

SCHEME OF AMALGAMATION

AMONGST

STARLITE SPINTECH LIMITED

(Transferor Company)

WITH

STARLITE GLOBAL ENTERPRISES (INDIA) LIMITED

(Transferee Company)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

**(UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 AND OTHER
APPLICABLE PROVISIONS AND RULES MADE THEREUNDER)**

PREAMBLE

This Scheme of Amalgamation (hereinafter called as “**Scheme**”) is presented pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 (including any statutory modifications or re-enactments or amendments thereof) and other applicable provisions of the Companies Act, 2013/ Companies Act, 1956 and the rules made thereunder (to the extent applicable), read with Sections 2(1B) of the Income-tax Act, 1961, for:

- (i) Amalgamation of Starlite Spintech Limited (Transferor Company) into and with Starlite Global Enterprises (India) Limited (Transferee Company) in accordance with Sections 230 to 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. and in compliance with Section 2(1B) of the Income-tax Act, 1961

This Scheme of Amalgamation is between the above two companies and their respective shareholders and creditors and the Scheme does not provide for any compromise or arrangement with any creditor(s) or class of creditor(s). Similarly, the Scheme does not seek to vary the rights, privileges, terms, conditions and the benefits of the creditor(s) or any class or classification for which they are entitled to as on the Appointed Date or the obligations of the companies towards them.

In addition, this Scheme of Amalgamation also provides for various other matters consequential or otherwise integrally connected herewith.

A. INTRODUCTION

1. Starlite Spintech Limited (“Transferor Company”) or “Amalgamating Company” or “SSL”)

- (i) Starlite Spintech Limited, the "Transferor Company", having Corporate Identity Number U18100TG1994PLC018016, is a public limited company within the meaning of the Companies Act, 2013, was incorporated on 29th July 1994 under the provision of Companies Act, 1956 having its registered office at #601, Shangrila Plaza, Plot No.14, Road No.2, Banjara Hills, Hyderabad-500034, Telangana State, India.

The Transferor Company was originally incorporated for the purpose of Textile Exports. Subsequently in the year 2005, it entered the Real Estate space with the commencement of construction of Residential Buildings and Apartments.

(ii) The main objects of Starlite Spintech Limited are as set out herein below:

- A.** To carry on business of contractors, Builders, Town planners, Infrastructure developers, Estate developers and Engineers land developers, Land Scapers, estate agents, immovable property dealers and to acquire, buy, purchase, hire or otherwise lands, buildings, civil works immovable property of any tenure or any interest in the same and to erect and construct, houses, flats, bungalows, kothis or civil work of every type on the land of the Company or any other land or immovable property whether belonging to the Company or not and to pull down, rebuild, enlarge alter and other conveniences and to deal with and improve, property of the Company or any other Immovable property in India or abroad and to engage civil mechanical and labour contractors, professionals building and erection engineers as may be required and necessary and to act as a dealers, importer, exporters of materials and to undertake manufacturers of various products, by-products, prefabricated and pre cast houses and to purchase, acquire, take on lease or in exchange or in any other lawful manner any area, land, buildings, structures and to turn the same into account, develop the same, dispose-off or maintain the same.
- B.** To carry on the business of construction and development of hi-technology industrial parks, residential townships, vocational training centres, leisure parks, convention centres, multi-storied buildings/ colonies, commercial complexes, office complexes, market, shopping complexes, club, mall, public and private estates/ villas, hospitals and development of other infrastructural facilities and to act as technical consultants and advisors in all matters relating to rural and urban infrastructural developments in India & / or outside India and to carry on the business of leasing and as such to give on lease all kinds of equipment's, plant and machinery, household articles, land, buildings, office

space, agricultural land, plantations, agricultural produce, vehicles, electrical and electronic equipment's, goods, articles and commodities of all kinds and other movable and immovable properties, rights, claims and other interests there in.

