

February 26, 2021

The Manager
Listing Department
BSE Limited, P J Towers,
Dalal Street, Fort,
Mumbai – 400 001
BSE Scrip Code: 502865

Sub: Submission of amended draft Composite Scheme of Arrangement between Aquaignis Technologies Private Limited (“ATPL”), Euro Forbes Financial Services Limited (“EFFSL”), Eureka Forbes Limited (“EFL”), Forbes & Company Limited (“FCL”) and Forbes Enviro Solutions Limited (“FESL”) and their respective shareholders

Dear Sir/Madam,

With respect to the captioned subject, please note that Forbes & Company Limited (‘FCL’ or ‘the Company’) had submitted the draft composite scheme of arrangement (‘scheme’) with the BSE Ltd. on 23rd September, 2020, pursuant to SEBI Circular no. CFD/DIL3/CIR/2017 dated 10th March, 2017, which was uploaded on the BSE website on 30th October, 2020.

However, at the time of approval of the scheme, EFL was in the process of shifting its registered office from the State of West Bengal to the State of Maharashtra, which is now completed vide order of the Regional Director dated October 21, 2020 (enclosed as **Annexure 1**).

In this regard, Mr. Nirmal Jagawat, Chief Financial officer of FCL, and Mr. Dattaram P Shinde, Company Secretary & Head Legal of EFL has amended the relevant para of the Scheme of Arrangement by exercising the powers vested within them, vide board resolution passed by EFL and FCL dated 8th September, 2020, as under:

The following paragraph under Para B and Para 1.8 of the draft Scheme of Arrangement:

“Eureka Forbes Limited (“EFL” or “the Transferee Company 1” for Part II of the Scheme or “the Transferor Company 3” for Part III of the Scheme), was incorporated in the state of West Bengal in the name and style ‘M/s Samuel Osborn (India) Limited on 5th February, 1931. On 12th April, 1982, name of the Company was changed to its current name ‘Eureka Forbes Limited’. It has Corporate Identity Number U27109WB1931PLC007010. The Registered Office is situated at 7, Chakraberia Road Kolkata 700025 and having PAN AAACE5767F and email ID of its authorised representative is dshinde@eurekaforbes.co.in. EFL is in the process of shifting its registered office from the state of West Bengal to the state of Maharashtra.”



1.8 "EFL" or "Transferee Company 1" or "Transferor Company 3" means Eureka Forbes Limited having its Corporate Identity Number as U27109WB1931PLC007010, the Registered Office is situated at 7, Chakraberia Road, Kolkata, 700025, West Bengal and having PAN – AAACE5767F and Email ID of its authorised representative is dshinde@eurekaforbes.co.in.

with the following paragraph:

"Eureka Forbes Limited ("EFL" or "the Transferee Company 1" for Part II of the Scheme or "the Transferor Company 3" for Part III of the Scheme), was incorporated in the state of West Bengal in the name and style 'M/s Samuel Osborn (India) Limited on 5th February, 1931. On 12th April, 1982, name of the Company was changed to its current name 'Eureka Forbes Limited'. The Registered Office of the Company was shifted from the State of West Bengal to the State of Maharashtra w.e.f. 21-01-2021 and is now situated at B1/B2, 701, 7th Floor, Marathon Innova, Off. Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013. The Company has Corporate Identity Number - U27109MH1931PLC353890, PAN - AAACE5767F and email ID of its authorised representative is dshinde@eurekaforbes.co.in.

1.8 "EFL" or "Transferee Company 1" or "Transferor Company 3" means Eureka Forbes Limited. The Registered Office of the Company was shifted from the State of West Bengal to the State of Maharashtra w.e.f. 21-01-2021 and is now situated at B1/B2, 701, 7th Floor, Marathon Innova, Off. Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013. The Company has Corporate Identity Number - U27109MH1931PLC353890, PAN - AAACE5767F and email ID of its authorised representative is dshinde@eurekaforbes.co.in.

The amended copy of the scheme is being attached herewith for your records and reference.

We request you to take the same on record and oblige.

Thanking you,

Yours Faithfully,

For Forbes & Company Limited



Nirmal Jagawat
Chief Financial Officer



RD/T/32254/S-13(4)/20/3287

COMPANY APPLICATION NO. 1426-13(4)/RD(ER)/20
BEFORE THE REGIONAL DIRECTOR, EASTERN REGION
MINISTRY OF CORPORATE AFFAIRS, KOLKATA
IN THE MATTER OF THE COMPANIES ACT, 2013
UNDER SECTION 13(4)
AND

IN THE MATTER OF **M/s. EUREKA FORBES LIMITED**
CIN U27109WB1931PLC007010

M/s. Eureka Forbes Limited
7, Chakraberia Road
Kolkata- 700025

..... Applicant

ORDER

An application under Section 13(4) of the Companies Act, 2013 (hereinafter referred to as "the Act") was filed through e-Form No.INC-23 bearing **SRN No. R35448091** by **M/s Eureka Forbes Limited** (hereinafter referred to as "the applicant company") for confirmation of the alteration of Clause – II of the Memorandum of Association of the applicant company for shifting of its registered office from the **State of West Bengal** to the **State of Maharashtra** as approved by members by Special Resolution passed in accordance with Section 114 of the Act, 2013 at its Extra Ordinary General Meeting held on **12.02.2020**.

2. As per sub-sections (4) and (5) of Section 13 of the Companies Act, 2013 read with the Notification No. GSR 955(E) dated 27th July, 2017 of Ministry of Corporate Affairs, the Companies are required to file application under the provision of section 13(4) of the Act before the Regional Director for shifting of its registered office from one State to another. In pursuance of this, the above case has been filed and placed before the Regional Director, Eastern Region, Kolkata for disposal.

3. During the course of processing of the subject application, it is observed that several complaints/objection against the proposed Shifting of Registered office of the Company have been received, details of which are as under:

(i) M/s G.E.T. Water Solutions Private Limited by letter dated 05/03/2020 stated that Rs.3,97,611.50 is due from the Company against supply of water treatment plant and accordingly they objected for shifting.

(ii) M/s M. Karan & Co by letter dated 06/03/2020 stated that an amount of Rs.2,13,513.00 is receivable from the applicant Company and unless their dues are cleared in full, they have objection to the proposed Shifting.

(iii) M/s Watertech Engineers Private Limited by letter dated 27/02/2020 stated that they have a demand of Rs.24,41,830.66 and accordingly they have objected to the proposed shifting.

4. Thereafter, since above objections have been received against Shifting of registered office of the Applicant Company, in order to dispose the matter in order and in terms of provision of Rule 30(8)(i) of the Companies (Incorporation), 2014, hearings were fixed on 23/06/2020, 24/07/2020 and 31/07/2020 inviting the parties concerned including the Applicant Company (represented by its Authorized Representative) as well as Objecting Creditor(s)/Complainant(s).

5. During the course of hearings, it is observed that by communication dated 29/07/2020, M/s G.E.T. Water Solutions Private Limited submitted that their dues have been settled and as on that date they have NIL balance to receive from the Applicant Company and they have no objection to the proposed shifting of registered office from the State of West Bengal to the State of Maharashtra. Further, M/s M Karan & Company by communication dated nil (received through the Applicant Company by email dated 30/07/2020) stated that there are no dues outstanding from the Applicant Company and they do not have any objection to the proposed Shifting.

6. However, M/s Watertech Engineers Private Limited, another objecting creditor preferred to appear before hearings as fixed from time to time and made their submission in the matter. On 31/07/2020, during the course of hearing, the Authorized Representative of the Applicant Company submitted an Affidavit in terms of Rule 30(8) of the Companies (Incorporation) Rules, 2014 duly affirmed by Shri Dattaram P Shinde, Company Secretary & Head - Legal of the Applicant Company wherein it is stated that the Applicant company has filed a Commercial suit being Commercial suit(Stamp) No. 4064/2020 against the objecting Creditor in respect of their dues and the same is presently sub-judice before Ld. City Civil Court, Mumbai and the Applicant company shall abide by the outcome of the said Commercial Suit and shall immediately upon such outcome, pay the objecting creditor such amount, if any, as is lawfully payable to them. Further, the Applicant Company confirms to reserving the original jurisdiction as per the contract to the objecting creditor for pursuing his legal remedies. It is also stated in the said affidavit that the Company has sufficient assets to discharge all its debts and liabilities and has made adequate provision in its books of accounts for securing the lawful dues of the objecting creditor as may be eventually adjudicated by the Ld. Court.

7. Taking into consideration the contents of the application and affidavits filed in support thereof and reports of the Registrar of Companies, West Bengal vide communication dated 19/10/2020 and 20/10/2020 and also submissions made during the course of hearings as stated above, it appears that the company has complied with provisions of Rule 30 of the Companies (Incorporation) Rules, 2014 as amended time to time.

8. NOW THEREFORE, in exercise of the powers delegated on the undersigned under section 13(4) of the Companies Act, 2013 r/w Government of India, Ministry of Corporate Affairs' Notification No. S.O. 4090 (E) dated 19.12.2016, I hereby order that the alteration in clause II of the Memorandum of Association

of the **M/s. Eureka Forbes Limited** for shifting of Registered office from the **State of West Bengal to State of Maharashtra** is confirmed subject to the following condition;-

- (a) Payment of **Rs.2,40,000/- (Rupees two lakh forty thousand) only** as cost in terms of Rule 30 (9) of the Companies (Incorporation) Rules 2014.
- (b) No employee shall be retrenched as a consequence of shifting of the registered office of the company.
- (c) There will be no jurisdictional change in the legal proceedings pending, if any, against the company on the date of this order.
- (d) A certificate from the Statuary Auditor of the Applicant company shall be submitted along with this order while filing of Form INC-28 stating/certifying therein that the Company has sufficient assets to discharge all its debts and liabilities and has made adequate provision in its books of accounts for securing the lawful dues of creditors including the objecting creditor as may be eventually adjudicated by the Ld. Court.

5. The Registrar of Companies , West Bengal is directed to ensure that the Applicant Company has filed a certificate obtained from the Statutory Auditor of the Company as mentioned in Para 4(d) above and also costs so imposed is deposited before taking on record the order passed by Regional Director Eastern Region, in the matter.



(D Bandopadhyay)
REGIONAL DIRECTOR (ER)

Dated, Kolkata, 21st October, 2020.

COMPOSITE SCHEME OF ARRANGEMENT

**UNDER SECTION 232 READ WITH SECTION 230 OF THE COMPANIES ACT, 2013 AND OTHER
APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER**

BETWEEN

AQUAIGNIS TECHNOLOGIES PRIVATE LIMITED

("ATPL" or "Transferor Company 1" for Part II of the Scheme)

AND

EURO FORBES FINANCIAL SERVICES LIMITED

("EFFSL" or "Transferor Company 2" for Part II of the Scheme)

AND

EUREKA FORBES LIMITED

("EFL" or "Transferee Company 1" for Part II of the Scheme or "Transferor Company 3" for
Part III of the Scheme)

AND

FORBES & COMPANY LIMITED

("FCL" or "Transferee Company 2" for Part III of the Scheme or "Demerged Company" for Part
IV of the Scheme)

AND

FORBES ENVIRO SOLUTIONS LIMITED

("FESL" or "Resulting Company" for Part IV of the Scheme)

AND

THEIR RESPECTIVE SHAREHOLDERS

A. PREAMBLE

This Composite Scheme of Arrangement (“Scheme”) is presented under Section 232 read with Section 230 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder for:

- Amalgamation and vesting of Aquaignis Technologies Private Limited (“ATPL” or “the Transferor Company 1” for Part II of the Scheme) and Euro Forbes Financial Services Limited (“EFFSL” or “the Transferor Company 2” for Part II of the Scheme) with and into Eureka Forbes Limited (“EFL” or “the Transferee Company 1” for Part II of the Scheme or “the Transferor Company 3” for Part III of the Scheme) (hereinafter referred to as “Part II of the Scheme”); and
- Upon Part II of the Scheme becoming effective, Amalgamation and vesting of EFL with and into Forbes & Company Limited (“FCL” or “Transferee Company 2” for Part III of the Scheme or “Demerged Company” for Part IV of the Scheme) (hereinafter referred to as “Part III of the Scheme”); and
- Upon Part III of the Scheme becoming effective, Demerger and vesting of Demerged Undertaking (hereinafter defined) of FCL into Forbes Enviro Solutions Limited (“FESL” or “Resulting Company” for Part IV of the Scheme), on a going concern basis (hereinafter referred to as “Part IV of the Scheme”),

in the present form or with such alterations / modifications, as may be approved or imposed or directed by National Company Law Tribunal (“NCLT”).

B. DESCRIPTION OF COMPANIES

Aquaignis Technologies Private Limited (“ATPL” or “the Transferor Company 1” for Part II of the Scheme) was incorporated in the state of Uttarakhand, i.e. within the jurisdiction of Registrar of Companies Uttarakhand on 1st November, 2012 and has Corporate Identity Number U31908MH2012PTC331823. The Registered Office is situated at B1/B2, 7th Floor,

701, Marathon Innova, Off. Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013 and having PAN AALCA0739N and email ID of its authorised representative is dshinde@eurekaforbes.co.in.

Euro Forbes Financial Services Limited (“EFFSL” or “the Transferor Company 2” for Part II of the Scheme) was incorporated in the state of Maharashtra on 7th March, 2011 and has Corporate Identity Number U67190MH2011PLC214424. The Registered Office is situated at B1/B2, 7th Floor, 701, Marathon Innova, Off Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013 and having PAN AACCE7797B and email ID of its authorised representative is dshinde@eurekaforbes.co.in.

Eureka Forbes Limited (“EFL” or “the Transferee Company 1” for Part II of the Scheme or “the Transferor Company 3” for Part III of the Scheme), was incorporated in the state of West Bengal in the name and style ‘M/s Samuel Osborn (India) Limited on 5th February, 1931. On 12th April, 1982, name of the Company was changed to its current name ‘Eureka Forbes Limited’. The Registered Office of the Company was shifted from the State of West Bengal to the State of Maharashtra w.e.f. 21-01-2021 and is now situated at B1/B2, 701, 7th Floor, Marathon Innova, Off. Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013. The Company has Corporate Identity Number - U27109MH1931PLC353890, PAN - AAACE5767F and email ID of its authorised representative is dshinde@eurekaforbes.co.in.

Forbes & Company Limited (“FCL” or “Transferee Company 2” for Part III of the Scheme and “Demerged Company” for Part IV of the Scheme), was incorporated in the State of Maharashtra on 18th November, 1919 as ‘The Gokak Mills Limited’ under the Indian Companies Act, 1913. Thereafter, in terms of Section 21 of the Companies Act 1956, the name was changed to Gokak Patel Volkart Limited on 31st December, 1973. Further, on 28th September, 1992, its name was changed to ‘Forbes Gokak Limited’ and finally, on 25th October, 2007, it was changed to its current name ‘Forbes & Company Limited’. It has its Corporate Identity Number as L17110MH1919PLC000628. The Registered Office is situated at Forbes Building, Charanjit Rai Marg, Fort, Mumbai 400 001 and having PAN AAACF1765A and Email ID of its authorised representative is pankaj.khattar@forbes.co.in.

Forbes Enviro Solutions Limited (“FESL” or “Resulting Company” for Part IV of the Scheme), was incorporated as a public limited company in the State of Maharashtra on

26th November 2008 as 'Forbes Water Limited'. On 4th August, 2009, name of the Company changed to its current name 'Forbes Enviro Solutions Limited'. It has Corporate Identity Number U27310MH2008PLC188478. The Registered Office is situated at B1/B2, 7th Floor, 701, Marathon Innova, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013 and having PAN AABCF3759R and email ID of its authorised representative is dshinde@eurekaforbes.co.in.

