitute separate licences, permissions, no-objection certificates, consents, approvals, authorities, registrations or statutory rights, and the relevant or concerned statutory authorities and licensors shall endorse and/or mutate or record the separation, so as to facilitate the continuation of operations of the Real Estate Undertaking and such other undertaking of Paharpur Cooling Towers without any hindrance or let from the Appointed Date.
- (d) Paharpur Builders undertakes to engage, on and from the Effective Date, all employees of Paharpur Cooling Towers relating to and/or necessary for the Real Estate Undertaking or necessary for Paharpur Builders to independently carry on its business, and which employees are in the employment of Paharpur Cooling Towers or on secondment to it as on the Effective Date (the "Transferred Employees"), on the same terms and conditions on which they are engaged by Paharpur Cooling Towers, without any interruption or break of service as a result of the demerger. Paharpur Builders undertakes to continue to abide by any agreement/settlement entered into by Paharpur Cooling Towers in respect

of the Real Estate Undertaking with any Union/employee of Paharpur Cooling Towers, being the Transferred Employees. Paharpur Builders agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, past services of the Transferred Employees with Paharpur Cooling Towers shall also be taken into account and agrees and undertakes to pay the same as and when payable. Where Paharpur Cooling Towers has created or formed Trusts or set up Funds for administration of retiral benefits such as gratuity, pension etc., in relation to the employees and workmen of the Real Estate Undertaking, Paharpur Cooling Towers shall as and when called upon by Paharpur Builders, transfer or procure to have transferred the funds/benefits in so far as they relate to the workers and employees of the Real Estate Undertaking to corresponding Trusts and Funds set up by Paharpur Builders or where Paharpur Builders is or may become a member based on actuarial valuations using the assumptions/facts that Paharpur Cooling Towers was following when the Real Estate Undertaking formed a part of its business and till such time continue with such Trusts and/or Funds for and on behalf of the Transferred Employees of Paharpur Builders. The transfer of retiral funds of employees/workmen of the Real Estate Undertaking by Paharpur Cooling Towers in favour of Paharpur Builders may be done, where appropriate, by substituting Trustees nominated by Paharpur Cooling Towers with the nominees of Paharpur Builders.

- (e) Upon the coming into effect of the Scheme, all legal or other proceedings by or against Paharpur Cooling Towers under any statute, and as agreed between Paharpur Cooling Towers and Paharpur Builders, whether pending on the Appointed Date or which may be instituted in future (whether before or after the Effective Date) in respect of any matter arising before the Effective Date and relating to the Real Estate Undertaking shall be continued and enforced by or against Paharpur Builders after the Effective Date.
- (f) If any proceedings are taken against Paharpur Cooling Towers in respect of the matters referred to in sub-clause (e), it shall defend the same in accordance with the advice of Paharpur Builders and at the cost of Paharpur Builders and the latter shall reimburse and indemnify Paharpur Cooling Towers against all costs, liabilities and obligations incurred by Paharpur Cooling Towers in respect thereof.
- (g) Paharpur Builders agrees to have all legal or other proceedings initiated by or against Paharpur Cooling Towers referred to in sub-clause (e) transferred to its own name and to have the same continued, prosecuted and enforced by or against Paharpur Builders to the exclusion of Paharpur Cooling Towers.

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

- (i) Paharpur Cooling Towers shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Real Estate Undertaking and shall stand possessed of all the estates, assets, rights, titles and interests of the Real Estate Undertaking for and on account of, and in trust for Paharpur Builders;
- (ii) All profits and losses accruing to Paharpur Cooling Towers, or losses arising or incurred by it relating to the Real Estate Undertaking shall for all purposes, be treated as the profits or losses, as the case may be, of Paharpur Builders;
- (iii) All accretions and depletions to the Real Estate Undertaking shall be for and on account of Paharpur Builders.

22. Paharpur Cooling Towers hereby undertakes that it will from the Appointed Date upto and including the Effective Date preserve and carry on the Real Estate Undertaking with diligence, prudence and agrees that it will not, without the prior written consent of Paharpur Builders, alienate, charge or otherwise deal with or dispose of the Real Estate Undertaking or any part



thereof or recruit new employees (in each case except in the ordinary course of business) or conclude settlements with unions or employees or undertake substantial expansion of the Real Estate Undertaking, other than expansions which have already been commenced.

- 23.1 It is further provided that upon the Scheme coming into effect, all taxes payable by Paharpur Cooling Towers and all or any refunds and claims, from the Appointed Date, relating to the Real Estate Undertaking shall, for all purposes, be treated as the tax liabilities or refunds and claims, as the case may be of Paharpur Builders. Accordingly, upon the Scheme becoming effective, Paharpur Cooling Towers and Paharpur Builders are also expressly permitted to revise their respective Income Tax Returns, TDS Returns, Service Tax Returns, Fringe Benefits Tax Returns, Sales Tax Returns, Excise /and Cenvat Returns and other tax/ statutory returns and to claim refunds, advance tax and withholding tax credits etc. pursuant to the provisions of the Scheme.
- 23.2 In accordance with the Modvat/ Cenvat Rules framed under the Central Excise Act, 1944, Service Tax Rules and Goods & Service Tax Act as are prevalent on the Effective Date, the unutilised credits relating to the excise duties paid on inputs/ capital goods lying to the account of the Real Estate Undertaking and service tax credits shall be permitted to be transferred to the credit of Paharpur Builders, as if all such unutilised credits were lying to the account of Paharpur Builders. Paharpur Builders shall accordingly be entitled to set off all such unutilised credits against the excise duty and service tax payable by it.
- 23.3 The transfer and vesting of the Real Estate Undertaking comprising of the assets, liabilities and obligations appertaining/allocated thereto and the continuance of the proceedings by or against Paharpur Builders shall not affect any transactions or proceedings already completed by Paharpur Cooling Towers on and after the Appointed Date to the end and intent that, subject to clause 7, Paharpur Builders accepts all acts, deeds and things done and executed by and/or on behalf of Paharpur Cooling Towers as acts, deeds and things done and executed by and on behalf of Paharpur Builders.
24. Consideration
- 24.1 As consideration for the demerger of the Real Estate Undertaking, Paharpur Builders will issue 6 equity shares of Rs.10/- (Rupees Ten only) each credited as fully paid for every 1 (one) equity share of Rs.100/- (Rupees Hundred only) each held by the shareholders in the Demerged Company (Paharpur Cooling Towers) Equity Shares to the shareholders of the Demerged Company as determined by an independent valuer based on the sustainable equity capital structure of the Resulting Company 2 post transfer of the Real Estate Undertaking.
- 24.2 The issue and allotment of Equity Shares in the Resulting Company in terms of clause 24.1 above shall be deemed to have been carried out in compliance with the procedure laid down under Section 42 and Section 62 and other applicable provisions, if any, of the Companies Act, 2013 and it is clarified that no separate approvals shall need to be obtained by the Resulting Company 2 in this regard.
- 24.3 The equity shares issued and allotted by the Resulting Company 2 in terms of the scheme shall be subject to the provisions of Memorandum and Articles of Association of the Resulting Company 2.
- 24.4 No shares shall be issued in respect of fractional entitlements, if any, by Paharpur Builders, to which the members of the demerged Company may be entitled on issue and allotment of Equity Shares of Paharpur Builders. The Board of Directors of Paharpur Builders shall, instead consolidate all such fractional entitlements and thereupon issue and allot Equity Shares in lieu thereof to a director or officer of Paharpur Builders or such other person as the Board of Directors of Paharpur Builders shall appoint in this behalf who shall hold the Equity

