

September 8, 2020

The Manager
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400001

Dear Sir,

Sub: Disclosures under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Re: Stock Code: 502865 (BSE)

Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we wish to inform you that the Board of Directors of Forbes & Company Limited ("the Company") at their Board Meeting held on September 8, 2020 have, inter alia, approved the Composite Scheme of Arrangement ("Scheme") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder.

The Scheme, inter alia, provides for:

- (i) Amalgamation and vesting of Aquaignis Technologies Private Limited ("ATPL") and Euro Forbes Financial Services Limited ("EFFSL" (presently wholly owned subsidiaries of Eureka Forbes Limited "EFL") with and into EFL; and
- (ii) Upon the above part of the Scheme becoming effective, Amalgamation and vesting of EFL with and into Forbes & Company Limited ("FCL"); and
- (iii) Further, upon the above part of the Scheme becoming effective, Demerger and vesting of Demerged Undertaking (as defined in the Scheme) of FCL into Forbes Enviro Solutions Limited (presently wholly owned subsidiary of EFL) ("FESL"), on a going concern basis.

Upon, the entire scheme becoming effective, the name of FESL shall be changed to Eureka Forbes Limited.

The Scheme as aforesaid is subject to necessary approvals by the Stock Exchanges, Securities and Exchange Board of India, Shareholders and Creditors of the Company(ies), as may be applicable, Jurisdictional Bench of National Company Law Tribunal ("NCLT") and such other statutory and regulatory approvals as may be required.

The Scheme as approved by the Board would be available on the website of the Company at www.forbes.co.in post submitting the same to the Stock Exchanges. The relevant documents for

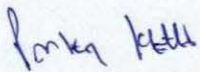


obtaining approval under Regulation 37 of the SEBI Listing Regulations will be submitted to the Stock Exchanges.

In terms of the SEBI Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015, we are furnishing herewith the details of the Scheme as Annexure I.

Thanking you,

Yours faithfully,
For **Forbes & Company Limited**



Pankaj Khattar
Head Legal & Company Secretary

Annexure I
Disclosure under Regulation 30 of SEBI (Listing Obligations & Disclosure Requirement) Regulations 2015

Scheme of Arrangement

<p>a) Name of the entity(ies), forming part of the amalgamation details in brief such as size, turnover etc.;</p>	<p>The Scheme is a Composite Scheme of Arrangement which provides for:</p> <p>a) Merger of Aquaignis Technologies Private Limited (“ATPL”) and Euro Forbes Financial Services Limited (“EFFSL”) with and into Eureka Forbes Limited (“EFL”);</p> <p>b) Merger of EFL with and into Forbes & Company Limited (“FCL”); and</p> <p>c) Demerger of the Demerged Undertaking (as defined in the Scheme) of FCL (post-merger) into Forbes Enviro Solutions Limited (“FESL”)</p> <p>Brief Details of the Net worth, Total Assets & Total Income is as follows: (Rs in Crores)</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Net Worth</th> <th>Total Income</th> <th>Total Assets</th> </tr> <tr> <td></td> <td>As on March 31, 2020</td> <td>As on March 31, 2020</td> <td>As on March 31, 2020</td> </tr> </thead> <tbody> <tr> <td>ATPL</td> <td>3.09</td> <td>7.43</td> <td>6.05</td> </tr> <tr> <td>EFFSL</td> <td>0.02</td> <td>0</td> <td>0.02</td> </tr> <tr> <td>EFL</td> <td>(196.82)</td> <td>1921.61</td> <td>1,043.30</td> </tr> <tr> <td>FCL</td> <td>201.66</td> <td>202.41</td> <td>863.99</td> </tr> <tr> <td>FESL</td> <td>1.75</td> <td>16.39</td> <td>9.93</td> </tr> </tbody> </table>	Particulars	Net Worth	Total Income	Total Assets		As on March 31, 2020	As on March 31, 2020	As on March 31, 2020	ATPL	3.09	7.43	6.05	EFFSL	0.02	0	0.02	EFL	(196.82)	1921.61	1,043.30	FCL	201.66	202.41	863.99	FESL	1.75	16.39	9.93
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<p>b) Whether the transaction would fall within related party transaction? If yes, whether the same is done at “arms’ length”.</p>	<p>ATPL, EFFSL and FESL are wholly-owned subsidiaries of EFL. Further, EFL is a wholly-owned subsidiary of FCL. Therefore, the proposed arrangement amongst ATPL, EFFSL, FESL, EFL and FCL, as set out in the draft scheme of arrangement, would fall within the ambit of related party transactions.</p> <p>Pursuant to the scheme, FESL would issue consideration by way of equity shares as recommended by the board relying on the Report on recommendation of fair equity share entitlement ratio obtained from SSPA & Co., Chartered Accountants, Registered Valuer and Fairness opinion on the said valuation report is obtained from SPA Securities Limited.</p> <p>Also, it is pertinent to note that MCA vide circular no 30/2014 dated 17th July, 2014 has clarified that transactions arising, inter-alia, out of Compromises, Arrangements and Amalgamation will not attract requirement of section 188 of the Companies Act, 2013.</p>																												