C. RATIONALE OF THE SCHEME

1. Background

Aquaignis Technologies Private Limited, a company in which EFL holds 100% stake, is, inter-alia, engaged in manufacturing of electric water purifiers. The manufacturing facilities are situated at Lal Tappar Industrial Area in the state of Uttarakhand.

Euro Forbes Financial Services Limited, a company in which EFL holds 100% stake. Currently, there are no operations being carried out in Euro Forbes Financial Services Limited.

Eureka Forbes Limited, a company in which FCL holds 100% stake, 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 and fire extinguishers, etc.

Forbes & Company Limited, a company listed on the Stock Exchange, 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 developing properties under real estate projects.

Forbes Enviro Solutions Limited, a wholly owned subsidiary of Eureka Forbes Limited, has main objects of the business of manufacturing of RO systems, Water Treatment Plants (WTP), Sewage Treatment Plants (STP), Effluent Treatment Plant (ETP) and AMC Contracts, trading of spares and drinking water (PDW).

All the companies are part of Shapoorji Pallonji Group ("SP Group").

2. Rationale for the Scheme

2.1. Part II of the Scheme of Arrangement would facilitate as under:

- (a) EFL owns 100% of the equity share capital in ATPL and EFFSL and all the companies are part of Shapoorji Pallonji Group ("SP Group").
- (b) ATPL is engaged in business complementary to the business of EFL and Merger of ATPL into EFL would benefit EFL in expansion of water purifier business with reduction in administrative costs in addition to consolidation and simplification of group structure. Currently, no business operations are carried out in EFFSL and accordingly, Merger of EFFSL into EFL would benefit simplification and consolidation of group structure and facilitate management in achieving administrative efficiency at SP Group level.

2.2. Part III and Part IV of the Scheme would facilitate as under:

- (a) FCL and EFL are companies belonging to the SP Group. FCL owns 100% share capital of EFL, and EFL in turn holds 100% of the share capital of ATPL, EFFSL and FESL.
- (b) Both FCL and EFL, are also operating companies engaged into varied businesses. The nature of risk, competition, challenges, opportunities and business methods for the business carried on by EFL is separate and distinct from the business carried on by FCL. The business carried on by FCL and EFL are capable of attracting separate set of investors, strategic partners, lenders and other stakeholders. There is also a difference in the manner in which the business of FCL and EFL are required to be handled and managed. In order to lend greater / enhanced focus to the operations of the business of EFL, it is proposed to re-organize / restructure the group structure via this Scheme.

2.3. The proposed restructuring pursuant to this Scheme is expected, inter-alia, to result in the following benefits:

- i. Consolidation and simplification of group structure and reduction of administrative costs by Merger of ATPL and EFFSL into EFL and EFL into FCL;
- ii. Segregation of business of EFL into FESL in the manner provided in this Scheme;
- iii. Unlock the value for the shareholders of FCL by listing of the shares of FESL;
- iv. Allowing managements of the each of FCL and FESL/EFL to pursue independent growth strategies;
- v. Allow in creating the ability to achieve valuation based on respective risk-return profile and cash flows, attracting the right investors and thus enhancing flexibility in accessing capital;
- vi. Provide scope of separate companies for independent collaboration and expansion.

The Scheme is in the interest of the shareholders, creditors, lenders and various other stakeholders of the respective companies. It is not prejudicial to the interests of shareholders, creditors, lenders and various other stakeholders of the respective companies.

D. PARTS OF THE SCHEME

This Scheme is divided into the following parts:

Part I deals with the definitions of the terms used in this Scheme and the Share Capital;

Part II deals with Amalgamation and vesting of Aquaignis Technologies Private Limited and Euro Forbes Financial Services Limited with and into Eureka Forbes Limited;

Part III deals with Amalgamation and vesting of Eureka Forbes Limited (upon Part II of the Scheme becoming effective) with and into Forbes & Company Limited;

Part IV deals with Demerger and vesting of Demerged Undertaking (hereinafter defined) of Forbes & Company Limited (upon Part III of the Scheme becoming effective) into Forbes Enviro Solutions Limited, on a going concern basis and simultaneous name change of FESL to EFL; and

Part V deals with the General Terms and Conditions.

E. SEQUENCE OF EFFECTIVENESS OF THE SCHEME

Upon the Scheme becoming effective, with effect from the Appointed Date, the following shall be deemed to have occurred and become effective and operative only in the order mentioned hereunder:

- (a) Part II which provides for Amalgamation and vesting of Aquaignis Technologies Private Limited and Euro Forbes Financial Services Limited with and into Eureka Forbes Limited, shall be operative prior to coming effect of Part III; and
- (b) Part III which provides for Amalgamation and vesting of Eureka Forbes Limited (upon Part II of the Scheme becoming effective) with and into Forbes & Company Limited, shall be operative prior to coming effect of Part IV; and
- (c) Part IV which provides for Demerger and vesting of Demerged Undertaking (hereinafter defined) of Forbes & Company Limited (upon Part III of the Scheme becoming effective) into Forbes Enviro Solutions Limited, on a going concern basis shall take effect immediately after coming into effect of Part III of the Scheme.

F. TREATMENT OF THE SCHEME FOR THE PURPOSES OF INCOME TAX ACT, 1961

The provisions of this Scheme have been drawn up to comply with the conditions relating to “Amalgamation” and “Demerger” as defined under section 2(1B) and 2(19AA) of the Income Tax Act, 1961, respectively. If, at a later date, any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of section 2(1B) and 2(19AA) of the Income Tax Act, 1961, including as a result of an amendment of law or enactment of new legislation or any other reason whatsoever, the provisions of section

2(1B) and 2(19AA) of the Income Tax Act, 1961, or a corresponding provisions of any amended or newly enacted law, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) and 2(19AA) of the Income Tax Act, 1961. Such modifications, if required to be made will, however, not affect the other provisions (including those relating to accounting treatment) of the Scheme.

PART I
DEFINITIONS AND INTERPRETATION

1. DEFINITIONS

In this Scheme, unless repugnant to the context, the following expressions shall have the following meaning:

- 1.1. **“Act”** means the Companies Act, 1956 and/or Companies Act, 2013, to the extent its provisions relevant for this Scheme are notified and ordinances, rules and regulations made thereunder and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force.
- 1.2. **“Amalgamation” or “Merger”** means amalgamation/merger of ATPL and EFFSL into EFL and amalgamation/merger of EFL into FCL in accordance with provisions of Section 2(1B) of the Income Tax Act, 1961.
- 1.3. **“Appointed Date”** means the 1st day of April, 2020.
- 1.4. **“ATPL” or “Transferor Company 1”** means Aquagnis Technologies Private Limited having its Corporate Identity Number as U31908MH2012PTC331823, the Registered Office is situated at B1/B2, 7th Floor, 701, Marathon Innova, Off. Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013 and having PAN – AALCA0739N and Email ID of its authorised representative is dshinde@eurekaforbes.co.in.
- 1.5. **“Board of Directors” or “Board”** means the Board of Directors of ATPL, EFFSL, EFL, FCL and FESL, as the case may be, and shall include a duly constituted committee thereof.
- 1.6. **“Demerger”** means the transfer by way of demerger in accordance with the provisions of Section 2(19AA) of the Income Tax Act, 1961 of the Demerged Undertaking into FESL.
- 1.7. **“Effective Date”** means the last of the dates on which the conditions specified in Clause 41 are complied with. Any references in this Scheme to the date of “coming into effect

of this scheme” or “effectiveness of this scheme” or “Scheme taking effect” shall mean the Effective Date.

- 1.8. **“EFL” or “Transferee Company 1” or “Transferor Company 3”** means Eureka Forbes Limited. The Registered Office of the Company was shifted from the State of West Bengal to the State of Maharashtra w.e.f. 21-01-2021 and is now situated at B1/B2, 701, 7th Floor, Marathon Innova, Off. Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013. The Company has Corporate Identity Number - U27109MH1931PLC353890, PAN - AAACE5767F and email ID of its authorised representative is dshinde@eurekaforbes.co.in.
- 1.9. **“EFFSL” or “Transferor Company 2”** means Euro Forbes Financial Services Limited having its Corporate Identity Number as U67190MH2011PLC214424, the Registered Office is situated at B1/B2, 7th Floor, 701, Marathon Innova, Off Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013 and having PAN – AACCE7797B and Email ID of its authorised representative is dshinde@eurekaforbes.co.in.
- 1.10. **“Encumbrance”** means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever, and the term "Encumbered" shall be construed accordingly.
- 1.11. **“FCL” or “Transferee Company 2” or “Demerged Company”** means Forbes & Company Limited having its Corporate Identity Number as L17110MH1919PLC000628, the Registered Office is situated at Forbes Building, Charanjit Rai Marg, Fort Mumbai 400001 and having PAN AAACF1765A and Email ID of its authorised representative is pankaj.khattar@forbes.co.in
- 1.12. **“FESL” or “Resulting Company”** means Forbes Enviro Solutions Limited having its Corporate Identity Number as U27310MH2008PLC188478, the Registered Office is situated at B1/B2, 7th Floor, 701, Marathon Innova, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013 and having PAN – AABCF3759R and Email ID of its authorised representative is dshinde@eurekaforbes.co.in.

1.13. **“Governmental Authority”** means any applicable Central, State or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction and shall include any other authority which supersedes the existing authority.

1.14. **“Health, Hygiene, Safety Products and Services Undertaking or Health and Safety Solutions Undertaking” or “Demerged Undertaking”** shall 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. which is being carried on by Eureka Forbes Limited at present as a going concern (and which shall vest with FCL as a result of Part III of this Scheme becoming effective), all its assets, rights, licenses and powers, and all its debts, outstanding, liabilities, duties, obligations and employees as on the Appointed Date including, but not limited to, the following:

- (a) All the assets and properties whether movable or immovable (as per Annexure 1), tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent pertaining to EFL (and which shall vest with FCL as a result of Part III of this Scheme becoming effective), whether situated in India or abroad, including, but not limited to all the interests, of whatever nature and wheresoever situated, plant and machinery, freehold land, leasehold land, tenancy rights, if any, buildings and structures, offices, residential and other premises, capital work in progress, development capital work in progress, furniture, fixtures, office equipment, appliances, accessories, power lines, depots, deposits, all stocks, assets, investments of all kinds including shares (including but not limited to equity shares/ preference shares in subsidiaries/joint ventures in India or outside India (as per Annexure 2 except in FESL and FFSPL), scrips, stocks, bonds, debenture stock, units or pass through certificates, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, and hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities,

allotments, approvals, permits and consents, quotas, rights, entitlements, contracts including the joint operating agreements/operating agreement, licenses (industrial and otherwise), municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, leases, licenses, fixed and other assets, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including, title, interests, other benefits (including Tax 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 EFL (and which shall vest with FCL as a result of Part III of this Scheme becoming effective) relating to its business, authorisations, permits, approvals, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programmes, computer software, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records in connection with or relating to EFL (and which shall vest with FCL as a result of Part III of this Scheme becoming effective) or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the EFL (and which shall vest with FCL as a result of Part III of this Scheme becoming effective) in each case, whether in India or abroad.

- (b) All agreements, rights, contracts, entitlements, licenses, permits, permissions, incentives, approvals, registrations, Tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, designs, quotas, rights, engagements, arrangements, authorities, allotments, security arrangements, benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the EFL's (and which shall vest with FCL as a result of Part III of this Scheme becoming effective) business activities and operations.

- (c) All intellectual property rights including but without being limited to trade and service names and marks, patents, copyrights, know-how, technical know-how, franchise and other intellectual property rights of any nature whatsoever, engineering and process information, software licenses (whether proprietary or otherwise), drawings, records, files, books, papers, computer programmes, manuals, data, catalogues, sales and advertising material, lists of present and former customers and suppliers, customer credit information, customer pricing information, other customer information and all other records and documents, whether in physical or electronic form, relating to the business activities and operations of EFL (and which shall vest with FCL as a result of Part III of this Scheme becoming effective).
- (d) Amounts claimed in respect of EFL (and which shall vest with FCL as a result of Part III of this Scheme becoming effective), if any, whether or not so recorded in the books of account of the EFL from any Governmental Authority, under any law, act, scheme or rule, as refund of any Tax, duty, cess or of any excess payment.
- (e) Rights to any claim not preferred or made by EFL (and which shall vest with FCL as a result of Part III of this Scheme becoming effective) in respect of any refund of Tax, duty, cess or other charge, including any erroneous or excess payment thereof made by EFL and any interest thereon, if any, under any law, act, rule or scheme, and in respect of set-off, carry forward of un-absorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, MAT credit, CENVAT/ GST input credit, amortization benefit, etc. whether under the Income Tax Act, 1961, the rules and regulations thereunder, or Tax Laws of other countries, or any other or like benefits under the said acts or under and in accordance with any law or act, whether in India or anywhere outside India.
- (f) All debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of EFL (and which shall vest with FCL as a result of Part III of this Scheme becoming effective) and all other obligations of whatsoever kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized. Provided that if there exists any reference in the security documents or arrangements entered into by EFL (and which shall vest with FCL as a result of Part III of this Scheme becoming effective) under which the assets of EFL (and which

shall vest with FCL as a result of Part III of this Scheme becoming effective) stand offered as a security for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to EFL (and which shall vest with FCL as a result of Part III of this Scheme becoming effective) vested in FESL by the virtue of the Scheme.

- (g) All other obligations of whatsoever kind, including liabilities of EFL (and which shall vest with FCL as a result of Part III of this Scheme becoming effective) with regard to their employees, or the employees of any of their subsidiaries, with respect to the payment of gratuity, pension benefits and the provident fund or other compensation or benefits, if any, whether in the event of resignation, death, voluntary retirement or retrenchment or otherwise;
- (h) All permanent and temporary employees engaged by EFL at various locations as on the Effective Date.
- (i) All legal or other proceedings of whatsoever nature that pertain to EFL (and which shall vest with FCL as a result of Part III of this Scheme becoming effective).

It is hereby clarified that where any question that may arise as to whether a specific asset, whether tangible or intangible or liability or contracts or employee, pertains or does not pertain to the Demerged Undertaking, if any, or whether it arises out of the activities or operations of the Demerged Undertaking, if any, shall be mutually decided by the Boards of FCL and FESL, or any committee constituted thereof.

1.15. **“NCLT”** means the National Company Law Tribunal(s) having jurisdiction over ATPL, EFFSL, EFL, FCL and FESL.

1.16. **“Record Date”** shall mean the date to be fixed by the Board of Directors of FESL and FCL for the purpose of issue of shares of FESL to the shareholders of the FCL.

1.17. **“Remaining Business”** means all the undertakings, businesses, activities, operations, assets and liabilities of FCL other than those comprised in the Demerged Undertaking.