Shares in trust on behalf of the members entitled to fractional entitlements with the express understanding that such director, officer or person shall sell the same in the market at such time or price or prices in the market or to such person or persons, as he may deem fit, and pay to Paharpur Builders, the net sale proceeds thereof, whereupon Paharpur Builders shall distribute such net sales proceeds to the members of Demerged Company in proportion to their respective fractional entitlements.

- 24.5 All Equity Shares to be issued and allotted by Paharpur Builders in terms hereof shall rank paripassu in all respects including dividend from the date of their allotment in terms of the Scheme with the existing Equity Shares of Paharpur Builders. The holders of the Equity Shares of the Paharpur Cooling Technologies shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights including the right to receive dividends from Demerged Company till the Effective Date. In the event, Paharpur Builders declares any dividend between the date of filing of the Scheme and the Record Date, then in such event, the shareholders of the Demerged Company who are entitled to receive shares of the Resulting Company 2 pursuant to clause 24.1 above, shall on the record date be also eligible to receive an amount representing such dividend proportionate to their share entitlement. For this purpose, the Paharpur Builders shall reserve the amount required for payment of dividend to its shareholders as aforesaid and pay and declare the same after the record date. For avoidance of doubt it is clarified that no interest shall be payable on such amount.

It is clarified that the aforesaid provision in respect of declaration of dividend, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Resulting Company 2 to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of Directors of the Resulting Company 2 and subject, wherever necessary, to the approval of the shareholders of the Resulting Company 2, only.

Upon the Scheme becoming effective and subject to the above provisions, the shareholders of Paharpur Cooling Towers as on the Record Date shall receive new share certificates or demat share receipts of credit of new Equity Shares in their share accounts maintained with the depository participants reflecting the equity capital held by each member in the Paharpur Builders. The Paharpur Builders shall, if so required, be eligible to issue letters of allotment for the Equity Shares pending issue of share certificates or receipts for credit to the share account of the shareholders with the depository participant under the depository system. In so far as the issue of Equity Shares is concerned, each of the members holding Equity Shares in physical form shall have the option, exercisable by notice in writing by them on or before such date as may be determined by the Board of Directors of Paharpur Builders or a committee of such Board of Directors, to receive, either in certificate form or in dematerialized form, the Equity Shares of Paharpur Builders in lieu thereof in accordance with the terms hereof. In the event that such notice has not been received by Paharpur Builders in respect of any of the members, the Equity Shares of Paharpur Builders shall be issued to such members in certificate form. Those of the members exercising the option to receive the Equity Shares in dematerialized form shall be required to have an account with a depository participant and shall provide details thereof and such other confirmations as may be required. It is only thereupon that Paharpur Builders shall issue and directly credit the demat/dematerialized securities account of such member with the Equity Shares of Paharpur Builders. It is clarified that each of the members holding Equity Shares in dematerialized form shall be issued the Equity Shares of Resultant Entity in dematerialised form as per the records maintained by the depository participant as on the Record Date.

**PART IIC****TRANSFER AND VESTING OF THE FLEXIBLE PACKAGING UNDERTAKING INTO RESULTING COMPANY 3**

25. (a) Upon the Scheme coming into effect the Flexible Packaging Undertaking of Paharpur Cooling Towers comprising of all the estates, assets, rights, titles and interests including accretions and appurtenances thereto shall, subject to the provisions of this clause in relation to the mode of vesting and pursuant to Section 232(4) of the Act, be transferred as an integral and indivisible part of Paharpur Cooling Towers, to and vested in or be deemed to have been transferred to and vested in Paharpur Flexibles as a going concern so as to become with effect from the opening of business on the Appointed Date, the estates, assets, rights, titles and interests of Paharpur Flexibles respectively.
- (b) In respect of the assets of the Flexible Packaging Undertaking including investments, cash and bank balances relating to the day to day operations and specific to the working of this Undertaking, as are movable in nature or are otherwise capable of transfer by manual delivery, payment or by endorsement and delivery, the same may be so transferred by Paharpur Cooling Towers, and shall become the property of Paharpur Flexibles as the case may be, as an integral and indivisible part of such undertaking being demerged.
- (c) In respect of such of the assets of the Flexible Packaging Undertaking other than those referred to in sub-clause (b) above, the same shall, as more particularly provided in sub-clause (a) above, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in Paharpur Flexibles pursuant to the order of the National Company Law Tribunal under the provisions of Section 230 to 232 of the Act.
- (d) All assets acquired by Paharpur Cooling Towers after the Appointed Date and prior to the Effective Date for operations of the Flexible Packaging Undertaking shall also stand transferred to and vested in Paharpur Flexibles upon the coming into effect of the Scheme.
- (e) In so far as any encumbrance in respect of liabilities being transferred as part of undertaking is concerned, such encumbrance shall, without any further act, instrument or deed being required be modified and shall be extended to and shall operate only over the assets comprised in the Flexible Packaging Undertaking which may have been encumbered in respect of liabilities as transferred to the Resulting Company pursuant to the Scheme. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Undertaking are concerned, the encumbrance, if any, over such assets relating to the Liabilities being transferred, without any further act, instrument or deed being required, be released and discharged from the obligations and encumbrances relating to the same. Further, insofar as the assets comprised in the Flexible Packaging Undertaking are concerned, the security or charge over such assets relating to any loans, debentures, debts or borrowing of Paharpur Cooling Towers not in connection with the Flexible Packaging Undertaking shall without any further act or deed be released and discharged from the same and shall no longer be available as security in relation to such liabilities of Paharpur Cooling Towers.

