

IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH, COURT - 5

C. P. (CAA)/1063/MB/2020

Connected with

C.A. (CAA)/1021/MB/2020

In the matter of the Companies Act,  
2013

And

In the matter of Sections 230 to Section 232 read with Section 66 and other applicable provisions of the Companies Act, 2013

And

In the matter of Scheme of Arrangement amongst

Fabtech Technologies International Limited

("Demerged Company" or "FTIL")

and

Globeroute Ventures Private Limited

("Resulting Company 1" or "GVPL")

and

Fabsafe Technologies Private Limited

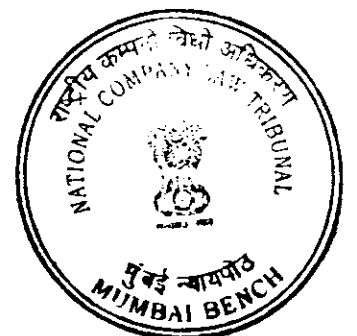
("Resulting Company 2" or "FTPL")

and

Fabtech Turnkey Projects International Private Limited

("Resulting Company 3" or "FTPIPL")

And



IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH, COURT - 5

CP (CAA)/1063/MB/2020  
connected with  
CA(CAA)/1021/ MB/2020

their respective Shareholders and Creditors

Fabtech Technologies International Limited

CIN: U24230MH1995PLC094603

...Demerged Company

Globeroute Ventures Private Limited

CIN: U74999MH2018PTC316357

...Resulting Company 1

Fabsafe Technologies Private Limited

CIN: U28999MH2010PTC199847

...Resulting Company 2

Fabtech turnkey Projects

CIN: U74999MH2015PTC265137

...Resulting Company 3

(Hereinafter to be referred as 'Petitioner Companies')

Order delivered on: 19.11.2020

Coram:

Hon'ble Smt. Suchitra Kanuparthi : Member (Judicial)

Hon'ble Shri Chandra Bhan Singh : Member (Technical)

Appearances (via videoconferencing):

For the Petitioners : Mr. Hemant Sethi i/b Hemant Sethi & Co., Advocates

For the Regional Director (WR) : Ms. Rupa Sutar, Deputy Director

Per: Suchitra Kanuparthi, Member (J)

ORDER

1. The Court is convened by videoconference today.

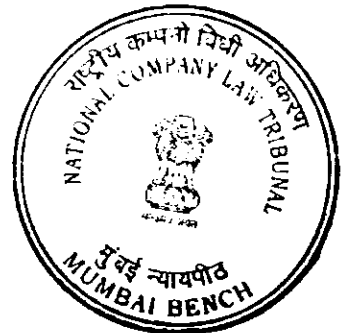


2. Heard Learned Counsel for Petitioner Companies. No objector has come before the Tribunal to oppose the Petition and nor has any party controverted any averments made in the Petition.

3. The sanction of this Tribunal is sought under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ("Act"), to the Scheme of Arrangement amongst Fabtech Technologies International Limited ("Demerged Company") and Globberoute Ventures Private Limited ("Resulting Company 1") and Fabsafe Technologies Private Limited ("Resulting Company 2") and Fabtech Turnkey Projects International Private Limited ("Resulting Company 3") and their respective shareholders and creditors ("Scheme").

4. The Demerged Company is engaged in the business of in-house designing, engineering, construction and manufacturing of critical and vital elements like modular internal partitions, cleanroom equipment and solutions, isolation systems and external construction for pharmaceuticals and allied industries. The Resulting Company 1 is primarily engaged in the business of electrical/ electronic and industrial products and services including marketing, trading, designing and supply of products by various modes in both India and abroad.

5. The Resulting Company 2 is incorporated for carrying out the business of manufacturing, designing of laminar air flow, air showers, dispensing/ sampling booths, dynamic/static pass boxes and injectable lines & bioreactors for pharmaceutical and allied industries carried on by the Demerged Company. Further, the Resulting Company 3 was incorporated to carry out the business of providing turnkey projects solution to pharmaceuticals and allied industries by way of supplying pharmaceutical machineries/equipment,



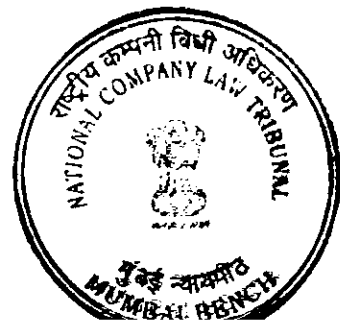
designing, assembling, installing, export, import, acts as agent and to undertake other activities required/ used in various pharmaceutical turnkey projects and under its umbrella.

6. The learned Counsel for the Petitioner Companies submits that the rationale mentioned in the Scheme is as under:

Scheme has been drawn upon to achieve the following objectives:

- Segregation of Business - risk and rewards involved in the respective businesses are inherently different and have different prospects of growth and earning potential. Segregation of business will lead to focused leadership and management attention.
- Focused Growth strategy – with the focused leadership and management attention, the Scheme will allow the management to have a focused growth strategy for the respective business.
- Investment opportunity – with the implementation of the Scheme, management believes that respective company can attract different class of investors for different business resulting into more alternatives for investors.
- Value unlocking – with the better investment opportunities for the investors, Scheme could lead to value unlocking for the stakeholders.
- Administrative and operational efficiencies – Scheme would result into administrative and operational efficiencies as the respective business have different sets of requirements for infrastructure and employees and segregation of the same would lead to better and effective utilization of infrastructure and employees.

Hence, the Scheme would be in the best interest of all the stakeholders.



7. Counsel for the Petitioner Companies states that resolutions were passed by the Board of Directors of the Petitioner Companies in their respective meetings held on 30th day of May 2020 for approving the Scheme and thereafter they have approached the Tribunal for sanction of the Scheme.

8. Learned Counsel for the Petitioner Companies submits that the Petition has been filed in consonance with the order dated 14th July 2020 passed by this Tribunal in CA (CAA) No. 1021/MB.V/2020.

9. Learned Counsel for the Petitioner Companies states that the Petitioner Companies have complied with all the requirements as per the directions of this Tribunal.

10. The Learned Counsel for the Petitioner Companies states that the shares of the Petitioner Companies are not listed on any stock exchanges.

11. The Regional Director has filed its Report dated 20th August 2020 ("Report") praying that this Tribunal may pass such orders as it thinks fit, save and except as stated in Paragraphs IV (a) to (g). In para IV of the Report, Regional Director has stated:

a) In compliance of AS-14 (IND AS - 103), the Petitioner Companies shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS - 8), etc.;

b) As per Definition of the Scheme,

"Appointed Date" means 1st April, 2019;

"Effective Date" means the last of the dates on which the certified or authenticated copies of the orders of the Tribunal sanctioning the Scheme are filed with the respective Registrar of Companies by the



Companies. 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.

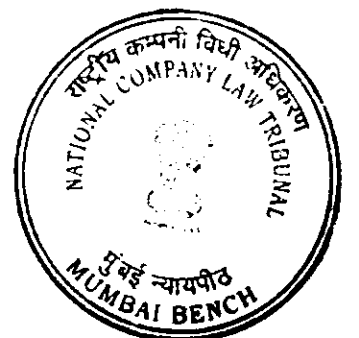
In this regard, it is submitted that Section 232(6) of the Companies Act, 2013 states that the scheme under this section shall clearly indicate an appointed date from which it shall be effective and shall be deemed to be effective from such date and not at a date subsequent to the appointed date. However, this aspect may be decided by the Hon'ble Tribunal taking into account its inherent powers.

Further, the Petitioners may be asked to comply with the requirements and clarified vide circular no. F. No 7/12/2019/CL-I dated 21-08-2019 issued by the Ministry of Corporate Affairs.

c) The Hon'ble Tribunal may kindly seek the undertaking that this Scheme is approved by the requisite majority of members and creditors as per Section 230(6) of the Act in meetings duly held in terms of Section 230(1) read with subsection (3) to (5) of Section 230 of the Act and the Minutes thereof are duly placed before the Tribunal.

d) Resulting Company-4 have non-resident shareholder, therefore, the shares sought to be issued to the non-resident equity shareholders the Share Exchange price and price per share arrived should be minimum of fair price determined as per FEMA guidelines. Hence, valuer should certify that the price per share is as per FEMA guidelines.

e) Hon'ble NCLT may kindly direct the petitioners to file an affidavit to the extent that the Scheme enclosed to Company Application & Company Petition, are one and same and there is no discrepancy / any change/ changes are made;



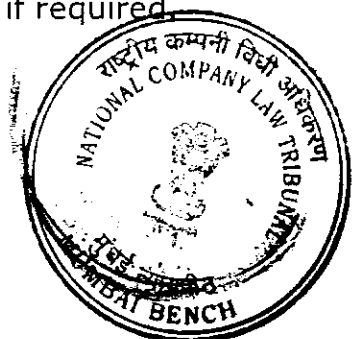
f) It is observed that Petitioner Companies have not submitted admitted copy of the Petition, and Minutes of Order for admission of the Petition. In this regard, the Petitioners has to submit the same for record of Regional Director.

g) The Petitioners under provisions of section 230(5) of the Companies Act, 2013 have to serve notices to concerned authorities which are likely to be affected by Amalgamation. Further, the approval of the scheme by this Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the scheme. The decision of such Authorities is binding on the Petitioner Company(s).