- 1.18. **“Scheme”** or **“the Scheme”** or **“this Scheme”** means this Composite Scheme of Arrangement, in its present form as submitted to the NCLT for approval, with or without any modifications pursuant to clause 40 of this Scheme, as may be approved or imposed or directed by the NCLT or any other appropriate authority.
- 1.19. **“SEBI Circular”** means circulars issued by SEBI being Circular CFD/DIL3/CIR/2017/21 dated 10th March, 2017 and any amendments or modifications thereof, and any other circular issued pursuant to Regulations 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- 1.20. **“Stock Exchange”** means BSE Limited.
- 1.21. **“Taxation”** or **“Tax”** or **“Taxes”** means all forms of taxes and statutory, governmental, state, provincial, local government or municipal impositions, duties, contribution and levies and whether levied by reference to income, profit, book profits, gains, net wealth, asset values, turnover, added value or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, advance tax, minimum alternate tax or otherwise or attributable directly or primarily to ATPL, EFFSL, EFL, FCL and FESL, as the case may be, or any other person and all penalties, charges, costs and interest relating thereto;
- 1.22. **“Tax Laws”** means all the applicable laws, acts, rules and regulations dealing with Taxes including but not limited to the any tax liability under the Income-tax Act, 1961, Customs Act 1962, Central Excise Act, 1944, Goods and Services Tax Act, 2017, State Value Added Tax laws, Central Sales Tax Act, 1956 or other applicable laws/ regulations dealing with taxes/ duties/ levies of similar nature;
- 1.23. **“Transition period”** means period starting from the date immediately after the Appointed Date till the Effective Date.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

2. SHARE CAPITAL

2.1. The share capital structure of ATPL as on 31st March, 2020 is as under –

Share Capital	Amount (INR)
Authorized Share Capital 75,00,000 Equity Shares of INR 10 each	7,50,00,000
TOTAL	7,50,00,000
Issued, subscribed and paid-up Share Capital 58,55,734 Equity Shares of INR 10 each	5,85,57,340
TOTAL	5,85,57,340

There is no change in the authorised, issued, subscribed and paid-up share capital of ATPL from 31st March, 2020 till the date of approval of the scheme by the Board of Directors of ATPL on 8th September, 2020. Entire share capital of ATPL is held by EFL.

2.2. The share capital structure of EFFSL as on 31st March, 2020 is as under –

Share Capital	Amount (INR)
Authorized Share Capital 50,000 Equity Shares of INR 10 each	5,00,000
TOTAL	5,00,000
Issued, subscribed and paid-up Share Capital 50,000 Equity Shares of INR 10 each	5,00,000
TOTAL	5,00,000

There is no change in the authorised, issued, subscribed and paid-up share capital of EFFSL from 31st March, 2020 till the date of approval of the scheme by the Board of Directors of EFFSL on 8th September, 2020. Entire share capital of EFFSL is held by EFL.

2.3. The share capital structure of EFL as on 31st March, 2020 is as under –

Share Capital	Amount (INR)
Authorized Share Capital	
2,05,00,000 Equity Shares of INR 10 each	20,50,00,000
TOTAL	20,50,00,000
Issued, subscribed and paid-up Share Capital	
37,78,000 Equity Shares of INR 10 each	3,77,80,000
TOTAL	3,77,80,000

There is no change in the authorised, issued, subscribed and paid-up share capital of EFL from 31st March, 2020 till the date of approval of the scheme by the Board of Directors of EFL on 8th September, 2020. Entire share capital of EFL is held by FCL.

2.4. The share capital structure of FCL as on 31st March, 2020 is as under –

Share Capital	Amount (INR)
Authorized Share Capital	
1,50,00,000 Equity Shares of INR 10 each	15,00,00,000
TOTAL	15,00,00,000
Issued, subscribed and paid-up Share Capital	
1,28,98,616 Equity Shares of INR 10 each	12,89,86,160
TOTAL	12,89,86,160

There is no change in the authorised, issued, subscribed and paid-up share capital of FCL from 31st March, 2020 till the date of approval of the scheme by the Board of Directors of FCL on 8th September, 2020.

2.5. The share capital structure of FESL as on 31st March, 2020 is as under –

Share Capital	Amount (INR)
Authorized Share Capital	
50,00,000 Equity Shares of INR 10 each	5,00,00,000
TOTAL	5,00,00,000

Share Capital	Amount (INR)
Issued, subscribed and paid-up Share Capital	
48,27,263 Equity Shares of INR 10 each	4,82,72,630
TOTAL	4,82,72,630

There is no change in the authorised, issued, subscribed and paid-up share capital of FESL from 31st March, 2020 till the date of approval of the scheme by the Board of Directors of FESL on 8th September, 2020. Entire share capital of FESL is held by EFL.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

- 3.1. The Scheme shall be effective in its present form or with any modification(s) approved or imposed or directed by the NCLT or any other appropriate authority and shall become effective from the Appointed Date as defined in Section 232(6) of the Act in terms of clause 1.3 mentioned above.

**PART II – AMALGAMATION AND VESTING OF AQUAIGNIS TECHNOLOGIES PRIVATE LIMITED
AND EURO FORBES FINANCIAL SERVICES LIMITED WITH AND INTO EUREKA FORBES LIMITED**

4. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES OF ATPL AND EFFSL WITH AND INTO EFL

- 4.1 With effect from the Appointed Date and upon the Scheme becoming effective, ATPL and EFFSL as going concerns, along with all their assets, liabilities, contracts, employees, licences, records, approvals, etc. being integral parts of ATPL and EFFSL shall, without any further act, instrument or deed, stand amalgamated with and be vested in or be deemed to have been vested in EFL as a going concern so as to become as and from the Appointed Date, the undertaking of EFL by virtue of and in the manner provided in this Scheme.
- 4.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date:
- a) All the properties and assets of ATPL and EFFSL respectively, whether movable, immovable tangible or intangible, balance in bank, cash or investments and other assets of whatsoever nature and Tax credits, quotas, rights, consents, entitlements, licenses, certificates, permits, and facilities of every kind and description whatsoever for all intents and purposes, permissions under Tax Laws, incentives, if any, without any further act or deed so as to become the business, properties and assets of EFL.
 - b) All the movable assets of ATPL and EFFSL respectively, or assets otherwise capable of transfer by manual delivery or by endorsement and delivery, including cash in hand, shall be physically handed over by manual delivery or by endorsement and delivery, to EFL to the end and intent that the property therein passes to EFL on such manual delivery or endorsement and delivery, without requiring any deed or instrument of conveyance for the same and shall become the property of EFL accordingly.

- c) All other movable properties of ATPL and EFFSL, respectively, mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, pursuant to the orders of this Scheme becoming effective and by operation of law become the properties of EFL, and the title thereof together with all rights, interests or obligations therein shall be deemed to have been mutated and recorded as that of EFL. All investments of ATPL and EFFSL shall be recorded in the name of EFL by operation of law as transmission in favour of EFL as a successor in interest and any documents of title in the name of ATPL and EFFSL shall also be deemed to have been mutated and recorded in the name of EFL to the same extent and manner as originally held by ATPL and EFFSL respectively and enabling the ownership, right, title and interest therein as if EFL was originally ATPL and EFFSL. EFL shall subsequent to this Scheme becoming effective be entitled to the delivery and possession of all documents of title of such movable property in this regard;
- d) All the consents, permissions, licenses, certificates, insurance covers, clearances, authorities, power of attorneys given by, issued to or executed in favour of ATPL and EFFSL, as the case may be, shall stand vested in or transferred automatically to EFL without any further act or deed and shall be appropriately mutated by the authorities concerned therewith in favour of EFL as if the same were originally given by, issued to or executed in favour of EFL and EFL shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to EFL. The benefit of all statutory and regulatory permissions including the statutory or other licenses, tax registrations, permits, permissions or approvals or consents required to carry on the operations of ATPL and EFFSL shall automatically and without any other order to this effect, vest into and become available to EFL pursuant to this Scheme becoming effective in accordance with the terms thereof.
- e) All debts, liabilities, contingent liabilities, duties, Taxes (including any advance taxes paid, TDS deducted on behalf of ATPL and EFFSL, etc.), liabilities, and obligations of

ATPL and EFFSL, respectively, as on the Appointed Date, whether provided for or not, in the books of accounts of ATPL and EFFSL, respectively, and all other liabilities which may accrue or arise after the Appointed Date but which relates to the Transition period, shall, pursuant to this Scheme becoming effective as per the order of the NCLT or such other competent authority, as may be applicable under Section 232 and other applicable provisions of the Act, and without any further act or deed, be vested or deemed to be vested in and be assumed by EFL, so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, Taxes, duties and obligations of EFL on the same terms and conditions as were applicable to ATPL and EFFSL, respectively.

- f) EFL, may, at any time after this Scheme coming into effect, if required under law or otherwise, execute deeds of confirmation in favour of any other party with which ATPL and EFFSL, respectively has a contract or arrangement, or give any such writing or do any such things, as may be necessary, to give effect to the above.
- g) In so far as loans and borrowings of ATPL and EFFSL, respectively pertaining to the loans and liabilities, which are to be vested to EFL shall, without any further act or deed, become loans and borrowings of EFL, and all rights, powers, duties and obligations in relation thereto shall be and stand vested in and shall be exercised by or against EFL as if it had entered into such loans and incurred such borrowings. Thus, the primary obligation to redeem or repay such liabilities upon the Scheme becoming effective shall be that of EFL.
- h) The vesting of the assets comprised in ATPL and EFFSL, respectively, to EFL under this Scheme shall be subject to the mortgages and charges, if any, affecting the same as hereinafter provided.
 - i. The securities, mortgages, charges, Encumbrances or liens, if any, created by ATPL and EFFSL, respectively, if any, after the Appointed Date and during the Transition period, in terms of this Scheme, over the assets comprised in ATPL and EFFSL, respectively, or any part thereof, shall be vested in EFL by virtue of this Scheme, and the same shall, after the Transition period, continue to relate and attach to such assets or any part thereof to which they relate or attached

prior to the Transition period and are vested with EFL, and such Encumbrances shall not relate or attach to any of the other assets, of ATPL and EFFSL, respectively.

- ii. In so far as the existing Encumbrances of ATPL and EFFSL, respectively, if any, in respect of the loans, borrowings, debts, liabilities, is concerned, such Encumbrance shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in ATPL and EFFSL, respectively which have been Encumbered in respect of the transferred liabilities as transferred to EFL pursuant to this Scheme. Provided that if any of the assets comprised in ATPL and EFFSL, respectively, which are being transferred to EFL pursuant to this Scheme have not been Encumbered in respect of the transferred liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.
- iii. In so far as the existing securities, if any in respect of the loans or borrowings of ATPL and EFFSL, respectively and other liabilities relating to ATPL and EFFSL are concerned, such securities shall, without any further act, instrument or deed be continued with EFL. ATPL and EFFSL, as the case may be, and EFL shall file necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.
- iv. The foregoing provisions insofar as they relate to the vesting of liabilities with EFL shall operate, notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security documents, all of which instruments shall stand modified and/or superseded by the foregoing provisions.
- i) With effect from the Appointed Date and during the Transition period, subject to the other provisions of the Scheme, all approvals, quotas, rights, consents, entitlements, licenses, certificates, permits, and facilities of every kind and description

whatsoever, privileges, deeds, bonds, quality certifications and approvals, powers of attorneys, agreements and other instruments of whatsoever nature in relation to ATPL and EFFSL, as the case may be, is a party, or the benefit to which ATPL and EFFSL may be eligible, subsisting or operative immediately on or before the Effective Date, shall be in full force and effect be transferred in favour of EFL and may be enforced fully and effectively as if instead of ATPL and EFFSL, as the case may be, EFL had been a party or beneficiary thereto, so as to enable continuation of operations of ATPL and EFFSL, respectively by EFL without any hindrance or disruption after the Transition period. EFL shall enter into and/or issue and/or execute deeds, writings, endorsements or confirmation or enter into any agreement, confirmations or novation's to which ATPL and EFFSL will, if necessary, also be a party, in order to give formal effect to the provisions of this Scheme, if so required or if it becomes necessary. Further, EFL shall be deemed to be authorized to execute any such deeds, writings, endorsements or confirmations on behalf of ATPL and EFFSL and to implement or carry out all formalities required on the part of ATPL and EFFSL to give effect to the provisions of this Scheme. In case a question arises as to whether a specific asset or liability or contracts or employee, pertains or does not pertain to ATPL and EFFSL or whether it arises out of the activities or operations of ATPL and EFFSL shall be decided by the Board of ATPL and EFFSL, or any committee constituted thereof. A certificate issued by the Board of Directors or the committee thereof in this respect shall be a conclusive evidence of the matter.

- j) With effect from the Appointed Date and upon the Scheme becoming effective, the entitlement to various benefits under incentive schemes and policies, if any, in relation to ATPL and EFFSL shall stand vested in and/or be deemed to have been vested in EFL together with all benefits and entitlements of any nature whatsoever. Such benefits and entitlements shall include Tax benefits under Tax Laws in the nature of exemption, deferment, refunds and incentives in relation to ATPL and EFFSL to be claimed by EFL with effect from the Appointed Date as if EFL were originally entitled to all such benefits and entitlements under such scheme and/or policies, subject to continued compliance by EFL of all the terms and conditions subject to which the benefits and entitlements under such incentive schemes were made available to ATPL and EFFSL. EFL shall be entitled to such benefits and entitlements in its name, without any additional liabilities or expenses whatsoever.

- k) Taxes as per Tax Laws of ATPL and EFFSL to the extent not provided for or covered by Tax provision in the accounts made as on the date immediately preceding the Appointed Date related to ATPL and EFFSL shall be vested with EFL.
- l) All Taxes paid or payable by ATPL and EFFSL in respect of the operations and/ or the profits of ATPL and EFFSL before the Appointed Date shall be on account of ATPL and EFFSL and in so far as it relates to the Tax payment whether by way of deduction at source, advance tax or otherwise howsoever, by ATPL and EFFSL, respectively in respect of the profits or activities or operations of ATPL and EFFSL after the Appointed Date, the same shall be deemed to be the corresponding item paid by EFL and shall in all proceedings be dealt with accordingly.
- m) On and from the Appointed Date, if any Certificate for Tax Deducted at Source or any other Tax credit certificate relating to ATPL and EFFSL is received in the name of ATPL and EFFSL, it shall be deemed to have been received by EFL, which alone shall be entitled to claim credit for such Tax deducted or paid.
- n) Upon the Scheme becoming effective, ATPL, and EFFSL shall have right to revise their respective returns filed under Tax Laws. along with prescribed forms, filings and annexures under the Tax Laws and claim refunds and / or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme;
- o) On and from the Appointed Date, the benefit of all balances relating to Taxes under the Tax Laws being balances pertaining to ATPL and EFFSL, if any, shall stand vested in EFL as if the transaction giving rise to the said balance or credit was a transaction carried out by EFL. The liabilities of ATPL and EFFSL as on the Appointed Date shall stand vested in EFL, save as otherwise in respect of the liabilities which were met by ATPL and EFFSL during the Transition period, which shall be construed to have been met by EFL as if the transaction giving rise to the said liability was a transaction carried out by EFL.

- p) Upon the coming into effect of the Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to ATPL and EFFSL, to which ATPL and EFFSL is a party or to the benefit of which ATPL and EFFSL may be eligible, and which are subsisting or have effect before the Appointed Date and during the Transition period, shall continue in full force and effect on or against or in favour, as the case may be, of EFL and may be enforced as fully and effectually as if instead of ATPL and EFFSL, EFL had been a party or beneficiary or obligee thereto or thereunder. All liabilities arising from all such contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to ATPL and EFFSL, to which ATPL and EFFSL is a party or to the benefit of which ATPL and EFFSL may be eligible, and which are subsisting or have effect immediately before the Appointed Date, shall be on account of ATPL and EFFSL and after the Appointed Date, the same shall be on account of EFL and shall, in all proceedings, be dealt with accordingly.
- q) If any assets (including estate, claims, rights, title, interest in or authorities relating to any asset) or any contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to ATPL and EFFSL owns or to which ATPL and EFFSL is a party to, cannot be transferred to EFL for any reason whatsoever, ATPL and EFFSL shall hold such assets, contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of FCL, insofar as it is permissible so to do, till such time as the transfer is affected.
- r) On and from the Effective Date, and till such time that the name of the bank accounts of ATPL and EFFSL has been replaced with that of EFL, EFL shall be entitled to maintain and operate the bank accounts of the ATPL and EFFSL in the name of ATPL and EFFSL respectively and for such time as may be determined to be necessary by EFL. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of ATPL and EFFSL after the Effective Date shall be accepted by the bankers of EFL and credited to the account of EFL, is presented by EFL;

- s) It is hereby clarified that the vesting of ATPL and EFFSL in EFL shall be on a going concern basis.