In respect of such of the assets and properties of the Flexible Packaging Undertaking of Paharpur Cooling Towers as are immovable in nature, whether held as fixed assets and/or inventory, the same shall be so transferred by the Paharpur Cooling Towers and shall, upon such transfer, become as and from the Appointed Date, the immovable assets of Paharpur Flexibles, and it shall not be necessary to obtain the consent of any third party

or other person in order to give effect to the provisions of this clause. Paharpur Flexibles shall under the provisions of this Scheme be deemed to be authorized to execute any such instruments, deeds and writings on behalf of Paharpur Cooling Towers and to implement or carry out all such formalities or compliances on the part of Paharpur Cooling Towers to be carried out or performed in order to give effect to the provisions of this clause.

- (f) In respect of movable assets, including outstanding loans and advances, if any, recoverable in cash or in kind or value to be received, bank balances and deposits, if any, which forms part of the Flexible Packaging Undertaking, Paharpur Cooling Towers shall give notice in such form as it may deem fit and proper to each party, debtors or depositors of Paharpur Cooling Towers as the case may be, that pursuant to the order of NCLT sanctioning the Scheme, on and from the Appointed Date, the said debts, loans and advances, etc. shall be paid or made good or be held on account of Paharpur Flexibles as the person entitled thereto, to the end and intent that the right of Paharpur Cooling Towers to recover or realise the same stands extinguished, and that such rights to recover or realise the same shall vest in Paharpur Flexibles. Paharpur Flexibles may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the order of the Court sanctioning the Scheme, the said person, debtor or depositor should pay the debt, loan or advance or make good the same or hold the same to the account of Paharpur Flexibles respectively and that the right of Paharpur Flexibles to recover or realise the same is in substitution of the right of Paharpur Cooling Towers.
26. (a) With effect from the Appointed Date, the liabilities and obligations of Paharpur Cooling Towers which arose out of the activities or operations of the Flexible Packaging Undertaking including in particular debts, duties, or other claims relating to the activities or operations of the Flexible Packaging Undertaking shall be deemed to have been transferred to Paharpur Flexibles and to the extent they are outstanding on the Effective Date shall, without any further act or deed be and stand transferred to Paharpur Flexibles and shall become the liabilities and obligations of Paharpur Flexibles which shall undertake to meet, discharge and satisfy the same ; and
- (b) Where any of the liabilities and obligations of Paharpur Cooling Towers as on the Appointed Date deemed to be transferred to Paharpur Flexibles have been discharged by Paharpur Cooling Towers after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of Paharpur Flexibles and all loans raised and used and all liabilities and obligations incurred by Paharpur Cooling Towers for the operations of the Flexible Packaging Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of Paharpur Flexibles and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to Paharpur Flexibles and shall become the liabilities and obligations of Paharpur Flexibles which Paharpur Flexibles shall undertake to meet, discharge and satisfy.
27. (a) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, incentives, benefits, exemptions, entitlements, arrangements and other instruments of whatsoever nature in relation to the Flexible Packaging Undertaking or to which the Flexible Packaging Undertaking is a party or to the benefit of which the Flexible Packaging Undertaking may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour, as the case may be, of Paharpur Flexibles and may be enforced as fully and effectually as if, instead of the Flexible Packaging Undertaking or Paharpur Cooling Towers, Paharpur Flexibles had been a party or beneficiary or obligee thereto.

- (b) Paharpur Flexibles may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Flexible Packaging Undertaking is a party or any writings as may be necessary to be executed in order to novate or give formal effect to the above provisions. Paharpur Cooling Towers will, if necessary, also be a party to the above as a confirming party with no obligation cast on or assumed upon it. Paharpur Flexibles shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings and to carry out or perform all such formalities or compliances referred to above as may be deemed proper and necessary for effectuating the transfer and vesting of the Flexible Packaging Undertaking into itself.
- (c) Upon the coming into effect of this Scheme and with effect from the Appointed Date, any statutory licences, permissions or approvals or consents held by Paharpur Cooling Towers and required to carry on operations in or any business of the Flexible Packaging Undertaking shall stand vested in or transferred to Paharpur Flexibles without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of Paharpur Flexibles. The benefit of all statutory and regulatory permissions, factory licences, environmental approvals and consents including statutory licences, permissions or approvals or consents required to carry on the operations of the Flexible Packaging Undertaking shall vest in and become available to Paharpur Flexibles pursuant to the Scheme. Any no-objection certificates, licences, permissions, consents, approvals, authorisations, registrations or statutory rights as are jointly held by the Flexible Packaging Undertaking and any other undertaking of Paharpur Cooling Towers shall be deemed to constitute separate licences, permissions, no-objection certificates, consents, approvals, authorities, registrations or statutory rights, and the relevant or concerned statutory authorities and licensors shall endorse and/or mutate or record the separation, so as to facilitate the continuation of operations of the Flexible Packaging Undertaking and such other undertaking of Paharpur Cooling Towers without any hindrance or let from the Appointed Date.
- (d) Paharpur Flexibles undertakes to engage, on and from the Effective Date, all employees of Paharpur Cooling Towers relating to and/or necessary for the Flexible Packaging Undertaking or necessary for Paharpur Flexibles to independently carry on its business, and which employees are in the employment of Paharpur Cooling Towers or on secondment to it as on the Effective Date (the "Transferred Employees"), on the same terms and conditions on which they are engaged by Paharpur Cooling Towers, without any interruption or break of service as a result of the demerger. Paharpur Flexibles undertakes to continue to abide by any agreement/settlement entered into by Paharpur Cooling Towers in respect of the Flexible Packaging Undertaking with any Union/employee of Paharpur Cooling Towers, being the Transferred Employees. Paharpur Flexibles agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, past services of the Transferred Employees with Paharpur Cooling Towers shall also be taken into account and agrees and undertakes to pay the same as and when payable. Where Paharpur Cooling Towers has created or formed Trusts or set up Funds for administration of retirement benefits such as gratuity, pension etc., in relation to the employees and workmen of the Flexible Packaging Undertaking, Paharpur Cooling Towers shall as and when called upon by Paharpur Flexibles, transfer or procure to have transferred the funds/benefits in so far as they relate to the workers and employees of the Flexible Packaging Undertaking to corresponding Trusts and Funds set up by Paharpur Flexibles or where Paharpur Flexibles or may become a member based on actuarial