C. To undertake the business of providing leasing and services of management, maintenances of co-working space, office space (plug and play), multi-storied buildings/ colonies, commercial complexes, office complexes, market, shopping complexes, club, mall, public and private estates/ villas, hospitals and operations thereon of common services for the benefit of the owners, corporates, lessees, occupants and residents thereof on such terms and conditions and for such considerations as may be agreed to between the parties and run the same with such additions, alterations, improvements or limitation as may be deemed fit in India & / or outside India and to do all matters connected therewith or incidental thereto and to carry on business in the purchase and sale of Immovable properties such as lands, buildings, estates and to manage lands, building, houses and any other property belonging to the Company and collect rents and income, necessary to provide the tenants and occupiers of such convenience and advantages.

D. To carry on all or any of the business in natural fibers namely cotton, silk, flax, hemp, jute, wool combers, worsted spinners, woolen spinners by way of manufacturing, processing and trade in fiber &/or products like yarn, fabrics, garments and by by-products which includes man-made fiber/yarns like polyester & viscose and to carry on the business of spinning, knitting, weaving, bleaching, dyeing, doubling, reeling and finishing as manufactures, processors, importers, exporters and traders in cotton all other natural fibers (organic or inorganic) and all types of man-made fiber either wholly or mixed in any proportion and to act as manufacturers, processors and dealers of such products including readymade garments, technical textiles, carpets blankets and other products thereon in India & / or outside India.

2. Starlite Global Enterprises (India) Limited (“Transferee Company” or “Amalgamated Company” or “SGEIL”)

- (i) **Starlite Global Enterprises (India) Limited, the “Transferee Company”**, having Corporate Identity Number L17110TG1962PLC000915, is a Public Limited Company incorporated on 3rd July, 1962 under the provision of Companies Act, 1956, having its registered office at Suite No.603, Shangrila Plaza, Plot No.14, Road No.2, Banjara Hills, Hyderabad-500034, Telangana State, India.

The Transferee Company was originally incorporated in name and style of M/s. Telangana Spinning and Weaving Mills Limited as a Public Limited Company on 3rd July 1962. Subsequently, the name of the Company was changed to Starlite Global Enterprises (India) Limited on 17th May 2010. The Company is listed on Metropolitan Stock Exchange of India Limited (MSE).

- (ii) The main objects of SGEIL are as set out herein below:
- a) To carry on business of contractors, Builders, Town planners, Infrastructure developers, Estate developers and Engineers land developers, Land Scapers, estate agents, immovable property dealers and to acquire, buy, purchase, hire or otherwise lands, buildings, civil works immovable property of any tenure or any interest in the same and to erect and construct, houses, flats, bungalows, kothis or civil work of every type on the land of the Company or any other land or immovable property whether belonging to the Company or not and to pull down, rebuild, enlarge alter and other conveniences and to deal with and improve, property of the Company or any other Immovable property in India or abroad and to engage civil mechanical and labour contractors, professionals building and erection engineers as may be required and necessary and to act as a dealers, importer, exporters of materials and to undertake manufacturers of various products, by-products, prefabricated and pre cast houses and to purchase, acquire, take on lease or in exchange or in any other lawful manner any area, land, buildings, structures and to turn the same into account, develop the same, dispose-off or maintain the same.
- b) To carry on the business of construction and development of hi-technology industrial parks, residential townships, vocational training centres, leisure parks, convention centres, multi-storied buildings/ colonies, commercial

complexes, office complexes, market, shopping complexes, club, mall, public and private estates/ villas, hospitals and development of other infrastructural facilities and to act as technical consultants and advisors in all matters relating to rural and urban infrastructural developments in India & / or outside India and to carry on the business of leasing and as such to give on lease all kinds of equipment's, plant and machinery, household articles, land, buildings, office space, agricultural land, plantations, agricultural produce, vehicles, electrical and electronic equipment's, goods, articles and commodities of all kinds and other movable and immovable properties, rights, claims and other interests there in.

c) To undertake the business of providing leasing and services of management, maintenances of co-working space, office space (plug and play), multi-storied buildings/ colonies, commercial complexes, office complexes, market, shopping complexes, club, mall, public and private estates/ villas, hospitals and operations thereon of common services for the benefit of the owners, corporates, lessees, occupants and residents thereof on such terms and conditions and for such considerations as may be agreed to between the parties and run the same with such additions, alterations, improvements or limitation as may be deemed fit in India & / or outside India and to do all matters connected therewith or incidental thereto and to carry on business in the purchase and sale of Immovable properties such as lands, buildings, estates and to manage lands, building, houses and any other property belonging to the Company and collect rents and income, necessary to provide the tenants and occupiers of such convenience and advantages.