5. STAFF, EMPLOYEES AND WORKERS

- 5.1 Upon the Scheme coming into effect, all staff, employees and workers of ATPL and EFFSL in service (including but not limited to permanent, temporary or contractual) immediately preceding the Effective Date shall be deemed to have become staff, employees and workers of EFL with effect from the Appointed Date, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with EFL shall not be less favorable than those applicable to them in ATPL and EFFSL immediately preceding the transfer.
- 5.2 The equitable interest in accounts/funds of the staff, employees and workers, if any, whose services are vested with EFL, relating to superannuation, provident fund and gratuity fund, and such other similar benefits, shall be identified, determined and vested with the respective trusts/funds of EFL viz. (i) Eureka Forbes Limited Staff Superannuation Scheme, (ii) Eureka Forbes Limited Employees' Gratuity Fund, and (iii) Eureka Forbes Limited Employees' Provident Fund (formerly Samuel Osborn (India) Limited Employees' Provident Fund and such staff, employees and workers shall be deemed to have become members of such trusts/funds of EFL. Until such time, EFL may, subject to necessary approvals and permissions, if any, continue to make contributions pertaining to the staff, employees and workers of ATPL and EFFSL to the relevant funds of ATPL and EFFSL.
- 5.3 EFL, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to ATPL and EFFSL to which any of ATPL and EFFSL is a party in order to give formal effect to the provisions of the Scheme. EFL shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of ATPL and EFFSL and to carry out or perform all such formalities or compliances, referred to above, on behalf of ATPL and EFFSL.

6. CHANGE IN OBJECT CLAUSE OF EFL

6.1 With effect from the Appointed Date, and upon the Scheme becoming effective, the main object clause of the Memorandum of Association of EFL shall be altered and amended, without any further act or deed, to include the objects as required for the purpose of carrying on the business activities of ATPL and EFFSL, pursuant to the provisions of Sections 13 and 14 of the Companies Act, 2013 and other applicable provisions of the Act. Accordingly, the Memorandum of Association of EFL shall be altered and amended and necessary revisions in numbering of the clauses inserted shall be carried out. The following clause shall be added to the Memorandum of Association of EFL and shall read as under:

- a. *To carry on the business of importers, exporters, manufacturers of and dealer in all kinds of electrical and non-electrical appliances, electro mechanical devices for domestic, commercial, industrial, hospital uses, and apparatus etc. and all packaging materials components, parts, accessories, articles and fittings required for those purposes.*
- b. *To manufacture, buy, sell, exchange, alter, improve, market, distribute, import or export or otherwise deal in all kinds of water filters, water purifiers or other water purification systems of all types and kinds, and allied products to suit the needs of all sectors of the society such as domestic, industries, Government, public, private, including manufacturing and processing of home reverse osmosis membrane elements and other related water treatment products.*
- c. *To supply, undertake and execute any works involving or relating to water purifiers, water filters, other products for purification of water or other liquids or material of all kinds.”*

6.2 For the purposes of amendment in the Memorandum of Association and Articles of Association of EFL as provided in this clause, the consent / approval given by the members of EFL to this Scheme under the Companies Act, 2013 and any other applicable provisions of the Act shall be deemed to be sufficient and no further resolution of

members of EFL as required under the provisions of Section 13 and 14 of the Companies Act, 2013 and any other applicable provisions of the Act shall be required to be passed for making such change / amendment in the Memorandum of Association and Articles of Association of EFL and filing of the certified copy of this Scheme as sanctioned by the NCLT, and a printed copy of the Memorandum of Association for the purposes of said Section 13 and 14 of the Companies Act, 2013 and all other applicable provisions of the Act and the Registrar of Companies, Mumbai shall register the same and make the necessary alterations in the Memorandum of Association and Articles of Association of EFL accordingly and shall certify the registration thereof in accordance with the provisions of Section 13 and 14 of the Companies Act, 2013 and any other applicable provisions of the Act.

- 6.3 EFL shall file with the jurisdictional Registrar of Companies all requisite forms and complete the compliance and procedural requirements under the Act, if any.

7. LEGAL PROCEEDINGS

- 7.1 If any suit, appeal or other legal proceedings of whatsoever nature by or against ATPL and EFFSL is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the Amalgamation and by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against EFL in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against ATPL and EFFSL as if this Scheme had not been made.
- 7.2 EFL undertakes to have all legal or other proceedings initiated by or against ATPL and EFFSL referred to above transferred into its name and to have the same continued, prosecuted and enforced by or against EFL. .
- 7.3 After the Effective Date, EFL shall and may, if required, initiate any legal proceedings in relation to ATPL and EFFSL.

8. AMALGAMATION NOT TO AFFECT TRANSACTIONS / CONTRACTS OF ATPL AND EFFSL:

8.1 The Amalgamation of ATPL and EFFSL and the continuance of the said proceedings by or against EFL shall not affect any transaction or proceedings already concluded by or against ATPL and EFFSL after the Appointed Date to the end and intent that EFL accepts and adopts all acts, deeds and things done or executed by ATPL and EFFSL after the Appointed Date as done and executed on its behalf. The said transfer and vesting pursuant to Section 232 of the Act, shall take effect from the Appointed Date unless the NCLT otherwise directs.

9. CONSIDERATION

9.1 The entire share capital of the ATPL and EFFSL is held by EFL. In other words, ATPL and EFFSL are wholly owned subsidiaries of EFL. Accordingly, pursuant to this Scheme, no shares of EFL shall be issued and allotted in respect of shares held by it in ATPL and EFFSL respectively. Upon the Scheme becoming effective, the entire share capital of ATPL and EFFSL shall be cancelled and extinguished without any further act, deed or instruments as an integral part of this Scheme.

9.2 The investment in the shares of the ATPL and EFFSL appearing in the books of account of EFL shall, without any further act, deed or instrument, stand cancelled.

10. ACCOUNTING TREATMENT

10.1. EFL shall account for amalgamation of ATPL and EFFSL in its books of accounts as per Appendix C to Ind AS 103, Business Combination of entities under common control, prescribed under the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS"), as amended, as notified under Section 133 of the Companies Act, 2013 and other generally accepted accounting principles in India.

10.2. All assets and liabilities of ATPL and EFFSL, shall be recorded in the books of accounts of EFL at their existing carrying amounts and in the same form in which they appeared in the consolidated financial statement of EFL.

10.3. The identity of the reserves pertaining to ATPL and EFFSL shall be preserved and shall appear in the merged financial statements of EFL in the same form in which they appeared in the consolidated financial statements of EFL and it shall be aggregated with the corresponding balance appearing in the financial statements of EFL.

- 10.4. To the extent that there are inter-company loans, deposits, obligations, balances or other outstanding including any interest thereon, as between the ATPL, EFFSL and EFL, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of EFL for the reduction of such assets or liabilities as the case may be.
- 10.5. Pursuant to the scheme becoming effective, no shares of EFL shall be issued and allotted in respect of shares held by it in ATPL and EFFSL and the investment in the shares of the ATPL and EFFSL appearing in the books of account of EFL shall stand cancelled.
- 10.6. The financial information in the financial statement of EFL in respect of prior period, would be restated as if the business combination had occurred from the beginning of preceding period in the financial statements, irrespective of the actual date of the combination.

11. INCREASE IN AUTHORISED SHARE CAPITAL OF EFL

- 11.1. Upon Scheme becoming effective, current authorized share capital of ATPL which is INR 7,50,00,000/- (Rupees Seven Crores Fifty Lakhs Only) comprising of 75,00,000 Equity Shares of INR 10/- each and current authorized share capital of EFFSL which is INR 5,00,000/- (Rupees Five Lakhs Only) comprising of 50,000 Equity Shares of INR 10/- each shall be consolidated with the authorized share capital of EFL, which is INR 20,50,00,000/- (Rupees Twenty Crores Fifty Lakhs Only) comprising of 2,05,00,000 Equity Shares of INR 10/- each and the same shall automatically stand increased, without any further act, instrument or deed on the part of EFL including payment of stamp duty and fees payable to Registrar of Companies, without any compliances in respect of the notices, meetings, etc but only by filing requisite statutory forms and/or any other documents as required with the Registrar of Companies. The filing fee and stamp duty already paid by ATPL and EFFSL respectively on its authorized share capital shall be deemed to have been so paid by EFL on the combined authorized share capital and accordingly, EFL shall not be required to pay any fee/stamp duty on the authorized share capital so increased.
- 11.2. Further, authorized share capital of EFL upon part II of the Scheme coming into effect shall be INR 28,05,00,000/- (Rupees Twenty Eight Crores Five Lakhs Only) classified as 2,80,50,000 equity shares of INR 10 each.

11.3. Consequently, the corresponding capital clause in the Memorandum of Association / Articles of Association of EFL, as applicable (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, to be read as follows:

“The authorized share capital of the company is INR 28,05,00,000/- (Rupees Twenty-Eight Crores Five Lakhs Only) divided into 2,80,50,000 Equity Shares of INR 10/- each,”

11.4. For removal of doubts, it is clarified that the approval of the Scheme by the shareholders of Transferee Company 1 under sections 230 to 232 of the Act shall be deemed to be the sufficient approval under sections 13, 14, 61 and 64 of the Act and no separate procedure shall be followed under the Act, except filing of requisite forms to give effect to the increase.

12. CONDUCT OF BUSINESS

12.1. ATPL AND EFFSL, respectively as Trustee

- a. With effect from the Appointed Date and up to and including Effective Date, ATPL and EFFSL shall carry on and shall be deemed to have carried on, respectively, all their business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of ATPL and EFFSL on account of and for the benefit of and in trust for, EFL, as EFL is taking over the business as going concern. ATPL and EFFSL shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall neither undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for themselves or on behalf of any third parties, sell, transfer, alienate, charge, mortgage or encumber or deal with the assets of ATPL and EFFSL, respectively, or any part thereof save and except in the ordinary course of business as carried on by them as on the date of filing of this Scheme with the NCLT or if prior written consent of EFL has been obtained.

12.2. Profit or Losses up to Effective Date

- a. With effect from the Appointed Date and upto and including the Effective Date, all profits or incomes accruing or arising to ATPL and EFFSL or all expenditure or losses incurred or arising, as the case may be, by ATPL and EFFSL shall, for all purposes, be treated and deemed to be and accrue as the profits or incomes or expenditures or losses, as the case may be, of EFL.

12.3. Taxes

- a. All Taxes paid or payable by ATPL and EFFSL in respect of the operations and / or profits of the business before the Appointed Date and from the Appointed Date till the Effective Date, shall be on account of ATPL and EFFSL and in so far as it relates to the Tax payment by ATPL and EFFSL in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by EFL and shall in all proceedings be dealt with accordingly.
- b. Any refund under any Tax Laws allocable or related to the business of ATPL and EFFSL and due to ATPL and EFFSL consequent to the assessment made on ATPL and EFFSL shall also belong to and be received by EFL.
- c. All Tax benefits of any nature, duties, cesses or any other like payments or deductions available to ATPL and EFFSL under any Tax Laws up to the Effective Date shall be deemed to have been on account of or paid by EFL and the relevant authorities shall be bound to transfer to the account of and give credit for the same to EFL upon the passing of the order by the NCLT.

13. ENFORCEMENT OF CONTRACTS, DEEDS, BONDS & OTHER INSTRUMENTS:

- 13.1. Subject to other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatever nature to which ATPL and EFFSL is a party subsisting or having effect immediately before the Amalgamation, shall remain in full

force and effect against or, as the case may be, in favour of EFL and may be enforced as fully and effectively as if instead of ATPL and EFFSL, EFL was a party thereto. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that Amalgamation and vesting of ATPL and EFFSL occurs by virtue of this Scheme itself, EFL 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, take such actions and execute such deeds, confirmations or other writings or arrangements to which ATPL and EFFSL is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. EFL shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of ATPL and EFFSL and to carry out or perform all such formalities or compliances referred to above on the part of ATPL and EFFSL to be carried out or performed.

13.2. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of ATPL and EFFSL shall stand transferred to EFL and EFL shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to EFL. EFL shall receive relevant approvals from the Government Authorities concerned as may be necessary in this behalf.

14. MATTERS RELATING TO SHARE CERTIFICATES:

14.1. The Share Certificates held by EFL along with its nominee shareholders holding shares on behalf of EFL in respect of share capital of ATPL and EFFSL, respectively, shall automatically stand cancelled without any necessity of them being surrendered.

15. DISSOLUTION OF ATPL AND EFFSL

15.1. Upon the Scheme being sanctioned by an order made by the NCLT under Sections 230 to 232 of the Act and subject to the Effective Date, ATPL and EFFSL shall stand dissolved without winding up on the Effective Date.

**PART III – AMALGAMATION AND VESTING OF EUREKA FORBES LIMITED INTO FORBES &
COMPANY LIMITED**

16. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES OF EFL WITH FCL

16.1. With effect from the Appointed Date and upon the Part II of the Scheme, EFL as a going concern, along with all assets, liabilities, contracts, employees, licences, records, approvals, etc. being integral parts of EFL shall, without any further act, instrument or deed, stand amalgamated with and be vested in or be deemed to have been vested in FCL as a going concern so as to become as and from the Appointed Date, the undertaking of FCL by virtue of and in the manner provided in this Scheme.

16.2. Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date:

- a) All the properties and assets of EFL, tangible or intangible, balance in bank, cash or investments and other assets of whatsoever nature and Tax credits, quotas, rights, consents, entitlements, licenses, certificates, permits, and facilities of every kind and description whatsoever for all intents and purposes, permissions under Tax Laws, incentives, if any, without any further act or deed so as to become the business, properties and assets of FCL.
- b) All the movable assets of EFL or assets otherwise capable of transfer by manual delivery or by endorsement and delivery, including cash in hand, shall be physically handed over by manual delivery or by endorsement and delivery, to FCL to the end and intent that the property therein passes to FCL on such manual delivery or endorsement and delivery, without requiring any deed or instrument of conveyance for the same and shall become the property of FCL accordingly.
- c) All other movable properties of EFL, including investments in shares of the subsidiaries / joint ventures of EFL (as mentioned in Annexure 2), mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and

deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, pursuant to the orders of this Scheme becoming effective and by operation of law become the properties of FCL, and the title thereof together with all rights, interests or obligations therein shall be deemed to have been mutated and recorded as that of FCL. All investments of EFL shall be recorded in the name of FCL by operation of law as transmission in favour of FCL as a successor in interest and any documents of title in the name of EFL shall also be deemed to have been mutated and recorded in the name of FCL to the same extent and manner as originally held by EFL and enabling the ownership, right, title and interest therein as if FCL was originally EFL. FCL shall subsequent to this Scheme becoming effective be entitled to the delivery and possession of all documents of title of such movable property in this regard;

- d) All immovable properties (including land together with the buildings (including factory buildings) and structures standing thereon) (as per Annexure 1) of EFL, whether freehold or leasehold and any documents of title, rights and easements in relation thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in FCL, without any act or deed done by EFL or FCL. FCL shall be entitled to exercise all rights and privileges and be liable to pay ground rent, Taxes and fulfill obligations, in relation to or applicable to such immovable properties. The mutation / substitution of the title to the immovable properties shall be made and duly recorded in the name of FCL by the appropriate authorities pursuant to the Scheme becoming effective in accordance with the terms hereof.