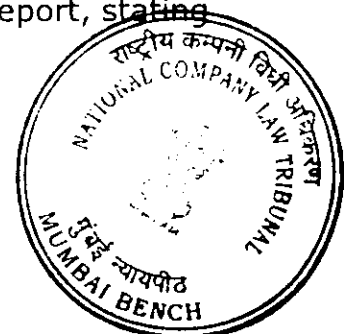
12. In response to the above observations of the Regional Director, the Petitioner Companies have filed Affidavit in rejoinder dated 9 November 2020 and clarified as follows:

(a) In so far as observations made in paragraph IV (a) of the Report of Regional Director is concerned, the Petitioner Companies undertake that they shall pass necessary accounting entries in connection with the Scheme as per AS -14 as well as comply with other applicable Accounting Standards such as AS-5 (IND AS-8), etc. to the extent applicable.

(b) In so far as observations of the Regional Director made in paragraph IV(b) is concerned, the Petitioner Companies clarify that the Appointed Date shall be 01st April, 2019 and the Scheme shall take effect from the Appointed Date in terms of provisions of Section 232(6) of the Companies Act, 2013. Further, the Petitioner Companies undertake that they would comply with the provisions and requirements clarified vide circular no. F. No 7/12/2019/CL-I dated 21-08-2019 issued by the Ministry of Corporate Affairs, if required.



- (c) In so far as observations of the Regional Director, Western Region, Mumbai, as stated in paragraph IV (c) of his report are concerned, the meeting of members and creditors of the Petitioner Companies were dispensed with by the Order of the Hon'ble Tribunal dated 14th July 2020 and therefore, the requirement of submission of Minutes of meeting are not applicable.
- (d) In so far as observation of the Regional Director, Western Region, Mumbai stated in paragraph IV (d) of his report is concerned, the Petitioner Companies submits that the registered valuer has already provided the Valuation Report in accordance with relevant applicable provisions thereof. .
- (e) In so far as observations of the Regional Director, Western Region, Mumbai, as stated in paragraph IV (e) of his report are concerned, the Petitioner Companies submits that the Scheme enclosed in Company Application and Company Petition is one and same and there is no discrepancy/deviation in the same.
- (f) In so far as observations of the Regional Director, Western Region, Mumbai, as stated in paragraph IV (f) of his report are concerned, the Petitioner Companies submits that the copy of Petition along with the interim order passed by Hon'ble Tribunal for admission of Petition has been submitted by the Petitioner Companies vide letter dated 04th November 2020 for the record of Regional Director, Western Region, Mumbai.
- (g) In so far as observations of the Regional Director, Western Region, Mumbai, as stated in paragraph IV (g) of his report are concerned, the Petitioner Companies submits that a compliance report, stating





that the notices have been served to concerned authorities as required under Section 230(5) of the Companies Act, 2013, have been annexed with the Company Scheme Petition. The approval of the scheme by this Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the Scheme. The decision of such Authorities is binding on the Petitioner Company(s).

13. The observations made by the Regional Director have been explained by the Petitioner Companies in paragraph 12 above. The clarifications and undertakings given by the Petitioner Companies are accepted by this Tribunal.

14. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.

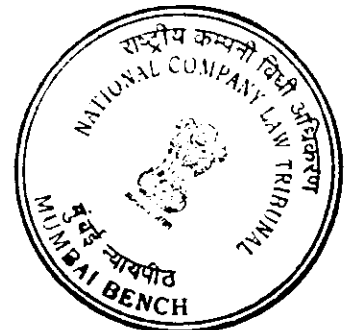
15. As a consideration, the Resulting Company 1, Resulting Company 2 and Resulting Company 3 shall issue and allot shares to the shareholders of the Demerged Company in the following ratio –

Demerger of Demerged Undertaking 1:

"1 (One) fully paid-up equity share of Rs. 10/- each of the Resulting Company 1 for every 1 (One) fully paid-up equity share of Rs. 10/- each held in the Demerged Company."

Demerger of Demerged Undertaking 2:

"1 (One) fully paid-up equity share of Rs. 10/- each of the Resulting Company 2 for every 1 (One) fully paid-up equity share of Rs. 10/- each held in the Demerged Company."



Demerger of Demerged Undertaking 3:

"1 (One) fully paid-up equity share of Rs. 10/- each of the Resulting Company 3 for every 1 (One) fully paid-up equity share of Rs. 10/- each held in the Demerged Company."

16. Since all the requisite statutory compliances have been fulfilled, CP (CAA) No. 1063/MB.V/2020 is made absolute in terms of the prayer clauses of the said Company Scheme Petition.

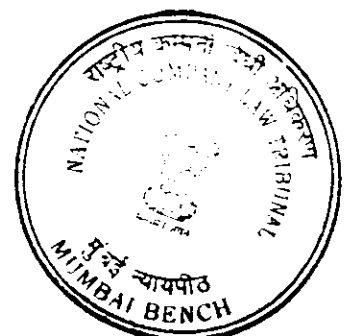
17. The Scheme is hereby sanctioned, with the Appointed Date of 01st April 2019.

18. The Petitioner Companies are directed to file a copy of this Order along with a copy of the Scheme with the concerned Registrar of Companies, electronically along with E-Form INC-28 within 30 days from the date of receipt of the certified copy of Order by the Petitioner Companies.

19. The Petitioner Companies to lodge a copy of this Order along with the Scheme duly authenticated/certified by the Designated Registrar of this Tribunal with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, within 60 days from the date of receipt of the certified Order from the Registry of this Tribunal.

20. All concerned regulatory authorities to act on a copy of this Order along with Scheme duly certified by the Designated Registrar of this Tribunal.

21. Any person interested is at liberty to apply to this Tribunal in the above matters for any directions that may be necessary.



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22. Any concerned Authorities are at liberty to approach this Tribunal for any further clarification as may be necessary.

23. Ordered accordingly.

SD/-

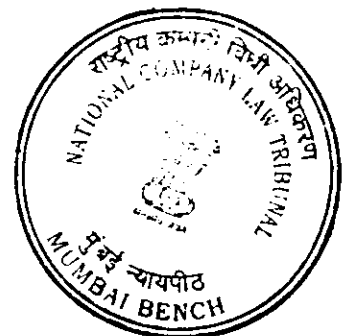
Chandra Bhan Singh  
Member (Technical)

SD/-

Suchitra Kanuparthi  
Member (Judicial)

Certified True Copy  
Date of Application 19.11.2020  
Number of Pages 11  
Fee Paid Rs 55  
Applicant called for collection copy on 10.12.2020  
Copy prepared on 10.12.2020  
Copy Issued on 10.12.2020

  
Joint Registrar  
National Company Law Tribunal Mumbai Bench



**SCHEME OF ARRANGEMENT**

**AMONGST**

**FABTECH TECHNOLOGIES INTERNATIONAL LIMITED**

**AND**

**GLOBEROUTE VENTURES PRIVATE LIMITED**

**AND**

**FABSAFE TECHNOLOGIES PRIVATE LIMITED**

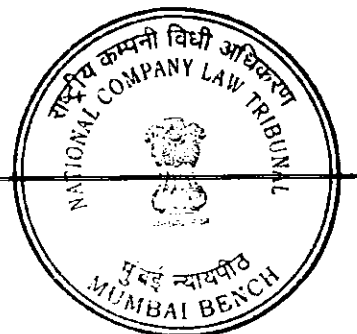
**AND**

**FABTECH TURNKEY PROJECT INTERNATIONAL PRIVATE LIMITED**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**UNDER SECTIONS 230 TO 232 READ WITH SECTION 66 AND OTHER APPLICABLE  
PROVISIONS OF THE COMPANIES ACT, 2013**



**SCHEME OF ARRANGEMENT**

**AMONGST**

**FABTECH TECHNOLOGIES INTERNATIONAL LIMITED  
("DEMERGED COMPANY" OR "FTIL")**

**AND**

**GLOBEROUTE VENTURES PRIVATE LIMITED  
("RESULTING COMPANY 1" OR "GVPL")**

**AND**

**FABSAFE TECHNOLOGIES PRIVATE LIMITED  
("RESULTING COMPANY 2" OR "FTPL")**

**AND**

**FABTECH TURNKEY PROJECTS INTERNATIONAL PRIVATE LIMITED  
("RESULTING COMPANY 3" OR "FTPIPL")**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

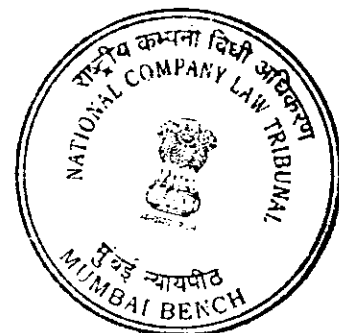
**UNDER SECTIONS 230 TO 232 READ WITH SECTION 66 AND OTHER APPLICABLE  
PROVISIONS OF THE COMPANIES ACT, 2013**

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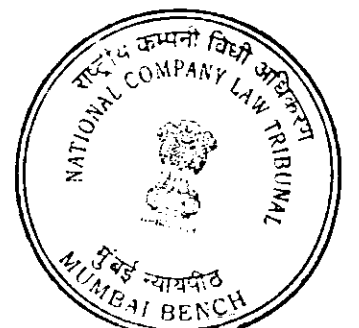
**A. PREAMBLE**

1. This Scheme of Arrangement (hereinafter referred to as "the Scheme" or "this Scheme" and as defined hereinafter) is presented under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ("the Act"), and provides for:
  - a) Demerger of the Demerged Undertaking 1 (defined hereinafter) of FTIL into GVPL;
  - b) Demerger of the Demerged Undertaking 2 (defined hereinafter) of FTIL into FTPL;
  - c) Demerger of the Demerged Undertaking 3 (defined hereinafter) of FTIL into FTPIPL;
2. FTIL, GVPL, FTPL and FTPIPL shall hereinafter, together be referred to as "Companies" and each as "Company".