<p>c) Area of the business of the entity(ies)</p>	<p>1. Aquaignis Technologies Private Limited ("ATPL") ATPL is, inter-alia, engaged in manufacturing of electric water purifiers.</p> <p>2. Euro Forbes Financial services Limited ("EFFSL") Currently, there are no operations being carried out in EFFSL.</p> <p>3. Eureka Forbes Limited ("EFL") EFL is, inter-alia, engaged in manufacturing, selling, renting and servicing of vacuum cleaners, water filter cum purifiers, water and waste water treatment plant, trading in electronic air cleaning systems, small household appliances, digital security system , Air-conditioners and all kinds of electrical & non electrical appliances etc.</p> <p>4. Forbes & Company Limited ("FCL") FCL, a company listed on the BSE, is a company engaged in the business of providing engineering services, which primarily includes products such as threading tools and carbide tools. It is also engaged in real-estate activities of renting of properties and real estate projects.</p> <p>5. Forbes Enviro Solutions Limited ("FESL") FESL is a company engaged in the business of manufacturing of RO systems, Water Treatment Plants (WIP), Sewage Treatment Plants (STP), Effluent Treatment Plant (ETP) and AMC Contracts, trading of spares and drinking water (PDW).</p>
<p>d) Rationale for Scheme</p>	<p>1. Part II of the Scheme of Arrangement would facilitate as under:</p> <ol style="list-style-type: none"> EFL owns 100% of the equity share capital in ATPL and EFFSL. ATPL is a wholly owned subsidiary of EFL and have multiple transactions with EFL. To leverage the synergies of cost and efficiencies it is proposed to merge ATPL and EFFSL into EFL. <p>2. Part III and Part IV of the Scheme would facilitate as under:</p> <ol style="list-style-type: none"> FCL owns 100% share capital of EFL, and EFL in turn holds 100% of the share capital of ATPL, EFFSL and FESL. The proposed restructuring pursuant to this Scheme is expected, inter-alia, to result in the following benefits: <ol style="list-style-type: none"> Consolidation and simplification of group structure and reduction of administrative costs by Merger of ATPL and EFFSL into EFL and EFL into FCL; Segregation of business of EFL into FESL in the manner provided in this Scheme; Unlock the value for the shareholders of FCL by listing of the shares of FESL; Allowing managements of the each of FCL and EFL to pursue independent growth strategies; Allow in creating the ability to achieve valuation based on respective risk-return profile and cash flows, attracting the



	<p>right investors and thus enhancing flexibility in accessing capital;</p> <p>vi) Provide scope of separate companies for independent collaboration and expansion.</p> <p>The Scheme is in the interest of the shareholders, creditors, lenders and various other stakeholders of the respective companies.</p>												
e) Brief details of the division(s) to be demerged	<p>Health and Safety Solutions Undertaking or Demerged Undertaking is defined under the Scheme to mean the business of manufacturing, selling, renting and servicing of vacuum cleaners, water filter cum purifiers, water and waste water treatment plant, trading in electronic air cleaning systems, small household appliances, digital security system , Air Conditioners and all kinds of electrical & non electrical appliances etc. and fire extinguisher etc. including all its assets, rights, licenses (including Brand License Agreement) and powers, and all its debts, outstanding, liabilities, duties, obligations and employees as on the Appointed Date provided in the Scheme.</p> <p>The said undertaking would be vested with FCL upon merger of ATPL and EFFSL with EFL and thereafter, upon merger of EFL with FCL. Consequently, the said division would be demerged from FCL and vested with and into FESL (which would become a 100% subsidiary of FCL). Pursuant to the demerger, the entire share capital held by FCL would be cancelled and equity shares (in a manner as elucidated hereinafter) would be issued to all the shareholders of FCL in the same proportion.</p>												
f) Turnover of the demerged division and as percentage to the total turnover of the listed entity in the immediately preceding financial year/based on financials of the last financial year	<p style="text-align: right;">(Rs in Crores)</p> <table border="1"> <thead> <tr> <th>Sr</th> <th>Particulars</th> <th>Turnover (FY 2020)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Forbes & Company Limited ('FCL')</td> <td>194.88</td> </tr> <tr> <td>2</td> <td>Health and Safety Solutions Undertaking ('Demerged Undertaking')</td> <td>1,885.68</td> </tr> <tr> <td>3</td> <td>Percentage (%) of Total Turnover of Demerged undertaking to FCL</td> <td>967.61%</td> </tr> </tbody> </table>	Sr	Particulars	Turnover (FY 2020)	1	Forbes & Company Limited ('FCL')	194.88	2	Health and Safety Solutions Undertaking ('Demerged Undertaking')	1,885.68	3	Percentage (%) of Total Turnover of Demerged undertaking to FCL	967.61%
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g) In case of cash consideration - amount or otherwise share exchange ratio	<p>Pursuant to Demerger, FESL shall without any further act, issue and allot its equity shares of face value of INR 10 each as consideration to each equity shareholders of the FCL, whose name is recorded in the register of members of FCL as on Record date or to their respective heirs, executors, administrators or other legal representatives or successors-in-title, as the case maybe, in the following manner:</p> <p><i>"15 (Fifteen) fully paid up Equity Shares of INR 10/-each of FESL shall be issued and allotted to the Equity Shareholders of FCL, against 1(One) fully paid up Equity Shares of INR 10/- each held by them in FCL."</i></p>												
h) Brief details of change in	<p>FCL will not undergo any change in shareholding pattern as a consequence of the effectiveness of the Composite Scheme of</p>												



<p>shareholding of listed entity</p>	<p>Arrangement.</p> <p>FESL will issue shares to the shareholders of FCL as per share exchange ratio provided in point (g) above. The equity shares held by FCL in FESL, upon Part III of scheme becoming effective, shall be cancelled. Hence, FESL's shareholding pattern will mirror the shareholding pattern of FCL as a consequence of the effectiveness of the Composite Scheme of Arrangement.</p>
<p>i) Whether listing would be sought for the resulting entity</p>	<p>The new shares of FESL to be issued and allotted to the shareholders of FCL as consideration under the scheme, would be applied for listing on BSE Limited, where the existing equity shares of FCL are currently listed.</p>