- e) All the consents, permissions, licenses, certificates, insurance covers, clearances, authorities, power of attorneys given by, issued to or executed in favour of EFL, shall stand vested in or transferred automatically to FCL without any further act or deed and shall be appropriately mutated by the authorities concerned therewith in favour of FCL as if the same were originally given by, issued to executed in favour of FCL and FCL shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to FCL. The benefit of all statutory and regulatory permissions including the statutory or

other licenses, Tax registrations, permits, permissions or approvals or consents required to carry on the operations of EFL shall automatically and without any other order to this effect, vest into and become available to FCL pursuant to this Scheme becoming effective in accordance with the terms thereof.

- f) All debts, liabilities, contingent liabilities, duties, Taxes (including any advance taxes paid, TDS deducted, etc on behalf of EFL), liabilities, and obligations of EFL, as on the Appointed Date, whether provided for or not, in the books of accounts of EFL, and all other liabilities which may accrue or arise after the Appointed Date but which relates to the Transition period, shall, pursuant to this Scheme becoming effective as per the order of the NCLT or such other competent authority, as may be applicable under Section 232 and other applicable provisions of the Act, and without any further act or deed, be vested or deemed to be vested in and be assumed by FCL, so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, Taxes, duties and obligations of FCL on the same terms and conditions as were applicable to EFL.
- g) FCL, may, at any time after this Scheme coming into effect, if required under law or otherwise, execute deeds of confirmation in favour of any other party with which EFL has a contract or arrangement, or give any such writing or do any such things, as may be necessary, to give effect to the above.
- h) In so far as loans and borrowings of EFL pertaining to the loans and liabilities, which are to be vested to FCL shall, without any further act or deed, become loans and borrowings of FCL, and all rights, powers, duties and obligations in relation thereto shall be and stand vested in and shall be exercised by or against FCL as if it had entered into such loans and incurred such borrowings. Thus, the primary obligation to redeem or repay such liabilities upon the Scheme becoming effective shall be that of FCL.
- i) The vesting of the assets comprised in EFL, to FCL under this Scheme shall be subject to the mortgages and charges, if any, affecting the same as hereinafter provided.

- i. The securities, mortgages, charges, Encumbrances or liens, if any, created by EFL after the Appointed Date and during the Transition period, in terms of this Scheme, over the assets comprised in EFL, or any part thereof, shall be vested in FCL by virtue of this Scheme, and the same shall, after the Transition period, continue to relate and attach to such assets or any part thereof to which they relate or attached prior to the Transition period and are vested with FCL, and such Encumbrances shall not relate or attach to any of the other assets, of EFL.
- ii. In so far as the existing Encumbrances of EFL, if any, in respect of the loans, borrowings, debts, liabilities, is concerned, such Encumbrance shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in EFL which have been Encumbered in respect of the transferred liabilities as transferred to FCL pursuant to this Scheme. Provided that if any of the assets comprised in EFL, which are being transferred to FCL pursuant to this Scheme have not been Encumbered in respect of the transferred liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.
- iii. In so far as the existing securities, if any in respect of the loans or borrowings of EFL and other liabilities relating to EFL are concerned, such securities shall, without any further act, instrument or deed be continued with FCL. EFL and FCL shall file necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.
- iv. The foregoing provisions insofar as they relate to the vesting of liabilities with FCL shall operate, notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security documents, all of which instruments shall stand modified and/or superseded by the foregoing provisions.

- j) With effect from the Appointed Date and during the Transition period, subject to the other provisions of the Scheme, all approvals (including but not limited to all the units and factories situated at various states in India (including at MIDC)), quotas, rights, consents, entitlements, licenses, certificates, permits, and facilities of every kind and description whatsoever, privileges, deeds, bonds, quality certifications and approvals, powers of attorneys, agreements and other instruments of whatsoever nature in relation to EFL is a party, or the benefit to which EFL may be eligible, subsisting or operative immediately on or before the Effective Date, shall be in full force and effect be transferred in favour of FCL and may be enforced fully and effectively as if instead of EFL, FCL had been a party or beneficiary thereto, so as to enable continuation of operations of EFL by FCL without any hindrance or disruption after the Transition period. FCL shall enter into and/or issue and/or execute deeds, writings, endorsements or confirmation or enter into any agreement, confirmations or novation's to which EFL will, if necessary, also be a party, in order to give formal effect to the provisions of this Scheme, if so required or if it becomes necessary. Further, FCL shall be deemed to be authorized to execute any such deeds, writings, endorsements or confirmations on behalf of EFL and to implement or carry out all formalities required on the part of EFL to give effect to the provisions of this Scheme. In case a question arises as to whether a specific asset or liability or contracts or employee, pertains or does not pertain to EFL or whether it arises out of the activities or operations of EFL shall be decided by the Board of EFL, or any committee constituted thereof. A certificate issued by the Board of Directors or the committee thereof in this respect shall be a conclusive evidence of the matter.
- k) With effect from the Appointed Date and upon the Scheme becoming effective, the entitlement to various benefits under incentive schemes and policies, if any, in relation to EFL shall stand vested in and/or be deemed to have been vested in FCL together with all benefits and entitlements of any nature whatsoever. Such benefits and entitlements shall include Tax benefits under Tax Laws in the nature of exemption, deferment, refunds and incentives in relation to EFL to be claimed by FCL with effect from the Appointed Date as if FCL were originally entitled to all such benefits and entitlements under such scheme and/or policies, subject to continued compliance by FCL of all the terms and conditions subject to which the

benefits and entitlements under such incentive schemes were made available to EFL. FCL shall be entitled to such benefits and entitlements in its name, without any additional liabilities or expenses whatsoever.

- l) Taxes as per Tax Laws of EFL to the extent not provided for or covered by Tax provision in the accounts made as on the date immediately preceding the Appointed Date related to EFL shall be vested with FCL.
- m) All Taxes paid or payable by EFL in respect of the operations and/ or the profits of EFL before the Appointed Date shall be on account of EFL and in so far as it relates to the Tax payment whether by way of deduction at source, advance tax or otherwise howsoever, by EFL, respectively in respect of the profits or activities or operations of EFL after the Appointed Date, the same shall be deemed to be the corresponding item paid by FCL and shall in all proceedings be dealt with accordingly.
- n) On and from the Appointed Date, if any Certificate for Tax Deducted at Source or any other Tax credit certificate relating to EFL is received in the name of EFL, it shall be deemed to have been received by FCL, which alone shall be entitled to claim credit for such tax deducted or paid.
- o) Upon the Scheme becoming effective, EFL shall have right to revise their respective returns filed under Tax Laws. along with prescribed forms, filings and annexures under the Tax Laws and claim refunds and / or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme;
- p) On and from the Appointed Date, the benefit of all balances relating to Taxes under the Tax Laws being balances pertaining to EFL, if any, shall stand vested in FCL as if the transaction giving rise to the said balance or credit was a transaction carried out by FCL. The liabilities of EFL as on the Appointed Date shall stand vested in FCL, save as otherwise in respect of the liabilities which were met by EFL during the Transition period, which shall be construed to have been met by FCL as if the transaction giving rise to the said liability was a transaction carried out by FCL.

- q) Upon the coming into effect of the Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to EFL, to which EFL is a party or to the benefit of which EFL may be eligible, and which are subsisting or have effect before the Appointed Date and during the Transition period, shall continue in full force and effect on or against or in favour, as the case may be, of FCL and may be enforced as fully and effectually as if instead of EFL, FCL had been a party or beneficiary or obligee thereto or thereunder. All liabilities arising from all such contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to EFL, to which EFL is a party or to the benefit of which EFL may be eligible, and which are subsisting or have effect immediately before the Appointed Date, shall be on account of EFL and after the Appointed Date, the same shall be on account of FCL and shall, in all proceedings, be dealt with accordingly.
- r) If any assets (including estate, claims, rights, title, interest in or authorities relating to any asset) or any contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to EFL owns or to which EFL is a party to, cannot be transferred to FCL for any reason whatsoever, EFL shall hold such assets, contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of FCL, insofar as it is permissible so to do, till such time as the transfer is affected.
- s) On and from the Effective Date, and till such time that the name of the bank accounts of EFL has been replaced with that of FCL, FCL shall be entitled to maintain and operate the bank accounts of the EFL in the name of EFL and for such time as may be determined to be necessary by FCL. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of EFL after the Effective Date shall be accepted by the bankers of FCL and credited to the account of FCL, is presented by FCL;
- t) It is hereby clarified that the vesting of EFL in FCL shall be on a going concern basis.

17. STAFF, EMPLOYEES AND WORKERS

17.1. Upon the Scheme coming into effect, all staff, employees and workers of EFL in service (including but not limited to permanent, temporary or contractual) immediately preceding the Effective Date shall be deemed to have become staff, employees and workers of FCL with effect from the Appointed Date, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with FCL shall not be less favorable than those applicable to them in EFL immediately preceding the transfer.

17.2. The equitable interest in accounts/funds of the staff, employees and workers, if any, whose services are vested with FCL, relating to superannuation, provident fund and gratuity fund, and such other funds similar in nature, shall be identified, determined and vested with the respective trusts/funds of FCL and such staff, employees and workers shall be deemed to have become members of such trusts/funds of FCL. Until such time, FCL may, subject to necessary approvals and permissions, if any, continue to make contributions pertaining to the staff, employees and workers of EFL to the relevant funds of EFL viz. (i) Eureka Forbes Limited Staff Superannuation Scheme, (ii) Eureka Forbes Limited Employees' Gratuity Fund, and (iii) Eureka Forbes Limited Employees' Provident Fund (formerly Samuel Osborn (India) Limited Employees' Provident Fund).

17.3. FCL, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to EFL to which any of EFL is a party in order to give formal effect to the provisions of the Scheme. FCL shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of EFL and to carry out or perform all such formalities or compliances, referred to above, on behalf of EFL.

18. CHANGE IN OBJECT CLAUSE OF FCL

18.1. With effect from the Appointed Date, and upon the Scheme becoming effective, the main object clause of the Memorandum of Association of FCL shall be altered and amended, without any further act or deed, to include the objects as required for the

purpose of carrying on the business activities EFL, upon Part II of the Scheme coming into effect and pursuant to the provisions of Sections 13 and 14 of the Companies Act, 2013 and other applicable provisions of the Act. Accordingly, the Memorandum of Association of FCL shall be altered and amended and necessary revisions in numbering of the clauses inserted shall be carried out. The following clause shall be added to the Memorandum of Association of FCL and shall read as under:

“6 To carry on in any part of the world the business of steel manufacturers, iron and steel merchants, dealers in iron and steel, iron and steel founders, casters, forgers, tillers, rollers, converters and melters of iron, steel and other metals, iron masters, coal masters, metal workers, mechanical engineers, shipbuilders, wire drawers and manufactures, and tool machines makers in all their branches and also to carry on the business of Tramway and Railway Track Manufactures, including the manufacture laying, alteration and maintenance of Permanent Ways, Points and Crossings. Switches and Rails, and materials used in connection with works of a similar nature.

To carry on either in connection with the said business or as distinct and separate business all or any of the following businesses, namely :- manufactures of all description of spring, buffers, couplings, 'rail-fastening, drawgears, and of all apparatus, appliances, accessories, materials and things used, or capable of being used in connection with Railways, or traction of any description, or in connection with any other use of steam or other power; manufacturers of all kinds of machinery machinery, rolling stock, permanent way materials, power hammers, files saws tools and anvils, and of all articles or things whatsoever (however dissimilar to the articles and things before mentioned), made wholly or in part of any metal: mechanical and general engineers, metal workers, metallurgists, machinists, smiths fitters, woodworkers, galvanisers, japanners, annealers and enamellers, and also general merchants and dealers in all or any of the things aforesaid or in articles or things which the Company has power to manufacture. To build, construct, equip improve maintain develop work manage carry out or control any tramways railway branches or sidings roads ways bridges reservoirs watercourses wharves manufactories warehouse electric works shops stores machinery plants and other works or conveniences of whatever description and to contribute to subsidise or otherwise

assist or take part in the building construction equipment, improvement maintenance development, working management carrying out or control thereof.

7. *To carry on the business of importers, exporters, manufacturers of and dealer in all kinds of electrical and non-electrical appliances, electro mechanical devices for domestic, commercial, industrial, hospital uses, and apparatus etc. and all packaging materials components, parts, accessories, articles and fittings required for those purposes.*
8. *To manufacture, buy, sell, exchange, alter, improve, market, distribute, import or export or otherwise deal in all kinds of water filters, water purifiers or other water purification systems of all types and kinds, and allied products to suit the needs of all sectors of the society such as domestic, industries, Government, public, private, including manufacturing and processing of home reverse osmosis membrane elements and other related water treatment products.*
9. *To supply, undertake and execute any works involving or relating to water purifiers, water filters, other products for purification of water or other liquids or material of all kinds.”*

18.2. For the purposes of amendment in the Memorandum of Association and Articles of Association of FCL as provided in this clause, the consent / approval given by the members of FCL to this Scheme under the Companies Act, 2013 and any other applicable provisions of the Act shall be deemed to be sufficient and no further resolution of members of FCL as required under the provisions of Section 13 and 14 of the Companies Act, 2013 and any other applicable provisions of the Act shall be required to be passed for making such change / amendment in the Memorandum of Association and Articles of Association of FCL and filing of the certified copy of this Scheme as sanctioned by the NCLT, and a printed copy of the Memorandum of Association for the purposes of said Section 13 and 14 of the Companies Act, 2013 and all other applicable provisions of the Act and the Registrar of Companies, Mumbai shall register the same and make the necessary alterations in the Memorandum of Association and Articles of Association of FCL accordingly and shall certify the registration thereof in accordance with the

provisions of Section 13 and 14 of the Companies Act, 2013 and any other applicable provisions of the Act.

18.3. FCL shall file with the jurisdictional Registrar of Companies all requisite forms and complete the compliance and procedural requirements under the Act, if any.

19. LEGAL PROCEEDINGS

19.1. If any suit, appeal or other legal proceedings of whatsoever nature by or against EFL is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the Amalgamation and by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against FCL in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against EFL as if this Scheme had not been made.

19.2. FCL undertakes to have all legal or other proceedings initiated by or against EFL referred to above transferred into its name and to have the same continued, prosecuted and enforced by or against FCL to the exclusion of EFL.

19.3. After the Effective Date, FCL shall and may, if required, initiate any legal proceedings in relation to EFL.

20. AMALGAMATION NOT TO AFFECT TRANSACTIONS / CONTRACTS OF EFL

20.1. The Amalgamation of EFL and the continuance of the said proceedings by or against FCL shall not affect any transaction or proceedings already concluded by or against EFL after the Appointed Date to the end and intent that FCL accepts and adopts all acts, deeds and things done or executed by EFL after the Appointed Date as done and executed on its behalf. The said transfer and vesting pursuant to Section 232 of the Act, shall take effect from the Appointed Date unless the NCLT otherwise directs.

21. CONSIDERATION

21.1. The entire share capital of EFL is held by FCL. In other words, EFL is a wholly owned subsidiary of FCL. Accordingly, pursuant to this Scheme, no shares of FCL shall be issued and allotted in respect of shares held by it in EFL. Upon the Scheme becoming effective, the entire share capital of EFL shall be cancelled and extinguished without any further act, deed or instruments as an integral part of this Scheme.

21.2. The investment in the shares of EFL appearing in the books of account of FCL shall, without any further act, deed or instrument, stand cancelled.

22. ACCOUNTING TREATMENT

FCL shall account for amalgamation of EFL in its books of accounts as per Appendix C to Ind AS 103, *Business Combination of entities under common control*, prescribed under the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") as notified under Section 133 of the Companies Act, 2013 and the clarifications issued by the Institute of Chartered Accountants of India. The amalgamation shall be accounted by FCL on the date as determined in accordance with Ind AS.