**B. BACKGROUND OF COMPANIES**



- i. Fabtech Technologies International Limited (hereinafter referred to as “FTIL” or the “**Demerged Company**”) means a company incorporated under the provisions of the Companies Act, 1956 under the Corporate Identification Number U24230MH1995PLC094603 and having its registered office situated at 717, Janki Centre, off Veera Desai Road, Andheri West, Mumbai, Maharashtra 400 053.
- ii. FTIL was incorporated to carry out the business of in-house designing, engineering, construction and manufacturing of critical and vital elements like modular internal partitions, cleanroom equipment and solutions, isolation systems and external construction for pharmaceuticals and allied industries. Over the period, FTIL has expanded its business operations in India and outside India in various activities, directly and indirectly.
- iii. Globberoute Ventures Private Limited (hereinafter referred to as “GVPL” or the “**Resulting Company 1**”) means a company incorporated under the provisions of the Companies Act, 2013 under the Corporate Identification Number U74999MH2018PTC316357 and having its registered office situated at A-1301, Plot 2,3,9B & 10, Shanti Heights Sector 11, Koparkhairne, Navi Mumbai Thane – 400709
- iv. GVPL will take over the business of providing turnkey projects solution to pharmaceuticals and allied industries by way of supplying pharmaceutical machineries/ equipment, designing, assembling, installing, export, import, acts as agent and to undertake other activities required/ used in various pharmaceutical turnkey projects and under its umbrella.
- v. Fabsafe Technologies Private Limited (hereinafter referred to as “FTPL” or the “**Resulting Company 2**”) means a company incorporated under the provisions of the Companies Act, 1956 under the Corporate Identification Number U28999MH2010PTC199847 and having its registered office situated at 715, Janki Centre, Off. Veera Desai Road Andheri (West) Mumbai City, Maharashtra 400 053.
- vi. FTPL was incorporated to carry on the business of manufacturing, designing of laminar air flow, air showers, dispensing/ sampling booths, dynamic/static pass boxes and injectable lines & bioreactors for pharmaceutical and allied industries.
- vii. Fabtech Turnkey Projects International Private Limited (hereinafter referred to as “FTPIPL” or the “**Resulting Company 3**”) means a company incorporated under the provisions of the Companies Act, 2013 under the Corporate Identification Number U74999MH2015PTC265137 and having its registered office situated at 615, Janki Centre, Off. Veera Desai Road, Andheri (West) Mumbai, Maharashtra 400 053.



- viii. FTPIPL was incorporated to carry out the business of providing turnkey projects solution to pharmaceuticals and allied industries by way of supplying pharmaceutical machineries/equipment, designing, assembling, installing, export, import, acts as agent and to undertake other activities required/ used in various pharmaceutical turnkey projects and under its umbrella.

### C. RATIONALE

In view of the above background, Scheme has been drawn upon to achieve the following objectives:

- **Segregation of Business** - risk and rewards involved in the respective businesses are inherently different and have different prospects of growth and earning potential. Segregation of businesses will lead to focused leadership and management attention.
- **Focused Growth strategy** – with the focused leadership and management attention, the Scheme will allow the management to have a focused growth strategy for the respective business.
- **Investment opportunity** – with the implementation of the Scheme, management believes that respective company can attract different class of investors for different business resulting into more alternatives for investors.
- **Value unlocking** – with the better investment opportunities for the investors, Scheme could lead to value unlocking for the stakeholders.
- **Administrative and operational efficiencies** – Scheme would result into administrative and operational efficiencies as the respective business have different sets of requirements for infrastructure and employees and segregation of the same would lead to better and effective utilization of infrastructure and employees.

Hence, the Scheme would be in the best interest of all the stakeholders.

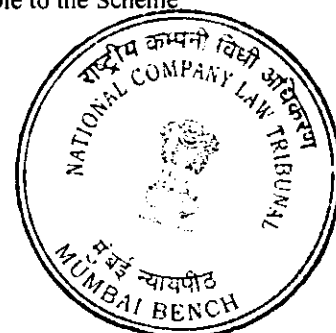
### D. PARTS OF THE SCHEME

This Scheme is presented under provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and provides for

- a) Demerger of Demerged Undertaking 1 or “Export Division” (as defined hereinafter) of Demerged Company into Resulting Company 1;
- b) Demerger of Demerged Undertaking 2 or “LAF and Injectable Division” (as defined hereinafter) of Demerged Company into Resulting Company 2;
- c) Demerger of Demerged Undertaking 3 or “Modular Panels Division” (as defined hereinafter) of Demerged Company into Resulting Company 3;
- d) This Scheme also provides for various other matters consequential or otherwise integrally connected therewith.

This Scheme is divided into following parts:

- Part A – deals with Definitions and Share Capital;
- Part B – deals with Demerger of the Demerged Undertakings from Demerged Company into Resulting Companies;
- Part C – deals with the General Terms and Conditions that would be applicable to the Scheme and other matters consequential and integrally connected thereto.

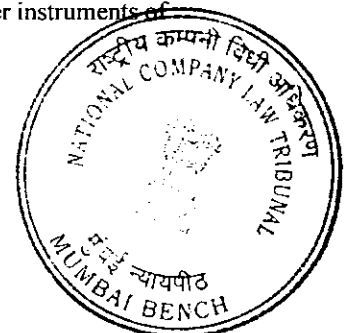


**PART A**  
**DEFINITIONS AND SHARE CAPITAL**

**1. DEFINITIONS**

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

- 1.1 “**Act**” or “**the Act**” means the Companies Act, 2013 and rules and regulations made thereunder, and includes any statutory re-enactment or amendments(s) thereto, from time to time.
- 1.2 “**Appointed Date**” means 1<sup>st</sup> April 2019.
- 1.3 “**Applicable Law(s)**” means any statute, notification, bye laws, rules, regulations, guidelines, rule or common laws, policy, code, directives, ordinance, schemes, notices, orders or instructions or law enacted or issued or sanctioned by any appropriate authority including any modification or re-enactment thereof for the time being in force;
- 1.4 “**Board of Directors**” or “**Board**” means the respective Board of Directors of FTIL, FTPIPL, FTPL and GVPL or any person authorized by the Board of Directors for the purpose of this Scheme as the context may require.
- 1.5 “**Companies**” means collectively Demerged Company, Resulting Company 1, Resulting Company 2 and Resulting Company 3.
- 1.6 “**Demerged Undertaking 1**” or “**Export Division**” means the business of providing turnkey solutions for in-house designing, engineering and manufacturing facilities to pharmaceutical, biopharmaceutical and healthcare sectors along with customised analysis & recommendation for an end to end project visibility, considering global & region-specific pharmaceutical industry including all assets, branch offices, contracts, licenses, permits, all rights, title or interest in property(ies) by virtue of any court order / decree, approvals, permissions, and all other rights, titles, interests, contracts, purchase orders, consents, approvals or powers of every kind, nature and descriptions whatsoever, pertaining or relating to such business activity and as identified by the Board of Directors, and shall be deemed to include:
- a) all assets, properties, whether moveable or immovable, tangible and intangible (including goodwill and components of it e.g. trademarks, copyrights, patents), in possession, or in reversion, present and contingent of whatsoever nature, including all furniture, fixtures, plant and machinery, servers, computers, installations, electrical equipment, tools, advances, deposits, trade receivables, cash and bank balances, bills of exchange, stocks, inventory and other movable articles, pertaining or relating to the business of supply of products and turnkey solutions for pharmaceuticals and allied industries and all other interests or rights in or arising out of or relating to such activity, together with all the respective rights, powers, interests, charges, privileges, benefits;
- b) All contracts, agreements, licences, leases, linkages, memorandum of understandings, memorandum of agreements, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, sales orders, purchase orders or other instruments of





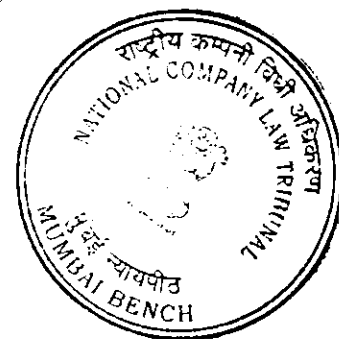
whatsoever nature to which the Demerged Company is a party, relating to the undertaking, business activities, and operations pertaining to the supply of products and turnkey solutions for pharmaceuticals and allied industries;

- c) all secured and unsecured debts, liabilities from past, present or future (including contingent liabilities), duties, guarantees (including bank guarantees), obligations and provisions pertaining or relating to such business activities;
- d) all employees of the Demerged Company engaged in the business of supply of products and turnkey solutions for pharmaceuticals and allied industries and those employees that are identified by the Board of Directors who are substantially engaged in such business; and
- e) all records, files, papers, process information, computer programs, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form in connection with or relating to the manufacture and distribution of pharma products.

Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Demerged Undertaking 1 or whether it arises out of the activities or operations of the Demerged Undertaking 1 shall be decided by mutual agreement between the Board of Directors of Companies.