valuations using the assumptions/facts that Paharpur Cooling Towers was following when the Flexible Packaging Undertaking formed a part of its business and till such time continue with such Trusts and/or Funds for and on behalf of the Transferred Employees of Paharpur Flexibles. The transfer of retiral funds of employees/workmen of the Flexible Packaging Undertaking by Paharpur Cooling Towers in favour of Paharpur Flexibles may be done, where appropriate, by substituting Trustees nominated by Paharpur Cooling Towers with the nominees of Paharpur Flexibles.

- (e) Upon the coming into effect of the Scheme, all legal or other proceedings by or against Paharpur Cooling Towers under any statute, and as agreed between Paharpur Cooling Towers and Paharpur Flexibles, whether pending on the Appointed Date or which may be instituted in future (whether before or after the Effective Date) in respect of any matter arising before the Effective Date and relating to the Flexible Packaging Undertaking shall be continued and enforced by or against Paharpur Flexibles after the Effective Date.
 - (f) If any proceedings are taken against Paharpur Cooling Towers in respect of the matters referred to in sub-clause (e), it shall defend the same in accordance with the advice of Paharpur Flexibles and at the cost of Paharpur Flexibles and the latter shall reimburse and indemnify Paharpur Cooling Towers against all costs, liabilities and obligations incurred by Paharpur Cooling Towers in respect thereof.
 - (g) Paharpur Flexibles agrees to have all legal or other proceedings initiated by or against Paharpur Cooling Towers referred to in sub-clause (e) transferred to its own name and to have the same continued, prosecuted and enforced by or against Paharpur Flexibles to the exclusion of Paharpur Cooling Towers.
28. With effect from the Appointed Date and upto and including the Effective Date:
- (iv) Paharpur Cooling Towers shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Flexible Packaging Undertaking and shall stand possessed of all the estates, assets, rights, titles and interests of the Flexible Packaging Undertaking for and on account of, and in trust for Paharpur Flexibles;
 - (v) All profits and losses accruing to Paharpur Cooling Towers, or losses arising or incurred by it relating to the Flexible Packaging Undertaking shall for all purposes, be treated as the profits or losses, as the case may be, of Paharpur Flexibles;
 - (vi) All accretions and depletions to the Demerged Undertakings shall be for and on account of Paharpur Flexibles.
29. Paharpur Cooling Towers hereby undertakes that it will from the Appointed Date upto and including the Effective Date preserve and carry on the Flexible Packaging Undertaking with diligence, prudence and agrees that it will not, without the prior written consent of Paharpur Flexibles, alienate, charge or otherwise deal with or dispose of the Flexible Packaging Undertaking or any part thereof or recruit new employees (in each case except in the ordinary course of business) or conclude settlements with unions or employees or undertake substantial expansion of the Flexible Packaging Undertaking, other than expansions which have already been commenced.
30. (a) It is further provided that upon the Scheme coming into effect, all taxes payable by Paharpur Cooling Towers and all or any refunds and claims, from the Appointed Date, relating to the Flexible Packaging Undertaking shall, for all purposes, be treated as the tax liabilities or refunds and claims, as the case may be of Paharpur Flexibles. Accordingly, upon the Scheme becoming effective, Paharpur Cooling Towers and Paharpur Flexibles are also expressly permitted to revise their respective Income Tax Returns, TDS Returns,

Service Tax Returns, Fringe Benefits Tax Returns, Sales Tax Returns, Excise /and Cenvat Returns and other tax/ statutory returns and to claim refunds, advance tax and withholding tax credits etc. pursuant to the provisions of the Scheme.

- (b) In accordance with the Modvat/ Cenvat Rules framed under the Central Excise Act, 1944, and Service Tax Rules as are prevalent on the Effective Date, the unutilised credits relating to the excise duties paid on inputs/ capital goods lying to the account of the Flexible Packaging Undertaking and service tax credits shall be permitted to be transferred to the credit of Paharpur Flexibles, as if all such unutilised credits were lying to the account of Paharpur Flexibles. Paharpur Flexibles shall accordingly be entitled to set off all such unutilised credits against the excise duty and service tax payable by it.
- (c) The transfer and vesting of the Flexible Packaging Undertaking comprising of the assets, liabilities and obligations appertaining/allocated thereto and the continuance of the proceedings by or against Paharpur Flexibles shall not affect any transactions or proceedings already completed by Paharpur Cooling Towers on and after the Appointed Date to the end and intent that, subject to clause 7, Paharpur Flexibles accepts all acts, deeds and things done and executed by and/or on behalf of Paharpur Cooling Towers as acts, deeds and things done and executed by and on behalf of Paharpur Flexibles.