23. INCREASE IN AUTHORISED SHARE CAPITAL OF FCL

23.1. Upon sanction of this Scheme, and upon Part II of the Scheme coming into effect, the authorized share capital of EFL shall be INR 28,05,00,000/- (Rupees Twenty Eight Crores Five Lakhs Only) comprising of 2,80,50,000 Equity Shares of INR 10/- each shall be consolidated with the authorized share capital of FCL, which is INR 15,00,00,000 (Rupees Fifteen Crores Only) comprising of 1,50,00,000 equity shares of INR 10 each and same shall automatically stand increased, without any further act, instrument or deed on the part of FCL including payment of stamp duty and fees payable to Registrar of Companies, without any compliances in respect of the notices, meeting etc. but only by filing requisite statutory forms and/or any other documents as required with the Registrar of Companies. The filing fee and stamp duty already paid by EFL on its authorized share capital shall be deemed to have been so paid by FCL on the combined authorized share capital and accordingly, FCL shall not be required to pay any fee/stamp duty on the authorized share capital so increased.

23.2. Further, authorized share capital of FCL, pursuant to this Part becoming effective in Post Scheme scenario shall be INR 43,05,00,000/- (Rupees Forty-Three Crores Five Lakhs Only) shall be classified as 4,30,50,000 equity shares of INR 10 each.

23.3. Consequently, the corresponding capital clause in the Memorandum of Association / Articles of Association of FCL, as applicable (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, to be read as follows:

“The authorized share capital of the company is INR 43,05,00,000/- (Rupees Forty-Three Crores Five Lakhs Only) divided into 4,30,50,000 Equity Shares of INR 10/- each,”

23.4. For removal of doubt, it is clarified that the approval of the Scheme by the shareholders of FCL under sections 230 to 232 of the Act shall be deemed to be the sufficient approval under sections 13, 14, 61 and 64 of the Act and no separate procedure shall be followed under the Act, except filing of requisite forms to give effect to the increase.

24. CONDUCT OF BUSINESS

24.1. EFL as Trustee

With effect from the Appointed Date and up to and including Effective Date, EFL shall carry on and shall be deemed to have carried on all their business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of EFL on account of and for the benefit of and in trust for, FCL, as FCL is taking over the business as going concern. EFL shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall neither undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for themselves or on behalf of any third parties, sell, transfer, alienate, charge, mortgage or encumber or deal with the assets of EFL or any part thereof other than any amount borrowed by way of debt with or without issue of any security, including borrowings by way of loan or otherwise, from FCL and save and except in the ordinary course of business as carried on by them as on the date of filing of this Scheme with the NCLT or if prior written consent of FCL has been obtained.

24.2. Profit or Losses up to Effective Date

With effect from the Appointed Date and upto and including the Effective Date, all profits or incomes accruing or arising to EFL or all expenditure or losses incurred or arising, as the case may be, by EFL shall, for all purposes, be treated and deemed to be and accrue as the profits or incomes or expenditures or losses, as the case may be, of FCL.

24.3. Taxes

All Taxes paid or payable by EFL in respect of the operations and / or profits of the business before the Appointed Date and from the Appointed Date till the Effective Date, shall be on account of EFL and in so far as it relates to the tax payment by EFL in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by FCL and shall in all proceedings be dealt with accordingly.

Any refund under any Tax Laws allocable or related to the business of EFL and due to EFL consequent to the assessment made on EFL shall also belong to and be received by FCL.

All Tax benefits of any nature, duties, cesses or any other like payments or deductions available to EFL under any Tax Laws up to the Effective Date shall be deemed to have been on account of or paid by FCL and the relevant authorities shall be bound to transfer to the account of and give credit for the same to FCL upon the passing of the order by the NCLT.

25. ENFORCEMENT OF CONTRACTS, DEEDS, BONDS & OTHER INSTRUMENTS:

25.1. Subject to other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatever nature to which EFL is a party subsisting or having effect immediately before the Amalgamation, shall remain in full force and effect against or, as the case may be, in favour of FCL and may be enforced as fully and effectively as if instead of EFL, FCL was a party thereto. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that Amalgamation and vesting of EFL occurs by virtue of this Scheme itself, FCL 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, take such actions and execute such deeds, confirmations or other writings or arrangements to which EFL is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. FCL shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of EFL and to carry out or perform all such formalities or compliances referred to above on the part of EFL to be carried out or performed.

25.2. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of EFL shall stand transferred to FCL and FCL shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to FCL. FCL shall receive relevant approvals from the Government Authorities concerned as may be necessary in this behalf.

26. MATTERS RELATING TO SHARE CERTIFICATES:

26.1. The Share Certificates held by FCL along with its nominee shareholders holding shares on behalf of FCL in respect of share capital of EFL shall automatically stand cancelled without any necessity of them being surrendered.

27. DISSOLUTION OF EFL

27.1. Upon the Scheme being sanctioned by an order made by the NCLT under Sections 230 to 232 of the Act and subject to the Effective Date, EFL shall stand dissolved without winding up on the Effective Date.

PART IV – DEMERGER AND VESTING OF DEMERGED UNDERTAKING OF FORBES & COMPANY LIMITED (UPON PART III BECOMING EFFECTIVE) INTO FORBES ENVIRO SOLUTIONS LIMITED, ON A GOING CONCERN BASIS

28. TRANSFER AND VESTING OF DEMERGED UNDERTAKING INTO FESL

28.1. Upon this Part III of this Scheme becoming effective, with effect from the Appointed Date and upon the Scheme becoming effective, the Demerged Undertaking of FCL as a going concern, along with all assets, liabilities, contracts, employees, licences, records, approvals, etc. being integral parts of the Demerged Undertaking of FCL shall, without any further act, instrument or deed, stand demerged and be vested in or be deemed to have been vested in FESL as a going concern so as to become as and from the Appointed Date, the undertaking of FESL by virtue of and in the manner provided in this Scheme.

28.2. Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date:

- a) All properties and assets pertaining to Demerged Undertaking, movable or immovable, tangible or intangible, balance in bank, cash or investments and other assets of whatsoever nature and tax credits, quotas, rights, consents, entitlements, licenses, certificates, permits, and facilities of every kind and description whatsoever for all intents and purposes, permissions under income tax and/or any other statutes, incentives of FCL in relation to Demerged Undertaking, if any, without any further act or deed so as to become the business, properties and assets of FESL.
- b) All the movable assets pertaining to Demerged Undertaking as are assets otherwise capable of transfer by manual delivery or by endorsement and delivery, including cash in hand, shall be physically handed over by manual delivery or by endorsement and delivery, to FESL to the end and intent that the property therein passes to FESL on such manual delivery or endorsement and delivery, without requiring any deed or instrument of conveyance for the same and shall become the property of FESL accordingly.

- c) All other movable properties pertaining to the Demerged Undertaking, including investments in shares of the subsidiaries/ Joint ventures (as per Annexure 2 except investment in FESL and FFSPL) as part of the Demerged Undertaking, mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, pursuant to the orders of this Scheme becoming effective and by operation of law become the properties of FESL, and the title thereof together with all rights, interests or obligations therein shall be deemed to have been mutated and recorded as that of FESL. All investments of the Demerged Undertaking shall be recorded in the name of FESL by operation of law as transmission in favour of FESL as a successor in interest and any documents of title in the name of FCL in relation to Demerged Undertaking shall also be deemed to have been mutated and recorded in the name of FESL to the same extent and manner as originally held by FCL in relation to Demerged Undertaking and enabling the ownership, right, title and interest therein as if FESL was originally FCL in relation to Demerged Undertaking. FESL shall subsequent to this Scheme becoming effective be entitled to the delivery and possession of all documents of title of such movable property in this regard;
- d) All immovable properties (including land together with the buildings (including factory buildings) and structures standing thereon) (as per Annexure 1) pertaining to Demerged Undertaking of FCL, whether freehold or leasehold and any documents of title, rights and easements in relation thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in FESL, without any act or deed done by FCL or FESL. FESL shall be entitled to exercise all rights and privileges and be liable to pay ground rent, taxes and fulfill obligations, in relation to or applicable to such immovable properties. The mutation / substitution of the title to the immovable properties shall be made and duly recorded in the name of FESL by the appropriate authorities pursuant to the Scheme becoming effective in accordance with the terms hereof.

- e) All the consents, permissions, licenses, certificates, insurance covers, clearances, authorities, power of attorneys given by, issued to or executed in favour of Demerged Undertaking of FCL, shall stand vested in or transferred automatically to FESL without any further act or deed and shall be appropriately mutated by the authorities concerned therewith in favour of FESL as if the same were originally given by, issued to or executed in favour of FESL and FESL shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to FESL. The benefit of all statutory and regulatory permissions including the statutory or other licenses, tax registrations, permits, permissions or approvals or consents required to carry on the operations of Demerged Undertaking of FCL shall automatically and without any other order to this effect, vest into and become available to FESL pursuant to this Scheme becoming effective in accordance with the terms thereof.
- f) All debts, liabilities, contingent liabilities, duties, Taxes (including any advance taxes paid, TDS deducted on behalf of FCL in relation to Demerged Undertaking, etc., if any), liabilities and obligations of FCL, in relation to Demerged Undertaking, as on the Appointed Date, whether provided for or not, in the books of accounts of FCL in relation to Demerged Undertaking, and all other liabilities which may accrue or arise after the Appointed Date but which relates to the Transition period, shall, pursuant to this Scheme becoming effective as per the order of the NCLT or such other competent authority, as may be applicable under Section 232 and other applicable provisions of the Act, and without any further act or deed, be vested or deemed to be vested in and be assumed by FESL, so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, taxes, duties and obligations of FESL on the same terms and conditions as were applicable to FESL and FESL undertakes to meet, discharge and satisfy to the exclusion of FCL in relation to Demerged Undertaking and to keep FCL in relation to Demerged Undertaking indemnified at all times from and against all such debts, liabilities, contingent liabilities, duties, Taxes and obligations of FCL in relation to Demerged Undertaking from all actions, demands and proceedings in respect thereto.

- g) FESL, may, at any time after this Scheme coming into effect, if required under law or otherwise, execute deeds of confirmation in favour of any other party with which FCL in relation to Demerged Undertaking has a contract or arrangement, or give any such writing or do any such things, as may be necessary, to give effect to the above.
- h) In so far as loans and borrowings of FCL in relation to Demerged Undertaking pertaining to the loans and liabilities, which are to be vested to FESL shall, without any further act or deed, become loans and borrowings of FESL, and all rights, powers, duties and obligations in relation thereto shall be and stand vested in and shall be exercised by or against FESL as if it had entered into such loans and incurred such borrowings. Thus, the primary obligation to redeem or repay such liabilities upon the Scheme becoming effective shall be that of FESL.
- i) The vesting of the assets comprised in FCL in relation to Demerged Undertaking to FESL under this Scheme shall be subject to the mortgages and charges, if any, affecting the same as hereinafter provided.
 - i. The securities, mortgages, charges, encumbrances or liens or those, if any, in relation to Demerged Undertaking after the Appointed Date and during the Transition period, in terms of this Scheme, over the assets comprised in FCL in relation to Demerged Undertaking, or any part thereof, shall be vested in FESL by virtue of this Scheme, and the same shall, after the Transition period, continue to relate and attach to such assets or any part thereof to which they relate or attached prior to the Transition period and are vested with FESL, and such Encumbrances shall not relate or attach to any of the other assets, of FCL in relation to Demerged Undertaking.
 - ii. In so far as the existing Encumbrances, if any, in respect of the loans, borrowings, debts, liabilities, is concerned, such Encumbrance shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in FCL in relation to Demerged Undertaking which have been Encumbered in respect of the transferred liabilities as transferred to FESL pursuant to this Scheme.

Provided that if any of the assets comprised in FCL in relation to Demerged Undertaking which are being transferred to FESL pursuant to this Scheme have not been Encumbered in respect of the transferred liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.

- iii. In so far as the existing securities in respect of the loans or borrowings of FCL in relation to Demerged Undertaking and other liabilities relating to FCL in relation to Demerged Undertaking are concerned, such securities shall, without any further act, instrument or deed be continued with FCL in relation to Demerged Undertaking. FCL in relation to Demerged Undertaking and FESL shall file necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.
- iv. The foregoing provisions insofar as they relate to the vesting of liabilities with FESL shall operate, notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security documents, all of which instruments shall stand modified and/or superseded by the foregoing provisions.
- j) With effect from the Appointed Date and during the Transition period, subject to the other provisions of the Scheme, all approvals (including but not limited to all the units and factories situated at various states in India (including at MIDC)), quotas, rights, consents, entitlements, licenses, certificates, permits, and facilities of every kind and description whatsoever, privileges, deeds, bonds, quality certifications and approvals, powers of attorneys, agreements and other instruments of whatsoever nature in relation to FCL in relation to Demerged Undertaking is a party, or the benefit to which FCL in relation to Demerged Undertaking may be eligible, subsisting or operative immediately on or before the Effective Date, shall be in full force and effect against or in favour of FESL and may be enforced fully and effectively as if instead of FCL in relation to Demerged

Undertaking, FESL had been a party or beneficiary thereto so as to continuation of operations of FCL in relation to Demerged Undertaking by FESL without any hindrance or disruption after the Transition period. FESL shall enter into and/or issue and/or execute deeds, writings, endorsements or confirmation or enter into any tripartite agreement, confirmations or novation's to which FCL in relation to Demerged Undertaking will, if necessary, also be a party, in order to give formal effect to the provisions of this Scheme, if so required or if it becomes necessary. Further, FESL shall be deemed to be authorized to execute any such deeds, writings, endorsements or confirmations on behalf of FCL in relation to Demerged Undertaking and to implement or carry out all formalities required on the part of FCL in relation to Demerged Undertaking to give effect to the provisions of this Scheme. In case a question arises as to whether a specific asset or liability or contracts or employee, pertains or does not pertain to FCL in relation to Demerged Undertaking or whether it arises out of the activities or operations of FCL in relation to Demerged Undertaking shall be decided by the Board of FCL in relation to Demerged Undertaking, or any committee constituted thereof. A certificate issued by the Board of Directors or the committee thereof in this respect shall be a conclusive evidence of the matter.

- k) With effect from the Appointed Date and upon the Scheme becoming effective, the entitlement to various benefits under incentive schemes and policies, if any, in relation to FCL in relation to Demerged Undertaking shall stand vested in and/or be deemed to have been vested in FESL together with all benefits and entitlements of any nature whatsoever. Such benefits and entitlements shall include Tax benefits under Tax Laws in the nature of exemption, deferment, refunds and incentives in relation to Demerged Undertaking of FCL to be claimed by FESL with effect from the Appointed Date as if FESL were originally entitled to all such benefits under such incentive scheme and/or policies, subject to continued compliance by FESL of all the terms and conditions subject to which the benefits and entitlements under such incentive schemes were made available to FCL in relation to Demerged Undertaking. FESL shall be entitled to such benefits in its name, without any additional liabilities or expenses whatsoever.