1.7 **“Demerged Undertaking 2” or “LAF and Injectable Division”** means the business of manufacturing of laminar air flow units, air showers, dispensing/ sampling booths, dynamic/static pass boxes, injectable lines and bioreactors for pharmaceuticals and allied industries including all assets, branch offices, contracts, licenses, permits, all rights, title or interest in property(ies) by virtue of any court order / decree, approvals, permissions, and all other rights, titles, interests, contracts, purchase orders, consents, approvals or powers of every kind, nature and descriptions whatsoever, pertaining or relating to such business activity and as identified by the Board of Directors, and shall be deemed to include:

- a) all assets, properties, whether moveable or immovable, tangible and intangible (including goodwill and components of it e.g. trademarks, copyrights, patents), in possession, or in reversion, present and contingent of whatsoever nature, including all furniture, fixtures, plant and machinery, servers, computers, installations, electrical equipment, tools, advances, deposits, trade receivables, cash and bank balances, bills of exchange, stocks, inventory and other movable articles, pertaining or relating to the LAF & Injectable Division and all other interests or rights in or arising out of or relating to such activity, together with all the respective rights, powers, interests, charges, privileges, benefits;
- b) All contracts, agreements, licences, leases, linkages, memorandum of understandings, memorandum of agreements, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, sales orders, purchase orders or other instruments of whatsoever nature to which the Demerged Company is a party, relating to the undertaking, business activities, and operations pertaining to LAF & Injectable Division;

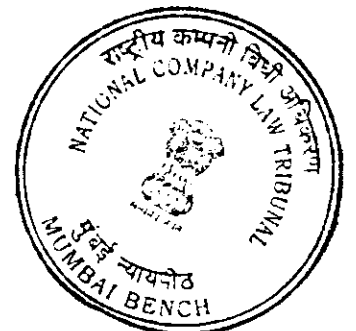


- c) all secured and unsecured debts, liabilities from past, present or future (including contingent liabilities), duties, guarantees (including bank guarantees), obligations and provisions pertaining or relating to such business activities;
- d) all employees of the Demerged Company engaged in the LAF & Injectable Division and those employees that are identified by the Board of Directors who are substantially engaged in the LAF & Injectable Division; and
- e) all records, files, papers, process information, computer programs, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form in connection with or relating to the LAF & Injectable Division.

Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Demerged Undertaking 2 or whether it arises out of the activities or operations of the Demerged Undertaking 2 shall be decided by mutual agreement between the Board of Directors of Companies.

1.8 **“Demerged Undertaking 3” or “Modular Panels Division”** means the business of manufacturing of pre-engineered, pre-fabricated modular partitions/panels & doors for building infrastructure, designing, & supplying modular panels to construct walls & walkable & non-walkable ceilings for pharmaceuticals and allied industries including all assets, branch offices, contracts, licenses, permits, all rights, title or interest in property(ies) by virtue of any court order / decree, approvals, permissions, and all other rights, titles, interests, contracts, purchase orders, consents, approvals or powers of every kind, nature and descriptions whatsoever, pertaining or relating to such business activity and as identified by the Board of Directors, and shall be deemed to include:

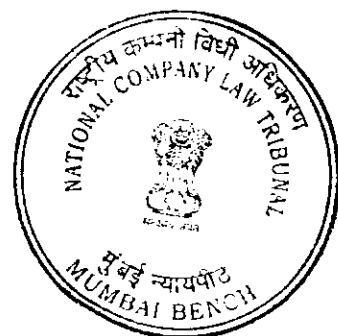
- a) all assets, properties, whether moveable or immovable, tangible and intangible (including goodwill and components of it e.g. trademarks, copyrights, patents), in possession, or in reversion, present and contingent of whatsoever nature, including all furniture, fixtures, plant and machinery, servers, computers, installations, electrical equipment, tools, advances, deposits, trade receivables, cash and bank balances, bills of exchange, stocks, inventory and other movable articles, pertaining or relating to the Modular Division and all other interests or rights in or arising out of or relating to such activity, together with all the respective rights, powers, interests, charges, privileges, benefits;
- b) All contracts, agreements, licences, leases, linkages, memorandum of understandings, memorandum of agreements, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, sales orders, purchase orders or other instruments of whatsoever nature to which the Demerged Company is a party, relating to the undertaking, business activities, and operations pertaining to Modular Division;
- c) all secured and unsecured debts, liabilities from past, present or future (including contingent liabilities), duties, guarantees (including bank guarantees), obligations and provisions pertaining or relating to such business activities;



- d) all employees of the Demerged Company engaged in the LAF & Injectable Division and those employees that are identified by the Board of Directors who are substantially engaged in the Modular Division; and
- e) all records, files, papers, process information, computer programs, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form in connection with or relating to the Modular Division.

Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Demerged Undertaking 3 or whether it arises out of the activities or operations of the Demerged Undertaking 3 shall be decided by mutual agreement between the Board of Directors of Companies.

- 1.9 **“Demerged Undertakings”** means collectively Demerged Undertaking 1, Demerged Undertaking 2 and Demerged Undertaking 3 respectively.
- 1.10 **“Effective Date”** means the date on which the certified or authenticated copies of the orders of the Tribunal sanctioning the Scheme are filed with the respective Registrar of Companies by the Companies. 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;
- 1.11 **“FTIL” or the “Demerged Company”** means **Fabtech Technologies International Limited**, a company incorporated under the provisions of the Companies Act, 1956 under the Corporate Identification Number U24230MH1995PLC094603 and having its registered office situated at 717, Janki Centre, off Veera Desai Road, Andheri West, Mumbai, Maharashtra 400 053.
- 1.12 **“FTPIPL” or the “Resulting Company 3”** means **Fabtech Turnkey Projects International Private Limited**, a company incorporated under the provisions of the Companies Act, 2013 under the Corporate Identification Number U74999MH2015PTC265137 and having its registered office situated at 615, Janki Centre, Off. Veera Desai Road, Andheri (West) Mumbai, Maharashtra 400 053.
- 1.13 **“FTPL” or the “Resulting Company 2”** means **Fabsafe Technologies Private Limited**, a company incorporated under the provisions of the Companies Act, 1956 under the Corporate Identification Number U28999MH2010PTC199847 and having its registered office situated at 715, Janki Centre, Off. Veera Desai Road Andheri (West) Mumbai City, Maharashtra 400 053.
- 1.14 **“GVPL” or the “Resulting Company 1”** means **Globeroute Ventures Private Limited**, a company incorporated under the provisions of the Companies Act, 2013 under the Corporate Identification Number U74999MH2018PTC316357 and having its registered office situated at A-1301, Plot 2,3,9B & 10, Shanti Heights Sector 11, Koparkhairne, Navi Mumbai Thane – 400709
- 1.15 **“Record Date”** means the date as may be mutually decided by the Board of Directors of the Companies to determine the members of the Demerged Company to whom shares of the Resulting Company 1, Resulting Company 2 and Resulting Company 3 will be allotted as per Clause 6 of this Scheme.



- 1.16 **“Registrar of Companies”** means Registrar of Companies, Maharashtra at Mumbai having jurisdiction over the Companies
- 1.17 **“Remaining Undertaking”** means all other businesses, divisions, assets and liabilities of the Demerged Company other than the Demerged Undertaking 1, Demerged Undertaking 2 and Demerged Undertaking 3 as defined in Clause 1.6, Clause 1.7 and Clause 1.8 respectively hereof.
- 1.18 **“Resulting Companies”** means collectively Resulting Company 1, Resulting Company 2 and Resulting Company 3 respectively.
- 1.19 **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Arrangement in its present form, submitted to the Tribunal for sanction of this Scheme with such modification(s), if any, made as per Clause 22 of this Scheme.
- 1.20 **“The Tribunal” or “NCLT”** means the National Company Law Tribunal, Mumbai bench or such other forum or appropriate authorities as may be vested with any of the powers to sanction the present Scheme under the Act.

**2. In this Scheme, unless the context otherwise requires:**

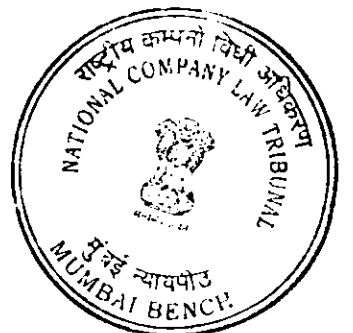
- a) words denoting the singular shall include the plural and vice versa;
- b) headings and bold typefaces are only for convenience and shall be ignored for the purpose of interpretation;
- c) references to the word “include” or “including” shall be construed without limitation;
- d) a reference to a clause, section or part is, unless indicated to the contrary, a reference to a clause, section or part of this Scheme;
- e) unless otherwise defined, the reference to the word “days” shall mean calendar days;
- f) reference to a document includes an amendment or supplement to, or replacement or novation of that document;
- g) word(s) and expression(s) elsewhere defined in the Scheme shall have the meaning(s) respectively ascribed to them; and
- h) all terms and words used but 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 for the time being in force.

**3. DATE OF TAKING EFFECT AND OPERATIVE DATE**

The Scheme set out here in its present form or with any modification(s) approved or imposed or directed by the Tribunal or in terms of this Scheme shall take effect from the Appointed Date but shall be operative from the Effective Date.

Any reference in this Scheme to “upon the Scheme becoming effective” or “effectiveness of the Scheme” or “upon the coming into effect of the Scheme” shall mean the Effective Date.