31. Consideration

- 31.1 As consideration for the demerger of the Flexible Packaging Undertaking, the resulting company i.e. Paharpur Flexibles will issue 6 equity shares of Rs.10/- (Rupees Ten only) each credited as fully paid for every 1 (one) equity shares of Rs.100 (Rupees One Hundred only) each held by the shareholders in the Demerged Company (Paharpur Cooling Towers) to the shareholders of the Demerged Company as determined by the independent valuer based on the sustainable Equity Capital structure of the Resulting Company 3 post transfer of Flexible Packaging Undertaking.
- 31.2 The issue and allotment of Equity Shares in the Resulting Company in terms of clause 31.1 above shall be deemed to have been carried out in compliance with the procedure laid down under Section 42 and Section 62 and other applicable provisions, if any, of the Companies Act, 2013 and it is clarified that no separate approvals shall need to be obtained by the Resulting Company 3 in this regard.
- 31.3 The equity shares issued and allotted by the Resulting Company 3 in terms of the scheme shall be subject to the provisions of Memorandum and Articles of Association of the Resulting Company 3.
- 31.4 No shares shall be issued in respect of fractional entitlements, if any, by Resultant Entity, to which the members of demerged Company may be entitled on issue and allotment of Equity Shares of Resultant Entity. The Board of Directors of Resultant Entity shall, instead consolidate all such fractional entitlements and thereupon issue and allot Equity Shares in lieu thereof to a director or officer of Resultant Entity or such other person as the Board of Directors of Resultant Entity shall appoint in this behalf who shall hold the Equity Shares in trust on behalf of the members entitled to fractional entitlements with the express understanding that such director, officer or person shall sell the same in the market at such time or price or prices in the market or to such person or persons, as he may deem fit, and pay to Resultant Entity, the net sale proceeds thereof, whereupon Resultant Entity shall distribute such net sales proceeds to the members of Demerged Company in proportion to their respective fractional entitlements.
- 31.5 All Equity Shares to be issued and allotted by Resultant Entity in terms hereof shall rank paripassu in all respects including dividend from the date of their allotment in terms of the Scheme with the existing Equity Shares of Resultant Entity. The holders of the Equity Shares



of Demerged Entity shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights including the right to receive dividends from Demerged Company till the Effective Date.

In the event, PaharpurFlexibles declares any dividend between the date of filing of the Scheme and the Record Date, then in such event, the shareholders of the Demerged Company who are entitled to receive shares of the Resulting Company -3 pursuant to clause 31.1 above, shall on the record date be also eligible to receive an amount representing such dividend proportionate to the their share entitlement. For this purpose, the PaharpurFlexibles shall reserve the amount required for payment of dividend to its shareholders as aforesaid and pay and declare the same after the record date. For avoidance of doubt it is clarified that no interest shall be payable on such amount.

It is clarified that the aforesaid provision in respect of declaration of dividend, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Resulting Company 3 to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of Directors of the Resulting Company 3 and subject, wherever necessary, to the approval of the shareholders of the Resulting Company 3, only.

Upon the Scheme becoming effective and subject to the above provisions, the shareholders of demerged company as on the Record Date shall receive new share certificates or demat share receipts of credit of new Equity Shares in their share accounts maintained with the depository participants reflecting the equity capital held by each member in the Resultant Entity. The Resultant Entity shall, if so required, be eligible to issue letters of allotment for the Equity Shares pending issue of share certificates or receipts for credit to the share account of the shareholders with the depository participant under the depository system. In so far as the issue of Equity Shares is concerned, each of the members holding Equity Shares in physical form shall have the option, exercisable by notice in writing by them on or before such date as may be determined by the Board of Directors of Resultant Entity or a committee of such Board of Directors, to receive, either in certificate form or in dematerialized form, the Equity Shares of Resultant Entity in lieu thereof in accordance with the terms hereof. In the event that such notice has not been received by Resultant Entity in respect of any of the members, the Equity Shares of Resultant Entity shall be issued to such members in certificate form. Those of the members exercising the option to receive the Equity Shares in dematerialized form shall be required to have an account with a depository participant and shall provide details thereof and such other confirmations as may be required. It is only thereupon that Resultant Entity shall issue and directly credit the demat/dematerialized securities account of such member with the Equity Shares of Resultant Entity. It is clarified that each of the members holding Equity Shares in dematerialized form shall be issued the Equity Shares of Resultant Entity in dematerialised form as per the records maintained by the depository participant as on the Record Date.

PART III

ACCOUNTING TREATMENT

32. For Transfer of the Wet Cooling Tower Undertaking,

Treatment in the books of the Demerged Company:

32.1 The Demerged Company shall, upon the scheme becoming effective, with effect from the Appointed Date, account for Slump Sale as under:

- (i) The accounts representing the assets and liabilities pertaining to the Transferred Undertaking shall stand reduced by the book value of assets and liabilities transferred to the Transeree Company
- (ii) Difference, if any, between consideration as per clause above and the book value i.e. net assets (assets less liabilities) of the Transferred Undertaking transferred shall be adjusted in the Statement of Profit and Loss by the Transferor Company in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India and other normally accepted Accounting principles.

Treatment in the books of Resulting Company 1 (Paharpur Cooling Technologies):

The Resulting Company 1 shall, upon the scheme becoming effective, with effect from the Appointed Date, record the assets and liabilities of the Transferred Undertaking (as appearing in the books of accounts of the Transferor Company at the close of business on the day preceding the Appointed Date), as vested in it pursuant to Slump Sale in terms of this Part, at a value derived at by apportioning the consideration payable by it amongst all the assets and liabilities pertaining to Transferred Undertaking.

Paharpur Cooling Technologies shall issue shares to Paharpur Cooling Towers in terms of clause 9 of this Scheme. These shares shall be issued and recorded at face value and accordingly the aggregate face value of the shares to be issued shall be credited to Paharpur Cooling Technologies' share capital account and-- the difference, if any, between the value of assets and value of liabilities Cooling Tower Demerged Undertaking, after adjusting the amount credited as share capital as per clause 32 above, shall be accounted in accordance with applicable Accounting Standards, the Act and generally accepted accounting principles in India.

33. For Transfer of the Dry Cooling Tower Undertaking.

Treatment in the books of the Demerged Company:

33.1 The Demerged Company shall, upon the scheme becoming effective, with effect from the Appointed Date, account for Slump Sale as under:

- (i) The accounts representing the assets and liabilities pertaining to the Transferred Undertaking shall stand reduced by the book value of assets and liabilities transferred to the Transferee Company
- (ii) Difference, if any, between consideration as per clause above and the book value i.e. net assets (assets less liabilities) of the Transferred Undertaking transferred shall be adjusted in the Statement of Profit and Loss by the Transferor Company.