- l) Taxes of FCL in relation to Demerged Undertaking vested upon FCL pursuant to the amalgamation of EFL with and into FCL as per Tax Laws to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date related to FCL in relation to Demerged Undertaking shall be vested with FESL.
- m) All Taxes paid or payable by FCL in relation to Demerged Undertaking in respect of the operations and/ or the profits of FCL in relation to Demerged Undertaking before the Appointed Date shall be on account of FCL in relation to Demerged Undertaking and in so far as it relates to the Tax payment whether by way of deduction at source, advance tax or otherwise howsoever, by FCL in relation to Demerged Undertaking in respect of the profits or activities or operations of FCL in relation to Demerged Undertaking after the Appointed Date, the same shall be deemed to be the corresponding item paid by FESL and shall in all proceedings be dealt with accordingly.
- n) On and from the Appointed Date, if any Certificate for Tax Deducted at Source or any other tax credit certificate relating to FCL in relation to Demerged Undertaking is received in the name of FCL in relation to Demerged Undertaking, it shall be deemed to have been received by FESL, which alone shall be entitled to claim credit for such tax deducted or paid.
- o) Upon the Scheme becoming effective, FESL shall have right to revise their respective returns filed under Tax Laws, along with prescribed forms, filings and annexures under the Tax Laws and claim refunds and / or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme;
- p) On and from the Appointed Date, the benefit of all balances relating to Taxes under the Tax Laws pertaining to FCL in relation to Demerged Undertaking, if any, shall stand vested in FESL as if the transaction giving rise to the said balance or credit was a transaction carried out by FESL. The liabilities of FCL in relation to Demerged Undertaking as on the Appointed Date shall stand vested in FESL, save as otherwise in respect of the liabilities which were met by FCL in relation to Demerged

Undertaking during the Transition period, which shall be construed to have been met by FESL as if the transaction giving rise to the said liability was a transaction carried out by FESL.

- q) Upon the coming into effect of the Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, Schemes, arrangements and other instruments of whatsoever nature in relation to FCL in relation to Demerged Undertaking, to which FCL in relation to Demerged Undertaking is a party or to the benefit of which FCL in relation to Demerged Undertaking may be eligible, and which are subsisting or have effect before the Appointed Date and during the Transition period, shall continue in full force and effect on or against or in favour, as the case may be, of FESL and may be enforced as fully and effectually as if instead of FCL in relation to Demerged Undertaking, FESL had been a party or beneficiary or obligee thereto or thereunder. All liabilities arising from all such contracts, deeds, bonds, agreements, Schemes, arrangements and other instruments of whatsoever nature in relation to FCL in relation to Demerged Undertaking, to which FCL in relation to Demerged Undertaking is a party or to the benefit of which FCL in relation to Demerged Undertaking may be eligible, and which are subsisting or have effect immediately before the Appointed Date, shall be on account of FCL in relation to Demerged Undertaking and after the Appointed Date, the same shall be on account of FESL and shall, in all proceedings, be dealt with accordingly.
- r) If any assets (including estate, claims, rights, title, interest in or authorities relating to any asset) or any contracts, deeds, bonds, agreements, Schemes, arrangements or other instruments of whatsoever nature in relation to FCL in relation to Demerged Undertaking owns or to which FCL in relation to Demerged Undertaking is a party to, cannot be transferred to FESL for any reason whatsoever, FCL in relation to Demerged Undertaking shall hold such assets, contracts, deeds, bonds, agreements, Schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of FESL, insofar as it is permissible so to do, till such time as the transfer is affected.

- s) On and from the Effective Date, and till such time that the name of the bank accounts pertaining to Demerged Undertaking, of FCL has been replaced with that of FESL, FESL shall be entitled to maintain and operate the bank accounts of the FCL pertaining to Demerged Undertaking in the name of FCL and for such time as may be determined to be necessary by FESL. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of FCL after the Effective Date shall be accepted by the bankers of FESL and credited to the account of FESL, is presented by FESL;

- t) It is hereby clarified that the vesting of Demerged Undertaking of FCL in FESL shall be on a going concern basis.

29. STAFF, EMPLOYEES AND WORKERS

29.1. Upon Part III of the Scheme coming into effect, all staff, employees and workers pertaining to the Demerged Undertaking, including all staff, employees and workers forming part of the Demerged Undertaking pursuant to Part II of the Scheme in service (including but not limited to permanent, temporary or contractual) immediately preceding the Effective Date shall be deemed to have become staff, employees and workers of FESL with effect from the Appointed Date, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with FESL shall not be less favorable than those applicable to them as a part of the Demerged Undertaking of FCL immediately preceding the transfer.

29.2. The equitable interest in accounts/funds of the staff, employees and workers, if any, whose services are vested with FESL, relating to superannuation, provident fund and gratuity fund and other funds similar in nature, shall be identified, determined and vested with the respective trusts/funds of FESL and such staff, employees and workers shall be deemed to have become members of such trusts/funds of FESL. Until such time, FESL in relation to the Demerged Undertaking may, subject to necessary approvals and permissions, if any, continue to make contributions pertaining to the employees of the Demerged Undertaking to the relevant funds of FCL in relation to the Demerged Undertaking.

29.3. FESL, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Demerged Undertaking in order to give formal effect to the provisions of the Scheme. FESL shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings in relation to the Demerged Undertaking and to carry out or perform all such formalities or compliances, referred to above, in relation to the Demerged Undertaking.

30. CHANGE IN OBJECT CLAUSE OF FESL

30.1. With effect from the Appointed Date, and upon the Scheme becoming effective, the main object clause of the Memorandum of Association of FESL shall be altered and amended, without any further act or deed, to include the objects as required for the purpose of carrying on the business activities of FCL in relation to the Demerged Undertaking, pursuant to the provisions of Sections 13 and 14 of the Companies Act, 2013 and other applicable provisions of the Act. Accordingly, the Memorandum of Association of FESL shall be altered and amended and necessary revisions in numbering of the clauses inserted shall be carried out. The following clause shall be added to the Memorandum of Association of FESL and shall read as under:

5. *To carry on the business of importers, exporters, manufacturers of and dealer in all kinds of electrical and non-electrical appliances, electro mechanical devices for domestic, commercial, industrial, hospital uses, and apparatus etc. and all packaging materials components, parts, accessories, articles and fittings required for those purposes.*
6. *To manufacture, buy, sell, exchange, alter, improve, market, distribute, import or export or otherwise deal in all kinds of water filters, water purifiers or other water purification systems of all types and kinds, and allied products to suit the needs of all sectors of the society such as domestic, industries, Government, public, private,*

including manufacturing and processing of home reverse osmosis membrane elements and other related water treatment products.

7. *To carry on the business of manufacturing, selling, renting and servicing of vacuum cleaners, water filter cum purifiers, water and waste water treatment plant, packaged drinking water, trading in electronic air cleaning systems, small household appliances, digital security system, air-conditioners and all kinds of electrical & non electrical appliances etc.*
8. *To supply, undertake and execute any works involving or relating to water purifiers, water filters, other products for purification of water or other liquids or material of all kinds.”*

30.2. For the purposes of amendment in the Memorandum of Association and Articles of Association of FESL as provided in this clause, the consent / approval given by the members of FESL to this Scheme under the Companies Act, 2013 and any other applicable provisions of the Act shall be deemed to be sufficient and no further resolution of members of FESL as required under the provisions of Section 13 and 14 of the Companies Act, 2013 and any other applicable provisions of the Act shall be required to be passed for making such change / amendment in the Memorandum of Association and Articles of Association of FESL and filing of the certified copy of this Scheme as sanctioned by the NCLT, and a printed copy of the Memorandum of Association for the purposes of said Section 13 and 14 of the Companies Act, 2013 and all other applicable provisions of the Act and the Registrar of Companies, Mumbai shall register the same and make the necessary alterations in the Memorandum of Association and Articles of Association of FESL accordingly and shall certify the registration thereof in accordance with the provisions of Section 13 and 14 of the Companies Act, 2013 and any other applicable provisions of the Act.

30.3. FESL shall file with the jurisdictional Registrar of Companies all requisite forms and complete the compliance and procedural requirements under the Act, if any.

31. LEGAL PROCEEDINGS

31.1. Upon Part III of the Scheme coming into effect, if any suit, appeal or other legal proceedings of whatsoever nature by or against FCL in relation to the Demerged Undertaking is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the Demerger and by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against FESL in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against FCL in relation to the Demerged Undertaking as if this Scheme had not been made. In the event that the legal proceedings referred to herein require FCL in relation to the Demerged Undertaking and FESL to be jointly treated as parties thereto, FESL shall be added as party to such proceedings and shall prosecute and defend such proceedings in co-operation with FCL in relation to the Demerged Undertaking.

31.2. FESL undertakes to have all legal or other proceedings initiated by or against FCL in relation to the Demerged Undertaking referred to above transferred into its name and to have the same continued, prosecuted and enforced by or against FESL to the exclusion of FCL in relation to the Demerged Undertaking.

31.3. After the Effective Date, FESL shall and may, if required, initiate any legal proceedings in relation to FCL in relation to the Demerged Undertaking.

32. DEMERGER NOT TO AFFECT TRANSACTIONS / CONTRACTS OF FCL IN RELATION TO THE DEMERGED UNDERTAKING:

32.1. The Demerger of the Demerged Undertaking of FCL and the continuance of the said proceedings by or against FCL in relation to the Demerged Undertaking shall not affect any transaction or proceedings already concluded by or against FCL in relation to the Demerged Undertaking after the Appointed Date to the end and intent that FESL accepts and adopts all acts, deeds and things done or executed by FCL in relation to the Demerged Undertaking after the Appointed Date as done and executed on its behalf. The said transfer and vesting pursuant to Section 232 of the Act, shall take effect from the Appointed Date unless the NCLT otherwise directs.

33. CONSIDERATION

33.1. Upon coming into effect of the Scheme and in consideration for Demerger of Demerged Undertaking of FCL into FESL, FESL shall, without any further application or deed, issue and allot equity shares of face value INR 10/- each, credited as fully paid up, to all the equity shareholders of FCL whose names appear in the register of members as on the Record Date of FCL or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be, in the following proportion:

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.

33.2. Equity shares shall be issued by FESL in dematerialized form to those equity shareholders of FCL who hold shares of FCL in dematerialized form, in to the account in which FESL shares are held or such other account as is intimated by the shareholders to FCL and / or its Registrar. All those shareholders who hold shares of FCL in physical form shall also have the option to receive the equity shares in FESL in dematerialized form provided the details of their account with the Depository Participant are intimated in writing to FESL and / or its Registrar, otherwise, they would be issued equity shares in physical form.

33.3. In case any shareholders shareholding in FCL is such that such shareholder becomes entitled to a fraction of any equity share of FESL, FESL shall not issue fractional shares to such shareholder but shall consolidate such fractions and issue and allot the consolidated shares directly to a trustee nominated by the Board of Directors of FESL in that behalf, who shall sell such shares in the market at such price(s) and at such time(s) as the trustee may in its sole discretion decide and on such sale, shall pay to FESL, the net proceeds (after deduction of applicable taxes and other expenses incurred), whereupon FESL shall, subject to withholding taxes, if any, distribute such sale proceeds to the concerned shareholders of FCL in proportion to their respective fractional entitlements.

33.4. FESL shall take necessary steps to increase or alter or re-classify, (if necessary), its authorized share capital suitably to enable it to issue and allot equity shares required to be issued and allotted by it under this Scheme.

- 33.5. The equity shares to be issued and allotted as provided in clause 33.2 above, shall rank *pari passu* in all respects with the then existing equity shares of FESL after the Record Date.
- 33.6. Approval of this Scheme by the equity shareholders of FESL shall be deemed to be the due compliance of the provisions of section 62 and section 42 of the Companies Act, 2013, and other relevant and applicable provisions of the Act for the issue and allotment of equity shares by FESL to the equity shareholders of FCL, as provided in this Scheme.
- 33.7. The issue and allotment of equity shares by FESL to the equity shareholders of FCL as provided in this Scheme, shall be deemed, without any further act or deed by FESL, to be a private placement within the meaning of section 42 of the Companies Act, 2013 and it shall be deemed that the procedures laid down under the said section of the Act and any other applicable provisions of the Act were duly complied with.
- 33.8. The approval of this Scheme by the equity shareholders of FCL and FESL under Sections 230 to 232 of the Act shall be deemed to have the approval under sections 13 and 14 of the Companies Act, 2013 and other applicable provisions of the Act and any other consents and approvals required in this regard.
- 33.9. The shares issued under this clause shall, in compliance with the applicable laws, be listed and admitted to trading on the Stock Exchange pursuant to this scheme and the relevant SEBI Circular and no lock-in shall be applicable to the shares issued under this clause on account of the post scheme shareholding pattern of FESL being exactly similar to the shareholding pattern of FCL. FESL shall make all requisite applications and shall otherwise comply with the provisions of the relevant SEBI Circular and applicable laws and promptly take all steps to procure the direct listing of the shares issued by it pursuant to this clause.
- 33.10. The equity shares allotted by FESL pursuant to the Scheme shall remain frozen in the depository system till listing / trading permission is given by the Stock Exchange.
- 33.11. Equity Shares to be issued by FESL pursuant to this Scheme in respect of any Equity Shares of FCL and which are held in abeyance, if any under the provisions of Section 126

of the Companies Act, 2013 or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, also be held in abeyance by FESL.

33.12. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of FCL, shall be empowered prior to or even subsequent to the Record Date, to effectuate such transfers in FCL as if such changes in registered holders were operative as on the Records Date, in order to remove any difficulties arising to the transferors of the shares in relation to the shares issued by FESL. The Board of Directors of FCL shall be empowered to remove such difficulties that may arise in the course of implementation of this Scheme and registration of new shareholders in FESL on account of difficulties faced in the transition period.

34. ACCOUNTING TREATMENT

Upon the Scheme becoming effective, FESL and FCL shall account for Demerger in their respective books of account as under:

34.1. In the books of FESL

FESL shall give effect to accounting treatment in its books of account in accordance with the "Pooling of Interests Method" under Appendix C of Ind-AS 103 (Accounting for Business Combinations) and any other relevant Indian Accounting Standard prescribed under Section 133 of the Companies Act, 2013, as under:

- i. All the assets and liabilities of the Demerged Undertaking shall be recorded in the financial statements of FESL at the carrying value as appearing in the financial statements of merged FCL (upon Part III of the Scheme becoming effective), as on the Appointed Date.
- ii. The identity of the reserves pertaining to the Demerged Undertaking (upon Part III of the Scheme becoming effective), shall be preserved and shall appear in the financial statements of FESL in the same form in which they appeared in the financial statements of merged FCL (upon Part III of the Scheme becoming effective) and it shall be aggregated with the corresponding balance appearing in the financial statements of FESL, as on the Appointed Date.

- iii. Investment in shares of FESL as appearing, inter alia, in the books of FCL (upon Part III of the Scheme becoming effective) shall stand cancelled.
- iv. FESL shall credit its share capital account in its books of account with the aggregate face value of the new equity shares issued to the shareholders of FCL pursuant to Clause 33 of this Scheme.
- v. To the extent that there are inter-company loans, deposits, obligations, balances or other outstanding including any interest thereon, as between FESL and FCL, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of FESL for the reduction of such assets or liabilities as the case may be.
- vi. The excess / deficit of the value of the assets over the value of liabilities of the Demerged Undertaking, pursuant to demerger of the Demerged Undertaking from FCL into FESL, and as recorded in the books of account of FESL shall, after adjusting the amount recorded in clauses 34.1(i) to 34.1(v) above, be recorded as 'Capital Reserve' in the books of FESL and shall be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.
- vii. Notwithstanding anything to the contrary contained herein above, the Board of Directors of FESL, in consultation with its statutory auditors to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with the applicable Accounting Standards as notified under Section 133 of the Companies Act, 2013 and the clarifications issued by the Institute of Chartered Accountant of India and generally accepted accounting principles.

34.2. In the books of FCL

FCL shall account for transfer of Demerged Undertaking to FESL in its books of accounts as per Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") as notified under Section 133 of the Companies Act, 2013 and the clarifications issued by the Institute of Chartered Accountants of India and on the date as determined in accordance with Ind AS.