**4. SHARE CAPITAL**



- 4.1 The share capital structure of the Demerged Company on 31<sup>st</sup> March 2019, being the latest audited balance sheet, is as follows:

PARTICULARS	AMOUNT
<b>Authorised Capital</b>	
1,50,60,000 equity shares of Rs. 10/- each	15,06,00,000
<b>TOTAL</b>	<b>15,06,00,000</b>
<b>Issued, Subscribed and Paid-up Capital</b>	
27,85,895 equity shares of Rs. 10/- each fully paid up	2,78,58,950
<b>TOTAL</b>	<b>2,78,58,950</b>

As on the date of the Scheme being approved by the Board of Directors of the Demerged Company, there has been no change in the issued, subscribed and paid-up share capital of the Demerged Company.

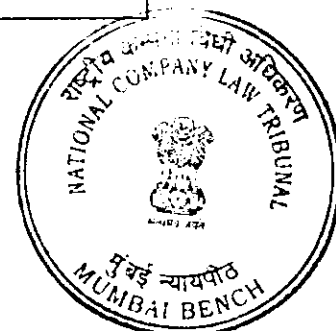
- 4.2 The share capital structure of the Resulting Company 1 as on the date of approval of the Scheme by the Board is as follows:

PARTICULARS	AMOUNT
<b>Authorised Capital</b>	
10,000 equity shares of Rs. 10/- each	1,00,000
<b>TOTAL</b>	<b>1,00,000</b>
<b>Issued, Subscribed and Paid-up Capital</b>	
10,000 equity shares of Rs. 10/- each fully paid up	1,00,000
<b>TOTAL</b>	<b>1,00,000</b>

As on the date of the Scheme being approved by the Board of Directors of the Resulting Company 1, Resulting Company 1 is a wholly owned subsidiary of the Demerged Company.

- 4.3 The share capital structure of the Resulting Company 2 as on 31<sup>st</sup> March 2019, being the latest audited balance sheet, is as follows:

PARTICULARS	AMOUNT
<b>Authorised Capital</b>	
2,50,000 equity shares of Rs. 10/- each	25,00,000
<b>TOTAL</b>	<b>25,00,000</b>



<b>Issued, Subscribed and Paid-up Capital</b>	
10,000 equity shares of Rs. 10/- each fully paid up	1,00,000
<b>TOTAL</b>	<b>1,00,000</b>

As on the date of the Scheme being approved by the Board of Directors of the Resulting Company 2, Resulting Company 2 is a wholly owned subsidiary of the Demerged Company.

- 4.4 The share capital structure of the Resulting Company 3 as on the date of approval of the Scheme by the Board is as follows:

<b>PARTICULARS</b>	<b>AMOUNT</b>
<b>Authorised Capital</b>	
100,000 equity shares of Rs. 10/- each	10,00,000
<b>TOTAL</b>	<b>10,00,000</b>
<b>Issued, Subscribed and Paid-up Capital</b>	
30,000 equity shares of Rs. 10/- each fully paid up	3,00,000
<b>TOTAL</b>	<b>3,00,000</b>

As on the date of the Scheme being approved by the Board of Directors of the Resulting Company 3, Resulting Company 3 is a wholly owned subsidiary of the Demerged Company.

#### **PART B**

#### **DEMERGER OF DEMERGED UNDERTAKINGS FROM DEMERGED COMPANY TO RESULTING COMPANIES**

##### **5. TRANSFER AND VESTING OF THE DEMERGED UNDERTAKINGS**

- 5.1 Upon coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, the Demerged Undertakings of the Demerged Company as defined in Clause 1.6, Clause 1.7 and Clause 1.8 hereof, shall, without any further act, instrument or deed, be transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company 1, Resulting Company 2 and Resulting Company 3, respectively, as a going concern, so as to vest in the respective Resulting Companies all the rights, title and interest of the Demerged Undertakings therein, pursuant to Sections 230 to 232 of the Act and any other relevant provisions of the Act and the order of the Tribunal sanctioning the Scheme, subject to subsisting charges and pledges, if any.



- 5.2 Without prejudice to the provisions of Clause 5.3, in respect of such of the assets and properties of the Demerged Undertakings, as are moveable in nature, including cash in hand, capable of passing by manual delivery or by endorsement shall be so delivered or endorsed, as the case may be and shall, upon such delivery or endorsement, become the assets and properties of the Resulting Companies, without requiring any deed or instrument or conveyance for the same.
- 5.3 In respect of movable assets other than those specified in Clause 5.2 above, including 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, the following methodology shall to the extent possible be followed:  
The Resulting Companies shall give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the Tribunal having sanctioned this Scheme, the said debt, loan, advance or deposit be paid to or made good to or held on account of the Resulting Companies, as the person entitled thereto and that the right of the Demerged Company to recover or realize the same stands transferred to the Resulting Companies and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- 5.4 All permits, no objection certificates, contracts, permissions, approvals, consents, rights, entitlements, licenses including Factory licenses, tenancies, goodwill, patents, copyrights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Demerged Undertakings to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible and which are subsisting or having effect on the Effective Date, shall stand transferred to and vested in the Resulting Companies without any further act or deed done by the Demerged Company and the Resulting Companies and shall be appropriately mutated by the appropriate authority concerned therewith in favour of the Resulting Companies upon the vesting and transfer of the Demerged Undertakings pursuant to this Scheme, and shall remain in full force, operative and effectual for the benefit of the Resulting Companies, and may be enforced by the Resulting Companies as fully and effectually as if, instead of the Demerged Company, the Resulting Companies had been the original party or beneficiary or obligee thereto.
- 5.5 Upon coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, all debts, liabilities from past, present or future (including contingent liabilities), duties and obligations, of the Demerged Company relating to the Demerged Undertakings, shall, pursuant to the Order of the Tribunal as may be applicable under Section 230 and other applicable provisions of the Act, without any further act or deed, be transferred to and vested in or deemed to be transferred to and vested in the Resulting Companies, so as to become as from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of the Resulting Companies on the same terms and conditions as were applicable to the Demerged Company. Any contingent liabilities (in relation to direct tax, goods & service taxes, sales tax, VAT, excise duty, service tax, custom duty or any other liability) arising on account of the Demerged Undertakings which relates to the period prior to



the Appointed Date but arises at any time after the Appointed Date shall be entirely borne by the Resulting Companies. Further, it is clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities and obligations have arisen in order to give effect to the provisions of this sub-clause.

- 5.6 The transfer and vesting as aforesaid of the debts / liabilities shall be subject to the existing charges / hypothecation / mortgages, if any, as may be subsisting and created over or in respect of the assets or any part thereof, whether forming part of the Demerged Undertakings or of the Remaining Undertaking, without requiring any changes in contract deeds or security documents.
- 5.7 Without prejudice to the aforesaid, it is clarified that if any assets or contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatever nature in relation to the Demerged Undertakings which the Demerged Undertakings owns or to which the Demerged Company is a party to, cannot be transferred to the Resulting Companies for any reason whatsoever, the Demerged Company shall hold such assets, contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatever nature in trust for the benefit of the Resulting Companies, insofar as it is permissible so to do, till such time as the transfer is affected.
- 5.8 Upon this Scheme coming into effect and with effect from the Appointed Date, to such extent that any portion or component of the Demerged Undertakings are not effectively transferred in its entirety to their respective Resulting Companies for any reason whatsoever, the Demerged Company shall, or shall cause to, effectively transfer any such portion or component of the Demerged Undertakings remaining with the Demerged Company after the Appointed Date, to the Resulting Companies; it being clarified that rights and liabilities pertaining to such portion or component of the Demerged Undertakings shall accrue to, or be borne by, the respective Resulting Companies. To the extent that any portion or component of the business of the Demerged Company not constituting part of the Demerged Undertakings, is transferred to the Resulting Companies, the Resulting Companies shall re-transfer such portion or component not constituting part of the Demerged Undertakings to the Demerged Company; it being clarified that rights and liabilities pertaining to such portion or component of such remaining business (i.e. other than the Demerged Undertakings) shall accrue to, or be borne by, the Demerged Company.
- 5.9 In relation to demerger of Demerged Undertakings, the Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income-tax Act, 1961. If any terms or provisions of the Scheme is/are inconsistent with the provisions of Section 2(19AA) of the Income-tax Act, 1961, the provisions of Section 2(19AA) of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(19AA) of the Income-tax Act, 1961; such modification to not affect other parts of the Scheme.