Treatment in the books of Resulting Company 1 (Paharpur Cooling Technologies):

The Resulting Company 1 shall, upon the scheme becoming effective, with effect from the Appointed Date, record the assets and liabilities of the Transferred Undertaking (as appearing in the books of accounts of the Transferor Company at the close of business on the day preceding the Appointed Date), as vested in it pursuant to Slump Sale in terms of this Part, at a value derived at by apportioning the cash consideration payable by it amongst all the assets and liabilities pertaining to Transferred Undertaking.

Paharpur Cooling Technologies shall issue shares to Paharpur Cooling Towers in terms of clause 16 of this Scheme. These shares shall be issued and recorded at face value and accordingly the aggregate face value of the shares to be issued shall be credited to Paharpur Cooling Technologies' share capital account and-- the difference, if any, between the value of assets and value of liabilities Cooling Tower Demerged Undertaking, after

adjusting the amount credited as share capital as per clause 32 above, shall be accounted in accordance with applicable Accounting Standards, the Act and generally accepted accounting principles in India.

34. For demerger of the Real Estate Undertaking and Flexible Packaging Undertaking

Accounting treatment in the books of the Demerged Company:

Upon the coming into effect of this Scheme, in accordance with applicable Accounting Standards, Companies Act, 2013 and generally accepted accounting principles in India, the value of all assets and liabilities pertaining to the Real Estate Undertaking and Flexible Packaging Undertaking which cease to be assets and liabilities of the Demerged Company shall be reduced by the Demerged Company at their carrying values and the difference i.e. the excess or shortfall, as the case may be, of the value of transferred assets over the transferred liabilities pertaining to such Undertakings and demerged from the Demerged Company pursuant to the Scheme shall be adjusted from the reserves of the Demerged Company in accordance with applicable Accounting Standards, the Act and generally accepted accounting principles in India.

Treatment in the books of the Resulting Company Nos. 2 and 3:

Upon coming into effect of this scheme and with effect from the Effective Date:

- a) the Resulting Company Nos. 2 and 3 shall record transferred assets and liabilities pertaining to the respective Undertakings developed unto it as aforesaid at the respective carrying values as appearing in the books of Demerged Company;
- b) the Resulting Company Nos. 2 and 3 shall issue shares to the shareholders of the Demerged Company as in terms of clauses 24 and 31 respectively of this Scheme. These shares shall be issued and recorded at face value and accordingly the aggregate face value of the shares to be issued shall be credited to the respective Resulting Company Nos. 2 and 3's share capital account; and
- c) the difference, if any, between the value of assets and value of liabilities pertaining to these Undertakings, after adjusting the amount credited as share capital in terms of clause 32 above, shall be (adjusted to the reserves of the company) accounted in accordance with applicable Accounting Standards, the Act and generally accepted accounting principles in India.

PART IV

GENERAL TERMS AND CONDITIONS

Remaining Undertakings

- 34.1. The Remaining Undertakings shall continue with Paharpur Cooling Towers. The Remaining Undertakings and all the assets, liabilities and obligations (contractual or otherwise) pertaining thereto shall continue to belong to, be vested in and be managed by Paharpur Cooling Towers.
- 34.2. All legal, taxation or other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal), by or against Paharpur Cooling Towers under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case, relating to the Remaining Undertakings (including those relating to any property, right, power, liability, obligation or duties of Paharpur Cooling Towers) in respect of the Remaining Undertakings, shall be continued and enforced by or against Paharpur Cooling Towers after the Effective Date.
- 34.3 If any proceedings are made against the Resulting Companies in respect of the outstanding matters referred to in clause 34.2 above, the Resulting Companies shall defend the same in accordance with the advice of Paharpur Cooling Towers and at the cost of Paharpur Cooling



Towers. Paharpur Cooling Towers shall reimburse and indemnify the Resulting Companies against all liabilities and obligations incurred by the Resulting Companies in respect thereof.

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

- (a) Paharpur Cooling Towers shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Undertakings for and on its own behalf;
- (b) All profits accruing to Paharpur Cooling Towers thereon or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Remaining Undertakings shall, for all purposes, be treated as the profits or losses, as the case may be, of Paharpur Cooling Towers.

35. PROCEEDINGS BEFORE THE NATIONAL COMPANY LAW TRIBUNAL:

- (a) The Demerged Company and the Resulting Companies, Paharpur Cooling Towers, Paharpur Cooling Technologies, Paharpur Builders and Paharpur Flexibles shall jointly with all reasonable dispatch, make application/peition under Section 230-232 and other applicable provisions of the Act for carrying this scheme into effect. The resulting companies and the Demerged Company shall also take such other steps as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.
- (b) It is hereby clarified that filing of the Scheme to the National Company Law Tribunal and to any authorities for their respective approvals is without prejudice to all rights that Paharpur Cooling Towers, Paharpur Cooling Technologies, Paharpur Builders and Paharpur Flexibles have or may have under or pursuant to all applicable laws.

36. MODIFICATION OF SCHEME:

Paharpur Cooling Towers, Paharpur Cooling Technologies, Paharpur Builders and Paharpur Flexibles (by their respective Boards of Directors or such other person or persons, as the respective Boards of Directors may authorise) are empowered and authorized to assent from time to time to any modifications or amendments or substitutions of this Scheme or of any conditions or limitations therein which the NCLT and/or any authorities under law may deem fit to approve or direct.

37. APPROVALS:

Paharpur Cooling Technologies, Paharpur Builders and Paharpur Flexibles (as the case may be) and Paharpur Cooling Towers 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 Paharpur Cooling Technologies, Paharpur Builders and Paharpur Flexibles (as the case may be) may require to own the respective undertakings intended to be demerged unto them as hereinabove and to carry on the business of Paharpur Cooling Towers.

38. Upon the coming into effect of the Scheme, all taxes paid (including TDS) by Paharpur Cooling Towers for and on account of the Demerged Undertakings from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of Paharpur Cooling Technologies, Paharpur Builders and Paharpur Flexibles (as the case may be) as effectively as if Paharpur Cooling Technologies, Paharpur Builders and Paharpur Flexibles had paid the same. It is specifically declared that Paharpur Cooling Technologies, Paharpur Builders and Paharpur Flexibles (as the case may be) shall be entitled to claim credit for taxes and duties paid and pertaining to Paharpur Cooling Towers, notwithstanding that the certificate, challan or other documents for payment of such taxes and duties are in the name of the Demerged Company.