35. CONDUCT OF BUSINESS

35.1. FCL in relation to the Demerged Undertaking as Trustee

With effect from the Appointed Date and up to and including Effective Date, FCL in relation to the Demerged Undertaking shall carry on and shall be deemed to have carried on all their business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of FCL in relation to the Demerged Undertaking on account of and for the benefit of and in trust for, FESL, as FESL is taking over the business as going concern. FCL in relation to the Demerged Undertaking shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall neither undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for themselves or on behalf of any third parties, sell, transfer, alienate, charge, mortgage or encumber or deal with the assets of FCL in relation to the Demerged Undertaking or any part thereof save and except in the ordinary course of business as carried on by them as on the date of filing of this Scheme with the NCLT or if written consent of FESL has been obtained.

35.2. Profit or Losses up to Effective Date

With effect from the Appointed Date and upto and including the Effective Date, all profits or incomes accruing or arising to FCL in relation to the Demerged Undertaking or all expenditure or losses incurred or arising, as the case may be, by FCL in relation to the Demerged Undertaking shall, for all purposes, be treated and deemed to be and accrue as the profits or incomes or expenditures or losses, as the case may be, of FESL.

35.3. Taxes

All taxes paid or payable by FCL in relation to the Demerged Undertaking in respect of the operations and / or profits of the business before the Appointed Date and from the

appointed date till the Effective Date, shall be on account of FCL in relation to the Demerged Undertaking and in so far as it relates to the tax payment by FCL in relation to the Demerged Undertaking in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by FESL and shall in all proceedings be dealt with accordingly.

Any refund under Income Tax Act, 1961 or other applicable laws or regulations dealing with taxes allocable or related to the business of FCL in relation to the Demerged Undertaking and due to FCL in relation to the Demerged Undertaking consequent to the assessment made on FCL in relation to the Demerged Undertaking shall also belong to and be received by FESL.

All taxes benefits of any nature, duties, cesses or any other like payments or deductions available to FCL in relation to the Demerged Undertaking under any Tax Law up to the Effective Date shall be deemed to have been on account of or paid by FESL and the relevant authorities shall be bound to transfer to the account of and give credit for the same to FESL upon the passing of the order by the NCLT.

36. REDUCTION IN PAID UP SHARE CAPITAL OF FESL AND CANCELLATION OF INTER-COMPANY INVESTMENTS

36.1. The existing share capital i.e. shares held by the shareholders of FESL viz. FCL (upon Part III of the Scheme becoming effective) prior to Part IV of the Scheme becoming effective shall stand cancelled without any further application, act, instrument or deed, as an integral part of this Scheme.

36.2. The share certificate(s) in relation to the shares held by the existing shareholders of FESL (i.e. FCL), shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled and no new share certificates will be issued by FESL, in lieu of share certificates already held by existing shareholders of FESL in FESL.

36.3. The said cancellation of investments held by FCL in FESL and the said reduction in the share capital of FESL shall be debited/ credited to capital reserve in the books of FESL and shall be effected as an integral part of the Scheme and the orders of the NCLT

sanctioning the Scheme shall be deemed to be an order under section 66 of the Act confirming the reduction and no separate sanction under section 66 of the Act will be necessary.

36.4. Notwithstanding the reduction of capital of FESL, FESL shall not be required to add “And Reduced” as suffix to its name.

37. ENFORCEMENT OF CONTRACTS, DEEDS, BONDS & OTHER INSTRUMENTS:

37.1. Subject to other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatever nature to which FCL in relation to the Demerged Undertaking is a party subsisting or having effect immediately before the Amalgamation, shall remain in full force and effect against or, as the case may be, in favour of FESL and may be enforced as fully and effectively as if instead of FCL in relation to the Demerged Undertaking, FESL was a party thereto. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that demerged and vesting of the Demerged Undertaking occurs by virtue of this Scheme itself, FESL 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, take such actions and execute such deeds, confirmations or other writings or arrangements to which FCL in relation to the Demerged Undertaking is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. FESL shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of FCL in relation to the Demerged Undertaking and to carry out or perform all such formalities or compliances referred to above on the part of FCL in relation to the Demerged Undertaking to be carried out or performed.

37.2. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of FCL in relation to the Demerged Undertaking shall stand transferred to FESL and FESL shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to FESL.

FESL shall receive relevant approvals from the Government Authorities concerned as may be necessary in this behalf.

38. CHANGE OF NAME OF FESL:

38.1. Upon this scheme becoming effective, without any further act, instrument or deed, the name of FESL shall be changed to "Eureka Forbes Limited". Further, the name "Forbes Enviro Solutions Limited" wherever occurs in the memorandum of association and articles of association of FESL shall be substituted by such name.

38.2. The approval and consent of this scheme by the shareholders of FESL shall be deemed to be the approval of shareholders by way of special resolution under section 13 of the Companies Act, 2013 for change of name of FESL as contemplated herein and shall be deemed to be sufficient for the purpose of effecting the amendments in the memorandum of association and articles of association of FESL in relation to the change of name of FESL in accordance with provisions of the Companies Act, 2013. The sanction of this scheme by the NCLT shall be deemed and no further resolution(s) would be required to be separately passed to be complying with the provisions of the Companies Act, 2013, for the purpose of effecting the change in name of FESL.

38.3. The Board of Directors and the shareholders of EFL shall not have any objection to the adoption and use of the name "Eureka Forbes Limited" by FESL pursuant to the scheme.

PART V - GENERAL TERMS AND CONDITIONS

39. APPLICATION TO NCLT

39.1. Necessary applications and / or petitions by ATPL, EFFSL, EFL, FCL and FESL shall be made for the sanction of the Composite Scheme of Arrangement to the NCLT, for sanctioning of this Scheme under the provisions of law and obtain all approvals as may be required under the law.

40. MODIFICATION OR AMENDMENTS TO THE SCHEME

40.1. Subject to approval of NCLT, the respective Boards or the respective authorized representative appointed by the Board of ATPL, EFFSL, EFL, FCL and FESL may make modifications or assent to any modifications, alterations or amendments of this Scheme or any conditions which the NCLT and / or any other competent authority may deem fit to direct or impose and the said respective Boards and after dissolution of ATPL, EFFSL, EFL, the Board of FCL and FESL may do all such acts, things and deeds necessary in connection with or to carry out the Scheme into effect and take such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any order of the NCLT or any directions or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and / or matters concerned or connected therewith.

40.2. ATPL, EFFSL, EFL, FCL and FESL may withdraw this Scheme prior to the Effective Date at any time.

41. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

The Scheme is conditional upon and subject to:

41.1. The approval by the requisite majorities of the respective members and / or creditors (including but not limited to secured and unsecured) of ATPL, EFFSL, EFL, FCL and FESL, as required under the Act and directed by the NCLT.

41.2. The sanction or approval of the authorities concerned being obtained and granted in respect of any of the matters for which such sanction or approval being required.

41.3. The sanction of the Scheme by the NCLT under Sections 230 to 232 of the Act and other applicable provisions of the Act.

41.4. The requisite orders of the NCLT being obtained for sanctioning the Scheme under Section 230 read with Section 232 of the Act being filed with the concerned Registrar of Companies.

42. OPERATIVE DATE OF THE SCHEME

42.1. The Scheme, although operative from the Appointed Date, shall become effective from the Effective Date.

43. BINDING EFFECT

43.1. Upon the Scheme becoming effective, the same shall be binding on ATPL, EFFSL, EFL, FCL and FESL and all concerned parties without any further act, deed, matter or thing.

44. EFFECT OF NON-RECEIPT OF APPROVALS

44.1. In the event any of the said approvals or sanctions referred to above not being obtained or conditions enumerated in the Scheme not being complied with, or for any other reason, the Scheme cannot be implemented, the Boards of Directors or committee empowered thereof of ATPL, EFFSL, EFL, FCL and FESL shall by mutual agreement waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, the Scheme shall become null and void and shall stand revoked, cancelled and be of no effect and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

45. GIVING EFFECT TO THE SCHEME

45.1. For the purpose of giving effect to the Scheme, the Board of Directors of ATPL, EFFSL, EFL, FCL and FESL or any Committee thereof, is authorized to give such directions as may be necessary or desirable and to settle as they may deem fit, any question, doubt or difficulty that may arise in connection with or in the working of the Scheme and to do all acts, deeds and things necessary for carrying into effect the Scheme.

46. DECLARATION OF DIVIDEND, BONUS, RAISING FUNDS, ETC.

46.1. ATPL, EFFSL, EFL, FCL and FESL shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date but only in the ordinary course of business. Any declaration or payment of dividend otherwise than as aforesaid, by ATPL, EFFSL, EFL, FCL and FESL shall be subject to the prior approval of the Board of Directors of respective companies and in accordance with applicable laws. It is clarified that prior approval of any of the Board of the Directors shall not be required for payment of any dividend already announced or declared but yet to be paid, by either of ATPL, EFFSL, EFL, FCL and FESL to its shareholders.

46.2. EFL or FCL in relation to the Demerged Undertaking shall not utilize the profits or income, if any, for the purpose of declaring or paying any dividend to its shareholders or for any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of the Board of Directors of FCL and FESL respectively.

46.3. It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of ATPL, EFFSL, EFL, FCL and FESL to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of ATPL, EFFSL, EFL, FCL and FESL and subject, wherever necessary, to the approval of the shareholders of ATPL, EFFSL, EFL, FCL and FESL, respectively.

46.4. Subject to clause 24.1, EFL shall be entitled to raise funds from any person at any time up to the Effective Date, provided however that FCL shall continue to hold 100% of the shareholding in EFL up to the Effective Date.

46.5. FCL shall be entitled to raise funds from any person at any time up to the Effective Date.

47. COSTS

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by FESL.

Annexure 1

List of Immovable Properties

Sr. No.	City	Type of Property	Property details
1	Mumbai	Corp. Office	B1/B2 701 Marathon Innova, Marathon NextGen, Off.Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013
2	Mumbai	Residential	Flat No. 701, 7th Floor, Sterling Sea Face, "A" Wing, Dr. Annie Besant Road, Worli, Mumbai – 400 018.
3	Mumbai	Residential	Flat No.1103, 9th Floor, Sterling Sea Face, "B" Wing, Dr. Annie Besant Road, Worli, Mumbai – 400 018.
4	Thane	Residential	Eden Wood "Cedar House" Co-op, Hsg. Society Ltd., Flat No.8 C, Eden Woods, Village Chitalsar, Manpada, Smt. Gladys Alvares Marg, Thane (West) – 400 061.
5	Thane	Residential	Eden Wood "Cedar House" Co-op, Hsg. Society Ltd., Flat No.8 D, Eden Woods, Village Chitalsar, Manpada, Smt. Gladys Alvares Marg, Thane (West) – 400 061.
6	Thane	Residential	Eden Wood "Cedar House" Co-op, Hsg. Society Ltd., Flat No.9 C, Eden Woods, Village Chitalsar, Manpada, Smt. Gladys Alvares Marg, Thane (West) – 400 061.
7	Navi Mumbai - Turbhe	Warehouse	D-28/3, TTC Indl. Area Behind Turbhe Telephone Exchange, Turbhe, Navi Mumbai - 400 705.
8	Mumbai	Residential	Sarkar Castle Co-op. Hsg. Soc. Ltd., Flat No. 501, 5th Floor, 43 Chimbai Road, Bandra (west) Mumbai – 400 050
9	Kolkata	Office	Shop No.201, 2nd Floor, South End Conclave, R. B. Connector, EKADP, Kolkata 700 078.
10	Kolkata	Residential	Vedic Village Unit No. L – F8 Shikharpur, P. S. Rajarhet North 24 Parganas, Kolkata 700 135
11	Lucknow	Office	3rd floor, Nikhilesh Palace, Opp.Jawahar Nagar, 164/ 17-4, Ashok Marg, Lucknow – 226 0012

12	Jaipur	Office	Shop No. 203 & 204, 2nd Floor, The Guman _ II, "A" Block, Opp. Tagore Public School, Vaishali Nagar, Jaipur – 302 021.
13	Indore	Office	Unit No. 402-408, 4th Floor, Sapphire heights, Plot No.12, Agra - Bombay Road, Indore – 452 008.
14	Ahmedabad	Office	2nd & 3rd Floor, CLOUD-9, 81/1, The Swastik Co. Op. Hsg. Soc. Ltd., Navrangpura Ahmedabad- 380 009.
15	Surat	Office	Shop No. 2, 2nd Floor, Shiv Pooja Shopping Centre, City Light Main Road, Surat – 395 007.
16	Baroda	Office	Office NO. 102, 1st Floor, Ivory Terrace, R. C. Dutta Road, Alkapuri, Vadodara – 390 005.
17	Bhubaneswar	Office	Ground Floor, Bharati Tower, A- Block, Forest Park, Bhubaneswar – 751 009
18	Chennai	Office	Shop No. B4 on 2nd Floor, "Anmol Palani", No.88, G. N. Chetty Road. T. Nagar, Chennai – 600 017
19	Chennai	Office	Shop No. B5 on 3rd Floor, "Anmol Palani", No.88, G. N. Chetty Road. T. Nagar, Chennai – 600 017
20	Chennai	Office	Shop No. C5 & D5 on 3rd Floor, "Anmol Palani", No.88, G. N. Chetty Road. T. Nagar, Chennai – 600017
21	Hyderabad	Office	Unit No. 506, 5th Floor, Pavani Prestige, Commercial Building Complex, 6-3-789, Ammerpet, Hyderabad – 500 016.
22	Hyderabad	Office	Unit No. 507 & 508, 5th Floor, Pavani Prestige, Commercial Building Complex, 6-3-789, Ammerpet, Hyderabad – 500 016.
23	Cochin	Office	4th Floor, Tutus Tower, NH –47, Bye-Pass Road, Padivattom, Cochin -682 024.
24	Bangalore	Factory	No. 143, C-4, Bommasandra Industrial Area, Off Hosur Road, Bangalore - 560099
25	Dehradun	Factory	Khasra No.3946,3961-62, Lal Tappar Industrial Area, Majri Grant, Dehradun-248140
26	Pune	Office	201 B, 2nd Floor, The Orion 5, Koregaon Road, Pune – 411 001.

Annexure 2:**List of Subsidiaries and Joint Ventures****A. Indian Subsidiaries**

Name of Companies	% held by EFL
Forbes Enviro Solutions Limited ("FESL")	100
Forbes Facility Services Private Limited ("FFSPL")	100
Forbes Aquatech Limited	66.67

B. Indian Joint Ventures

Name of Companies	% held by EFL
Forbes Concept Hospitality Services Private Limited	50
Infinite Water Solution Private Limited	50

C. Overseas Subsidiaries

Name of Companies	% held by EFL
EFL Mauritius Limited – Mauritius	100
Forbes Lux FZCO - Dubai	100
Euro Forbes Ltd – Dubai	100
Forbes Lux International AG – Switzerland	100
LIAG Trading and Investments Limited – Dubai	100
Lux (Deutschland) GmbH – Germany	100
Lux Hungaria Kereskedelmi Kft. – Hungary	100
Lux International AG – Switzerland	100
Lux Italia srl – Italy (in liquidation)	100
Lux Norge A/S – Norway	100
Lux Oesterreich GmbH – Austria	100
Lux Schweiz AG – Switzerland	100
Lux Internatiional Services & Logistics GmbH (formerly: Lux Service GmbH) – Germany	100
Lux Professional SA (formerly: Lux Aqua Paraguay SA) – Paraguay	100
Lux del Paraguay SA – Paraguay	80
Lux Welity Polska sp. z.o.o. – Poland	100

D. Overseas Joint Ventures

Name of Companies	% held by EFL
AMC Cookware Limited – South Africa	50