## 6. CONSIDERATION





- 6.1 Upon the Scheme becoming effective, the Resulting Company 1, Resulting Company 2 and Resulting Company 3 shall, in consideration for and without any further application or deed, issue and allot to shareholders of the Demerged Company, whose name appears in the Register of Members of the Demerged Company as on the Record Date, in the following manner:

**Demerger of Demerged Undertaking 1:**

*"1 (One) fully paid-up equity shares of Rs. 10/- each of the Resulting Company 1 for every 1 (One) fully paid-up equity shares of Rs. 10/- each held in the Demerged Company."*

**Demerger of Demerged Undertaking 2:**

*"1 (One) fully paid-up equity shares of Rs. 10/- each of the Resulting Company 2 for every 1 (One) fully paid-up equity shares of Rs. 10/- each held in the Demerged Company."*

**Demerger of Demerged Undertaking 3:**

*"1 (One) fully paid-up equity shares of Rs. 10/- each of the Resulting Company 3 for every 1 (One) fully paid-up equity shares of Rs. 10/- each held in the Demerged Company."*

- 6.2 Shares to be issued to the members of the Demerged Company in the Resulting Companies pursuant to Clause 6.1 above shall be subject to the Memorandum and Articles of Association of the respective Resulting Companies and shall rank *pari passu* in all respects, including dividend, with the existing shares of the Resulting Companies.
- 6.3 In case any member's holding in the Demerged Company is such that the member becomes entitled to a fraction of a share of the Resulting Companies, the Resulting Companies shall round of such fraction to the nearest integer and accordingly issue shares/share certificate.
- 6.4 The Resulting Companies shall, if and to the extent required, apply for and obtain any approvals from the relevant regulatory authorities for the issue and allotment of shares as per Clause 6.1 above.
- 6.5 The issue and allotment of the shares by the Resulting Companies as provided in this Scheme is an integral part hereof and shall be deemed to have been carried out without any further act or deed by the Resulting Companies as if the procedure laid down under the relevant applicable provisions of the Act were duly complied with.

**7. ALTERATION TO MEMORANDUM OF ASSOCIATION OF THE DEMERGED AND RESULTING COMPANIES**

**7.1 Transfer Of Authorised Share Capital of the Demerged Company to Resulting Companies**

- 7.1.1 Upon the Scheme becoming effective, the Authorised Share Capital of Demerged Company, to the extent of Rs. 12,00,00,000 divided into 1,20,00,000 Equity Shares of Rs. 10/- each will get transferred to the Resulting Companies as follows:



**Resulting Company 1:**

*Rs. 3,50,00,000 divided into 35,00,000 Equity Shares of Rs. 10/- each will get transferred to the Resulting Company 1*

**Resulting Company 2:**

*Rs. 3,50,00,000 divided into 35,00,000 Equity Shares of Rs. 10/- each will get transferred to the Resulting Company 2*

**Resulting Company 3:**

*Rs. 5,00,00,000 divided into 50,00,000 Equity Shares of Rs. 10/- each will get transferred to the Resulting Company 3*

and the Authorised Share Capital of Resulting Companies shall automatically stand increased by the said amount. Accordingly, Capital Clause of the Memorandum of Association of the Demerged Company and the Resulting Companies shall automatically stand amended.

7.1.2 Therefore, the words and figures in Clause V of the Memorandum of Association of the Demerged Company shall stand modified and be substituted to read as follows:

*"The authorized Share capital of the company is Rs 3,06,00,000 (Rupees Three Crores and Six Lacs only) divided into 30,60,000 (Thirty Lacs and Sixty Thousand) shares of Rs. 10/- (Rupees ten only) each with such rights. Privileges and conditions attaching as may for the time being be provided by the regulations of the company. The company shall have power to increase or reduce the capital, to issue any shares with special rights or privileges as to voting repayment of capital or otherwise, or to subject the shares repayment of capital or otherwise, or to subject the shares to any such rights privileges, restrictions or conditions. The rights of the holders of any class of shares for the time being forming part of the capital of the company may be modified affected, varied, extended or surrendered in such manner as may for the time being be provided by the regulations of the company.*

7.1.3 Accordingly, the words and figures in Clause V of the Memorandum of Association of the Resulting Companies shall stand modified and be substituted to read as follows:

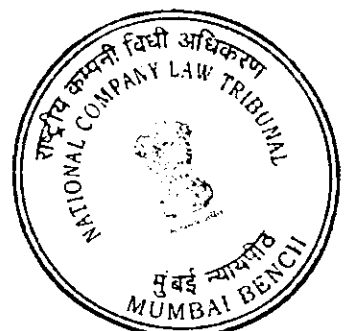
**Resulting Company 1:**

*The share capital of the company is 3,51,00,000 rupees, divided into, 35,10,000 Equity shares of Rs. 10 each.*

**Resulting Company 2:**

*(a) The authorised share capital of the Company is 3,75,00,000 (Rupees Three Crores Seventy Five Lacs Only) dividend into 37,50,000 (Thirty Seven Lacs Fifty Thousand Only) equity shares of Rs. 10/- (Rupees Ten Only).*

**Resulting Company 3:**



*(a) The authorised share capital of the Company is 5,10,00,000 (Rupees Five Crores Ten Lacs Only) dividend into 51,00,000 (Fifty One Lacs Only) equity shares of Rs. 10/- (Rupees Ten Only) each.*

7.1.4 The registration fees applicable under the Act and the stamp duty already paid by the Demerged Company on its authorized share capital, which is being transferred to the Resulting Companies in terms of Clause 7.1.1 herein above, shall be deemed to have been so paid by the Resulting Companies and accordingly, Resulting Companies shall not be required to pay any additional fee / stamp duty on the authorized share capital so increased.

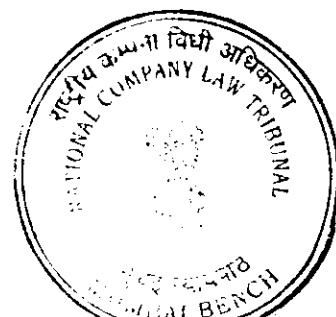
## 7.2 Change in Object Clause of Resulting Company 1

7.2.1 With effect from the Appointed Date, the main object clause of Memorandum of Association of the Resulting Company 1 shall be deemed to altered and amended, without any further act or deed, to include the objects as required for the purposes of carrying out the business activities of Demerged Undertaking 1 of the Demerged Company pursuant to the applicable provisions of the Act. Accordingly, the following clauses shall replace the existing Clause 3(a) of the main object clause and the revised main object clause of Resulting Company 1 shall read as under –

*“3(a) To carry on the business of solution providers, manufacturers, traders, suppliers, commission agents, importers, exporters, merchants, stockiest, distributors, dealers, designers, researchers, developers, buyers, assemblers, modifiers, installers, reconditioners, sellers, hirers, sublessors, market makers, dismantlers, repairers, operators, distributors, broker, adatia, consignor, indenting agent, C&F agent, representative, correspondent, franchisers, stockist, transporter, collaborator, export house or otherwise.*

*3(b) To deal and trade in automatic, semi –automatic, manual and other types of pharmaceuticals machineries, air sterilising tunnels, laminar air flows, modular clean room & clean room equipments, containment equipments, process equipments, water treatment plants, packaging and injectable lines, laboratories equipments, chemical equipments, analytical instruments, utilities instruments, air handling units, bio-air conditioner systems, building management systems, mechanical & electrical works, surgical items and other various machineries/ equipments used in pharmaceuticals turnkey projects and health care sectors.*

*3(c) To render complete engineering services including feasibility studies, investigations, appraisal, estimate and reports, research, designs, calculations, drawings, specifications, contract documents, material and equipment evaluation and procurement, inspection and testing, construction, supervision, cost and efficiency control, operating and/or production procedures, in all or any of the related fields of consulting engineering either from own sources or in collaboration with others, both in India and abroad.”*



7.3 It is hereby clarified that for the purpose of this Clause, the consent of the shareholders of the Resulting Companies and the Demerged Company to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforesaid amendments viz. change in capital clause and object clause of Resulting Company 1 and that no further resolution / approval under section 13, 61 and 64 of the Act and any other applicable provisions of the Act, would be required to be separately passed. However, the Demerged Company and Resulting Companies shall file the requisite forms/ returns/ amended copy of Memorandum of association with the Registrar of Companies, Maharashtra at Mumbai for amending the capital clause of the Demerged and Resulting Companies and main object clause of Resulting Company 1 in accordance with the Clause 7.1 and 7.2 of this Scheme.

#### **8. CANCELLATION OF EQUITY SHARE**

8.1 Upon the issue of shares by the Resulting Companies, the shares held by the Demerged Company and its nominees in the equity share capital of the Resulting Companies shall, without any application or deed, stand cancelled without any payment. Accordingly, the share capital of the Resulting Companies shall stand reduced to the extent of the face value of shares held by the Demerged Company and its nominees.

8.2 Such reduction of share capital of the Resulting Companies as provided above shall be effected as an integral part of the Scheme and the Order of the Tribunal sanctioning the Scheme shall be deemed to be an order under section 66 of the Act confirming such reduction of the share capital of the Resulting Companies.

8.3 Notwithstanding the reduction in the equity share capital of the Resulting Companies, the Resulting Companies shall not be required to add "And Reduced" as suffix to its name.

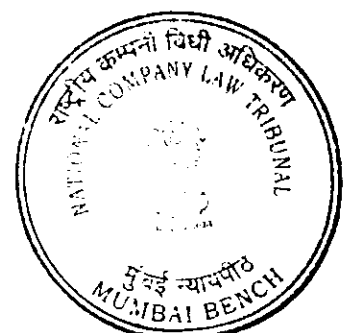
#### **9. ACCOUNTING TREATMENT IN THE BOOKS OF THE DEMERGED COMPANY**

9.1 Upon this Scheme coming into effect, the book value of assets and liabilities pertaining to the Demerged Undertakings as appearing in the books of account of the Demerged Company, which are transferred to the Resulting Companies shall be reduced from the book value of assets and liabilities of the Demerged Company.

9.2 Entire investment made by the Demerged company in the equity share capital of the Resulting Companies as on the Effective Date, shall stand cancelled.

9.3 The excess of value of assets transferred over the value of liabilities as per Clause 9.1 above and after considering the cancellation of investment in Resulting Companies, shall be adjusted against the Surplus in Statement of Profit & Loss of the Demerged Company.