39. On the Scheme becoming effective, the Resulting Companies shall be entitled to file/ revise

its income tax returns, TDS Returns, VAT and Service Tax Returns and other statutory returns, if required (including under the Goods & Service Tax Act), and shall have the right to claim refunds, depreciation benefits, advance tax credits, minimum alternative tax credit etc., if any, as also the income tax returns filed by Paharpur Cooling Towers so far as is necessitated on account of the Scheme becoming effective with effect from 1st April, 2016, being the Appointed Date under the Scheme.

40. The Scheme shall take effect from the Appointed Date and operative from the effective date.
41. The transfer and vesting of the Cooling Tower Undertaking under this Scheme have been proposed in accordance with the provisions of Section 50B of the Income Tax Act, 1961.
42. The demerger and transfer and vesting of the Real Estate Undertaking and Flexible Packaging Undertaking under this Scheme have been proposed in compliance with the provisions of Section 2(19AA) of the Income Tax Act, 1961.
43. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the abovementioned Section 2 (19AA) of the Income Tax Act at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the abovementioned Section 2 (19AA) of the Income Tax Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with the said sections. Such modification will however not affect the other parts of the Scheme.
44. This Scheme is specifically conditional upon and subject to:
 - (a) The approval of and agreement to the Scheme by requisite majority of the members and Creditors of Paharpur Cooling Towers, Paharpur Cooling Technologies, Paharpur Builders and Paharpur Flexibles as may be directed by the National Company Law Tribunal on the applications made for directions under Section 230 of the said Act;
 - (b) The sanction of the National Company Law Tribunal being obtained under Sections 230 to 232 of the said Act in favour of Paharpur Cooling Towers, Paharpur Cooling Technologies, Paharpur Builders and Paharpur Flexibles and to the necessary order or orders under Section 232 of the said Act, being obtained;
 - (c) Any other sanction or approval of the appropriate authorities concerned, as may be considered necessary and appropriate by the respective Boards of Directors of the Paharpur Cooling Towers, Paharpur Cooling Technologies, Paharpur Builders and Paharpur Flexibles, being obtained and granted in respect of any of the matters for which such sanction or approval is required;
 - (d) The certified copies of the orders of the National Company Law Tribunal sanctioning this Scheme being filed with the Registrar of Companies, Kolkata.
45. In the event of any of the sanctions and approvals as specified here not being obtained and/or the Scheme not being sanctioned by the National Company Law Tribunal and/or the order or orders not being passed, as aforesaid, the Scheme of Arrangement or any part of the scheme as the case may be shall become null and void and each party shall bear and pay its respective costs, charges and expenses for and/or in connection with the Scheme.
46. In the event of non-fulfilment of any or all obligations under the Scheme by any Company towards the other Company, inter-se or to third parties and non-performance of which will put the other Company under any obligation, then such Company will indemnify the other Company in respect of all costs, charges and expenses.
47. If any part of this Scheme is found to be unworkable for any reason whatsoever, in the sole discretion of Paharpur Cooling Towers, Paharpur Cooling Technologies, Paharpur Builders



and Paharpur Flexibles either by the Board of Directors or through a committee appointed by them in this behalf, the same shall not, subject to the decision of the Paharpur Cooling Towers, Paharpur Cooling Technologies, Paharpur Builders and Paharpur Flexibles, affect the validity or implementation of the other parts and/or provisions of this Scheme.

48. In the event that any conditions imposed by the NCLT are found unacceptable for any reason whatsoever by Paharpur Cooling Towers, Paharpur Cooling Technologies, Paharpur Builders and Paharpur Flexibles, then Paharpur Cooling Towers, Paharpur Cooling Technologies, Paharpur Builders and Paharpur Flexibles (as the case may be) shall be entitled to withdraw the Scheme in which event no rights and liabilities whatsoever shall accrue to or be incurred inter se to or by the parties or any of them.
49. Even after this Scheme becomes operative, Paharpur Cooling Technologies, Paharpur Builders and Paharpur Flexibles (as the case may be) shall be entitled to operate all Bank Accounts relating to the Demerged Undertakings of Paharpur Cooling Towers respectively and realise all monies and complete and enforce all pending contracts and transactions in the name of Paharpur Cooling Towers in so far as may be necessary until the transfer of rights and obligations of Paharpur Cooling Towers to Paharpur Cooling Technologies, Paharpur Builders and Paharpur Flexibles (as the case may be) under this Scheme, is formally accepted by the parties concerned.
50. On the approval of the Scheme by the members of Paharpur Cooling Towers, Paharpur Cooling Technologies, Paharpur Builders and Paharpur Flexibles pursuant to Section 230 of the Act, it shall be deemed that the said members have also accorded all other relevant consents under provisions of the Act to the extent the same may be considered applicable.
51. All costs, charges and expenses of Paharpur Cooling Towers, Paharpur Cooling Technologies, Paharpur Builders and Paharpur Flexibles respectively in relation to or in connection with this Scheme, and of and incidental to the completion of the Scheme of Arrangement shall, except as specifically provided herein, be borne and paid by Paharpur Cooling Towers.

**FORM NO. MGT 12**

[Pursuant to section 109 (5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company : Paharpur Cooling Towers Limited
Registered Office : Paharpur House, 8/1B, Diamond Harbour Road, Kolkata- 700 027
CIN : U02005WB1949PLC018363

BALLOT PAPER

Sl. No	Particulars	Details
1.	Name of the Creditor (In block letters)	
2.	Postal address	
3.	Class of Creditor	Unsecured Creditor

I/ We hereby exercise my/our vote in respect of undernoted Resolution as per Notice to Unsecured Creditors dated 19th April, 2018, meeting to be held on 6th June, 2018 pursuant to an Order of the National Company Law Tribunal, Kolkata Bench dated 9th March, 2018 as amended by an order dated 6th April, 2018, by recording my assent (FOR) or dissent (AGAINST) to the said resolution by placing the tick mark at the appropriate box below:

No.	Item No.	Amount due as on 30th June 2017	I assent to the Resolution (FOR)	I dissent from the resolution (AGAINST)
1.	Approval of the Scheme of Arrangement between Paharpur Cooling Towers Limited (Demerged Company) and Paharpur Cooling Technologies Private Limited (Resulting Company 1) and Paharpur Builders Private Limited (Resulting Company 2) and Paharpur Flexibles Private Limited (Resulting Company 3) and their respective Shareholders and Creditors under Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 read with The Companies (Compromises, Arrangements and Amalgamations) Rules, 2016			

Date:

(Signature of Unsecured Creditor)

Place:



INSTRUCTIONS FOR FILLING BALLOT FORM

1. Consent must be accorded by recording the assent in the Column "FOR" or dissent in the Column "AGAINST" by placing a tick mark (✓) in the appropriate columns. Postal Ballot Form bearing (✓) mark in both the columns will render the form invalid.
2. The voting period will commence on and from 6th May, 2018 at 9.00 a.m. and end on 5th June at 5.00 p.m.
3. Unsecured Creditors who have received the postal ballot form by e-mail and who wish to vote through Postal Ballot Form, can download the Postal Ballot Form from the Applicant Company No. 1's website www.paharpur.com or seek duplicate Postal Ballot Form from the Applicant Company No. 1.
4. An Unsecured Creditor desiring to exercise vote by postal ballot, shall send the duly completed form in the enclosed self-addressed business reply envelope so as to reach the Scrutinizer not later than 5.00 p.m on 5th June, 2018. Postage on the Business Reply Envelope will be borne by the Company. However, envelopes containing Postal Ballot, if sent by Courier or by Registered Post or Speed Post, at the expense of the Unsecured Creditor will also be accepted. The Postal Ballot Form received after this date and time will be strictly treated as if reply from the Unsecured Creditor has not been received.
5. In case the unsecured Creditors are bodies corporate, the Postal Ballot Form signed in representative capacity must be accompanied by a certified true copy of the resolution of the Board of Directors of the concerned body corporate.
6. Incomplete, unsigned, incorrectly completed, incorrectly ticked, defaced, torn, mutilated, over-written, wrongly signed Postal Ballot Form will be rejected by the Scrutiniser.
7. The vote on postal ballot cannot be exercised through proxy.
8. The National Company Law Tribunal, Kolkata Bench, has appointed Ms. Mamta Binani, Practising Company Secretary, (FCS: 4525; CP: 2598) as Scrutinizer for conducting the Postal Ballot voting process and at the meeting in a fair and transparent manner.



PAHARPUR COOLING TOWERS LIMITED

Paharpur House, 8/1B, Diamond Harbour Road, Kolkata- 700 027, INDIA
Ph : +91-33-4013 3000, Fax : +91-33-4013 3499, Web : www.paharpur.com
CIN : U02005WB1949PLC018363

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
KOLKATA BENCH AT KOLKATA
C. A. (C.A.A.) No. 88/KB/2018**

IN THE MATTER OF Companies Act, 2013.

And

IN THE MATTER OF Section 230 read with Section 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.

And

In the matter of:

1. PAHARPUR COOLING TOWERS LIMITED
2. PAHARPUR COOLING TECHNOLOGIES PRIVATE LIMITED
3. PAHARPUR BUILDERS PRIVATE LIMITED
4. PAHARPUR FLEXIBLES PRIVATE LIMITED

...

APPLICANTS

P R O X Y

I/We
the undersigned, being the Unsecured creditor(s) of PAHARPUR COOLING TOWERS LIMITED, the Demerged Company (Applicant Company No. 1) herein, do hereby appoint Shri/Smt.....
.....of as my/our proxy, to act for me/us at the meeting of the unsecured creditors of the Demerged Company (Applicant Company), to be held at 12.30 P.M. on 6th June, 2018 at the Rotary Sadan, 94/2, Chowringhee Road, Kolkata- 700 020 for the purpose of considering and if thought fit approving with or without modification, the proposed Scheme of Arrangement between the Companies abovenamed being the applicants (hereinafter referred to as the "applicant companies") and at such meeting or any adjournment/ adjournment(s) thereof, to vote for me/us, and in my/ our name(s)
..... (here, "if for" insert "for"; "if against" insert "against" and in the latter case, strike out the words below after "Scheme of Arrangement") the said Scheme of Arrangement, either with or without modification as my/ our proxy may approve.

* Strike out what is not necessary

Dated this _____ day of _____, 2018.

Name : _____

Address : _____

Amount due as on 30th June, 2017 : _____

Signature of Unsecured Creditor(s) : _____

Signature of Proxy : _____

Notes :

1. Alterations, if any, made in the Form of Proxy should be initialed.
2. Proxy Forms must be deposited at the registered office of the Paharpur Cooling Towers Limited at Paharpur House, 8/1B, Diamond Harbour Road, Kolkata- 700 027 not later than FORTY EIGHT hours before the scheduled time of the commencement of the said meeting.
3. In case of multiple proxies, the proxy later in time shall be accepted.



PAHARPUR COOLING TOWERS LIMITED

Paharpur House, 8/1B, Diamond Harbour Road, Kolkata- 700 027, INDIA
Ph : +91-33-4013 3000, Fax : +91-33-4013 3499, Web : www.paharpur.com
CIN : U02005WB1949PLC018363

ATTENDANCE SLIP

**PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT
OVER AT THE ENTRANCE OF THE MEETING HALL**

I hereby record my presence at the meeting of the unsecured creditor of Paharpur Cooling Towers Limited, convened pursuant to an order dated 9th March, 2018 subsequently modified by order dated 6th April, 2018 of the Hon'ble National Company Law Tribunal, Kolkata Bench, held at Rotary Sadan, 94/2, Chowringhee Road, Kolkata- 700 020, on Wednesday, 6th June, 2018, at 12.30P.M.

Name and address of the unsecured creditor (IN BLOCK LETTERS): _____

Amount due as on 30th June 2017 : _____

Signature : _____

Name of the proxy holder/

Authorised representative* : _____

(IN BLOCK LETTERS)

Signature : _____

*(To be filled in by the Proxy in case he/she attends instead of the Creditor)

Notes:

1. Creditors attending the meeting in person or by proxy or through authorized representative are requested to complete and bring the Attendance slip with them and hand it over at the entrance of the meeting hall.
2. Creditors who come to attend the meeting are requested to bring their copy of the Scheme with them.