9.4 The accounting treatment provided hereinabove is in accordance with the applicable accounting standards as on the date of approval of the Scheme by the Board of Directors of the Demerged Company and shall be followed as such or in such other manner as the regulatory authorities may approve.



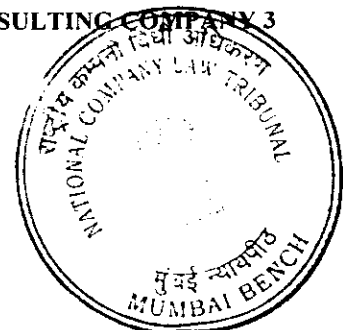
**10. ACCOUNTING TREATMENT IN THE BOOKS OF THE RESULTING COMPANY 1**

- 10.1 Upon the Scheme becoming effective, all the assets and liabilities of the Demerged Undertaking 1 shall be recorded at their respective book values in the same form as appearing in the books of the Demerged Company.
- 10.2 The Resulting Company 1 shall credit to its share capital account, the aggregate face value of the shares issued by it pursuant to Clause 6 of this Scheme.
- 10.3 The excess of value of assets over the liabilities after adjusting for the consideration recorded as per Clause 10.2 above shall be credited, to the extent it has been debited in the books of the Demerged Company and relating to Demerged Undertaking 1, to Surplus in Statement of Profit & Loss of the Resulting Company 1.
- 10.4 Cancellation of share capital as per Clause 8.1 above shall be recorded by the Resulting Company 1 by debiting the face value of shares to Equity Share Capital and crediting to the Capital Reserve.
- 10.5 The accounting treatment provided hereinabove is in accordance with the applicable accounting standards as on the date of approval of the Scheme by the Board of Directors of the Resulting Company 1 and shall be followed as such or in such other manner as the regulatory authorities may approve.

**11. ACCOUNTING TREATMENT IN THE BOOKS OF THE RESULTING COMPANY 2**

- 11.1 Upon the Scheme becoming effective, all the assets and liabilities of the Demerged Undertaking 2 shall be recorded at their respective book values in the same form as appearing in the books of the Demerged Company.
- 11.2 The Resulting Company 2 shall credit to its share capital account, the aggregate face value of the shares issued by it pursuant to Clause 6 of this Scheme.
- 11.3 The excess of value of assets over the liabilities after adjusting for the consideration recorded as per Clause 11.2 above shall be credited, to the extent it has been debited in the books of the Demerged Company and relating to Demerged Undertaking 2, to Surplus in Statement of Profit & Loss of the Resulting Company 2.
- 11.4 Cancellation of share capital as per Clause 8.1 above shall be recorded by the Resulting Company 2 by debiting the face value of shares to Equity Share Capital and crediting to the Capital Reserve.
- 11.5 The accounting treatment provided hereinabove is in accordance with the applicable accounting standards as on the date of approval of the Scheme by the Board of Directors of the Resulting Company 2 and shall be followed as such or in such other manner as the regulatory authorities may approve.

**12. ACCOUNTING TREATMENT IN THE BOOKS OF THE RESULTING COMPANY 3**



- 12.1 Upon the Scheme becoming effective, all the assets and liabilities of the Demerged Undertaking 3 shall be recorded at their respective book values in the same form as appearing in the books of the Demerged Company.
- 12.2 The Resulting Company 3 shall credit to its share capital account, the aggregate face value of the shares issued by it pursuant to Clause 6 of this Scheme.
- 12.3 The excess of value of assets over the liabilities after adjusting for the consideration recorded as per Clause 12.2 above shall be credited, to the extent it has been debited in the books of the Demerged Company and relating to Demerged Undertaking 3, to Surplus in Statement of Profit & Loss Account of the Resulting Company 3.
- 12.4 Cancellation of share capital as per Clause 8.1 above shall be recorded by the Resulting Company 3 by debiting the face value of shares to Equity Share Capital and crediting to the Capital Reserve.
- 12.5 The accounting treatment provided hereinabove is in accordance with the applicable accounting standards as on the date of approval of the Scheme by the Board of Directors of the Resulting Company 3 and shall be followed as such or in such other manner as the regulatory authorities may approve.

**PART C**  
**GENERAL TERMS AND CONDITIONS**

**13. TRANSITION PERIOD**

- 13.1 Upon coming into effect of this Scheme, the Companies shall, with reasonable dispatch immediately apply for transition/ transfer of all licenses, product registrations, market authorizations, permits, quotas so as to ensure business continuity. The period between the Effective Date and the date on which the transitions of all the licenses, product registrations, market authorizations, permits, quotas or such other approvals as may deem fit by the Board of Directors of the Resulting Companies is effective is hereinafter referred to as "Transition Period". With a view to avoid any disruption of business and to ensure continuity of operations and to maintain same quality of products, during the Transition Period, the business of the Demerged Undertakings shall be carried on or deemed to have been carrying on by the Resulting Companies respectively under the name and style of Fabtech Technologies International Limited.
- 13.2 During the Transition Period, the Resulting Companies shall procure or use or manufacture all material and product including the packing material, art work, label goods, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, closures, publicity materials in the name and form/format of the Demerged Company.

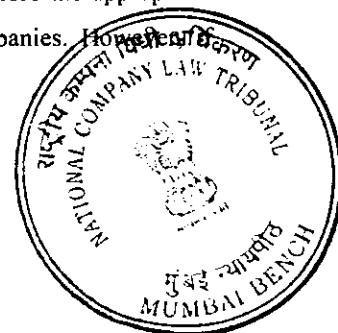
**14. STAFF, WORKMEN AND EMPLOYEES**



- 14.1 Upon the Scheme becoming effective, all staff, workmen and employees of the Demerged Company relating to the Demerged Undertakings and in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Resulting Companies on such date without any break or interruption in their service and on the terms and conditions of their employment not being less favourable than those subsisting with reference to the Demerged Company as on the said date.
- 14.2 The Scheme further provides that the accumulated balances, if any, standing to the credit of the employees of the Demerged Undertakings in the existing Provident Fund, Gratuity Fund and Superannuation Fund, of which they are members, will be transferred to such Provident Fund, Gratuity Fund and Superannuation Fund nominated by the Resulting Companies and/or such new funds to be established and caused to be recognized by the concerned authorities by the Resulting Companies. Pending the transfer as aforesaid, the Provident Fund, Gratuity Fund and Superannuation Fund dues to the said employees of the Demerged Undertakings would be continued to be deposited in the existing Provident, Gratuity and Superannuation Funds respectively. This shall be binding on the Managers of such funds, if any.
- 14.3 It is clarified that the services of the staff, workmen and employees of the Demerged Undertakings of the Demerged Company will be treated as having been continuous for the purpose of the said Fund or Funds or for any other benefits which an employee is entitled / eligible for presently or in future.

## 15. LEGAL PROCEEDINGS

- 15.1 If any suit, appeal or other proceeding of whatever nature by or against the Demerged Company and relating to the Demerged Undertakings is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the arrangement or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Resulting Companies in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Demerged Company as if this Scheme had not been made.
- 15.2 On and from the Effective Date, the Resulting Companies may, if required, initiate any legal proceedings in relation to the Demerged Undertakings.
- 15.3 In the event of any difference or difficulty in determining whether any specific legal or other proceeding is related to the Demerged Undertakings, a certificate jointly issued by the Board of Directors of the respective Companies as to whether such proceeding relates to the Demerged Undertakings or not, shall be conclusive evidence of the matter.
- 15.4 Notwithstanding anything contained above, in the event any time after the Effective Date, if the Demerged Company in relation to the Demerged Undertakings, is in receipt of any demand, claim, notice and/ or impleaded as a party in any of the proceedings before appropriate authority, the Demerged Company, in view of the transfer and vesting of the Demerged Undertakings pursuant to this Scheme, shall take all such steps in the proceedings before the appropriate authority to replace the Demerged Company with the Resulting Companies.



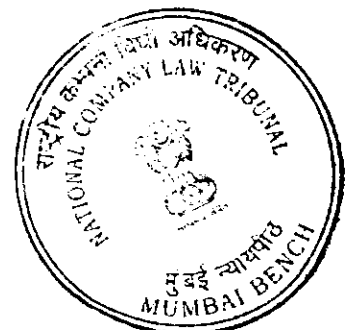
Demerged Company is unable to get the Resulting Companies replaced in such proceedings, the Demerged Company shall defend the same or deal with such demand in accordance with the advice of the Resulting Companies, as applicable and at the cost of the Resulting Companies and the latter shall reimburse and indemnify the Demerged Company against all liabilities and obligations incurred by or against the Demerged Company in respect thereof.

**16. CONTRACTS, DEEDS, ETC.**

Subject to other provisions of the Scheme, all contracts, including contracts for tenancies and licenses, deeds, bonds, insurance policies, agreements, customers and other instruments of whatsoever nature relating to the Demerged Undertakings to which the Demerged Company is a party, or the benefit to which the Demerged Company 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 the Resulting Companies and may be enforced as fully and effectively as if instead of the Demerged Company, the Resulting Companies had been a party or beneficiary thereto. The Resulting Companies shall enter into and / or issue and / or execute deeds, in writings or confirmation or enter into any tripartite agreement, confirmations or novation to which the Demerged Company will, if necessary, also be a party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. Further, the Resulting Companies shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Demerged Company and to implement or carry out all formalities required on the part of the Demerged Company to give effect to the provisions of this Scheme.

**17. TAX ASPECTS**

- 17.1 Upon the Scheme becoming effective, the Companies shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the direct and indirect tax laws in India and to claim refunds and/or credit for taxes paid (including tax deducted at source, advance taxes, etc.) and for matters incidental thereto, if required to give effect to the provisions of the Scheme.
- 17.2 Any refunds or credits, under the direct or indirect tax laws or other applicable laws/ regulations dealing with taxes/ duties/ levies due to Demerged Company relating to Demerged Undertakings consequent to the assessment made on Demerged Company (including any refund for which no credit is taken in the accounts of the Demerged Company) as on the date immediately preceding the Appointed Date shall also belong to and be received by the Resulting Companies upon the Scheme becoming effective.
- 17.3 If the Demerged Company is entitled to any unutilized tax credits and losses (including but not limited to accumulated losses, unabsorbed depreciation), any other deductions and benefits under the Income-tax Act, 1961 or concessions relating to the Demerged Undertakings under any tax law or applicable law, the Resulting Companies shall be entitled, as an integral part of the scheme, to claim such benefits or incentives or unutilized credits or deductions and set off



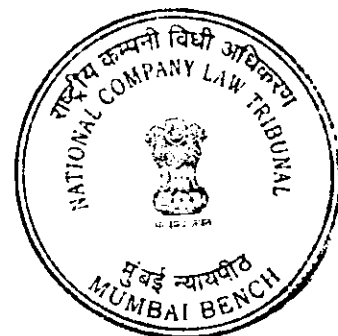


and carry forward the unabsorbed losses and depreciation as the case may be without any specific approval and permission.

- 17.4 The tax payments (including but not limited to income tax, goods & service tax, etc.) whether by way of tax deducted at source, advance tax or otherwise howsoever, by the Demerged Company relating to Demerged Undertakings after the Appointed Date, shall be deemed to be paid by the Resulting Companies and shall, in all proceedings, be dealt with accordingly.
- 17.5 Further, any tax deducted at source by Demerged Company with respect to Demerged Undertakings on transactions with the Resulting Companies, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Resulting Companies and shall, in all proceedings, be dealt with accordingly.
- 17.6 Upon the Scheme coming into effect, any obligation of tax deducted at source on any payment made by or to be made by the Demerged Company relating to Demerged Undertakings shall be made or deemed to have been made and duly complied with by the Resulting Companies. In accordance with relevant central or state legislation dealing with indirect taxes, as are prevalent on the Effective Date, the unutilized credit relating to indirect taxes paid on inputs / capital goods lying to the account of the Demerged Undertakings, shall be permitted to be transferred to the credit of the Resulting Companies, as if such unutilized credits were lying to the account of the Resulting Companies. The Resulting Companies shall accordingly be entitled to set off all such credits.

## **18. REMAINING UNDERTAKING**

- 18.1 The Remaining Undertaking and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be continued to be owned and managed by the Demerged Company, subject to the provisions of the Scheme.
- 18.2 All legal, direct tax or other proceedings (other than covered in Clause 15 above) by or against the Demerged Company under any statute, whether on the Appointed Date or which may be instituted in the future, whether or not in respect of any matter arising before the Effective Date shall be continued and enforced by or against the Demerged Company. The Resulting Companies shall in no event be responsible or liable in relation to any such proceedings.
- 18.3 With effect from the Appointed Date and up to and including the Effective Date:
- a) the Demerged Company shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Undertaking for and on its own behalf; and
  - b) all profits or income accruing or arising to the Demerged Company or all costs, charges, expenses or losses arising or incurred by the Demerged Company (including the effect of taxes, if any, thereon), relating to the Remaining Undertaking shall, for all purposes, be treated as profits, income, costs, charges, expenses or losses, as the case may be, of the Demerged Company.



**19. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE**

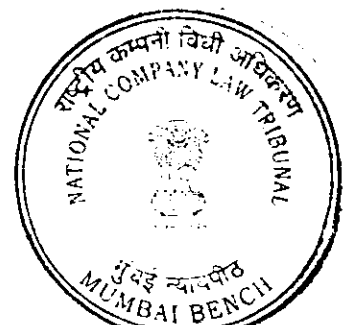
19.1 From the date of approval of the Scheme by the Board of Directors of the Companies and up to and including the Effective Date,

- i) The Demerged Company shall carry on the business and activities of the Demerged Undertakings with reasonable diligence and business prudence and shall not venture into/expand any new businesses, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of the Resulting Companies. The phrase "ordinary course of business" shall mean the ordinary course of business consistent with past customs and practices, provided that a series of related transactions which taken together which is not in the ordinary course of business shall not be considered as ordinary course of business;
- ii) The Resulting Companies shall be entitled, pending sanction of the Scheme, to apply to various government or regulatory agencies, departments or authorities concerned as necessary under law for such consents, approvals, licenses and sanctions, or renewal thereof, which is required to carry on the business of the Demerged Undertakings;
- iii) For the avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of the bank accounts of the Demerged Company, in relation to or in connection with the Demerged Undertakings, have been replaced with that of the Resulting Companies respectively, the Resulting Companies shall be entitled to operate the bank accounts of the Demerged Company pertaining to the Demerged Undertakings, in the name of the Demerged Company in so far as may be necessary. All cheques and negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company, in relation to or in connection with the Demerged Undertakings, after the Effective Date shall be accepted by the bankers of the Resulting Companies and credited to the account of the Resulting Companies, if presented by the Resulting Companies. The Resulting Companies shall be allowed to maintain bank accounts in the name of the Demerged Company, in relation to and in connection with the Demerged Undertakings, for such time as may be determined to be necessary by the Resulting Companies for presentation and deposition of cheques and pay orders that have been issued in the name of the Demerged Company, in connection with the Demerged Undertakings.

19.2 With effect from the Appointed Dates to until Effective Date, all incomes, profits, costs, charges, expenses and taxes accruing to Demerged Company pertaining to the Demerged Undertakings shall for all purposes, be treated as the income, profits, costs, charges, expenses and taxes or losses, as the case may be, of the Resulting Companies.

**20. SAVING OF CONCLUDED TRANSACTIONS**

The transfer of and vesting of property and liabilities and the continuance of proceedings by or against the Resulting Companies shall not affect any transaction or proceedings already concluded by the Demerged Company on or after the Appointed Date to the end and intent that



the Resulting Companies accepts and adopts all acts, deeds and things done and executed by the Demerged Company in regard thereto as done and executed by the Resulting Companies on behalf of itself.

**21. APPLICATIONS TO THE TRIBUNAL**

The Companies with all reasonable dispatch, jointly or severally shall make necessary applications / petitions before the Tribunal for the sanction of this Scheme under Sections 230 to 232 read with Section 66 and other applicable provisions of the Act.

**22. MODIFICATIONS / AMENDMENTS TO THE SCHEME**

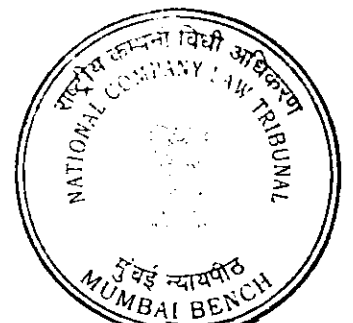
The Companies by their respective Board of Directors may make and/or consent to any modifications/amendments to this Scheme or to any conditions or limitations that the Tribunal or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by the Board of Directors. The Companies by their respective Board of Directors shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith. The power of the Board to modify / amend the Scheme shall be subject to the approval of the Tribunal.

**23. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS**

The Scheme is conditional upon and subject to:

- a) Approval of the Scheme by the requisite majority of the respective members and creditors of the Companies as may be directed by the Tribunal;
- b) Sanctions and orders under the provisions of the Act being obtained by the Companies from the Tribunal;
- c) Certified copies of the orders of the Tribunal, sanctioning the Scheme being filed with the Registrar of Companies by the Companies;
- d) Approvals, if any from any governmental or regulatory authority, or contracting party or from such other authorities, as the Board of Directors may consider relevant, to ensure that business of the (i) Demerged Undertaking 1 subsequent to the transfer to the Resulting Company 1; (ii) Demerged Undertaking 2 subsequent to the transfer to the Resulting Company 2; (iii) Demerged Undertaking 3 subsequent to the transfer to the Resulting Company 3, could be carried on in an effective manner; and
- e) All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

**24. EFFECT OF NON-RECEIPT OF APPROVALS**



- 24.1 In the event of any of the said sanctions and approvals referred to in Clause 23 above not being obtained and / or the Scheme not being sanctioned by the Tribunal or such other competent authority as aforesaid, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.
- 24.2 If any part of this Scheme is held invalid or ruled illegal or unenforceable under law by any court of competent jurisdiction, then it is the intention of the Companies that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the Scheme subject to the approval of the Tribunal, as will best preserve the benefits and obligations contemplated under the Scheme.
- 24.3 At any time prior to the Effective Date, the Board of Directors of the Companies shall be entitled to revoke, cancel and / or withdraw the Scheme from the Tribunal if the Board of Directors are of the view that the coming into effect of the Scheme could have adverse implications for the Demerged Company and the Resulting Companies.

**25. COSTS**

All costs, charges, taxes including duties, levies and all other expenses, if any, arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by the Demerged Company.

Stamp duty cost for transfer and vesting of Demerged Undertakings into Resulting Companies shall be borne by respectively Resulting Companies.