d) To carry on all or any of the business in natural fibers namely cotton, silk, flax, hemp, jute, wool combers, worsted spinners, woolen spinners by way of manufacturing, processing and trade in fiber &/or products like yarn, fabrics, garments and by by-products which includes man-made fiber/yarns like polyester & viscose and to carry on the business of spinning, knitting, weaving, bleaching, dyeing, doubling, reeling and finishing as manufactures, processors, importers, exporters and traders in cotton all other natural fibers (organic or inorganic) and all types of man-made fiber either wholly or mixed in any proportion and to act as manufacturers, processors and dealers of such products including readymade

garments, technical textiles, carpets blankets and other products thereon in India & / or outside India.

- e) To carry on in India or elsewhere the business of generation, storage, accumulation, transmission, distribution, supply, purchase, sale, exchange, export, import, trading in electricity including solar power, wind power, any renewable energy, any other source of energy whether conventional or non-conventional and to construct, lay-down, establish, fix and carry-out all necessary infrastructures including power stations, cables, wires, transmission lines, accumulators and other equipment's relating thereto.

B. RATIONALE AND PURPOSE OF THE SCHEME OF AMALGAMATION

The proposed Amalgamation of the Transferor Company into and with the Transferee Company would result into the following benefits:

1. To achieve synergistic integration and consolidation of the businesses presently being carried on by the Transferor Company and the Transferee Company, which shall be beneficial to the shareholders, creditors and employees of both companies.
2. Amalgamation would create greater synergies between the businesses of the Transferor Company and the Transferee Company with respect to the textile and Real estate business in which the Transferor Company, and the Transferee Company are engaged and would enable them to have access to better financial resources as well as increase the managerial efficiencies, while effectively pooling the technical, distribution and marketing skills.
3. Simplification of group structure by elimination of multiple entities
4. Enhancement of net worth of the combined business to capitalize on future growth potential, optimum utilization of resources and better administration and cost reduction
5. Savings of operational costs which has become critical for long term sustainability and leading to optimum utilization of resources

6. Elimination of the need for inter-company transactions between the Transferor Companies and Transferee Company;
7. Greater financial strength and flexibility for the Transferee Company, which would result in optimizing the leveraging capability which in turn will allow Transferee Company to undertake larger expansion strategies
8. Larger integrated entity will improve the competitive position of the Transferee Company
9. Cost savings are expected to flow from more focused operational efforts, standardization and simplification of business processes and the elimination of duplication, and rationalization of administrative expenses.
10. Improved shareholder value for the Transferee Company by way of improved financial structure and cash flows, increased asset base and stronger consolidated revenue and profitability.
11. Reduction in management overlaps and elimination of legal and regulatory compliances & associated costs due to operation of multiple listed and unlisted entities:
12. Optimization of the allocated capital & availability of funds which can be deployed more efficiently to pursue the operational growth opportunities;
13. Synergetic integration, pooling of financial, managerial, technical and human resources, thereby creating stronger base for future growth and value accretion for the stakeholders;
14. Post scheme, the Transferee Company would be in a better position to support and finance organic and inorganic expansion of the businesses;
15. To achieve synergistic integration and consolidation of the businesses presently being carried on by the Transferor Company and the Transferee Company, which shall be beneficial to the shareholders, creditors and employees of such companies.

16. Creating greater synergies between the businesses of the Transferor Company and the Transferee Company with respect to the textile and Real estate business in which the Companies are engaged and would enable them to have access to better financial resources as well as increase the managerial efficiencies, while effectively pooling the technical, distribution and marketing skills.

In view of the aforesaid, the Board of Directors of the Transferor Company as well as the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Company as a going concern with the Transferee Company to benefit the shareholders, creditors, employees, and other stakeholders of both the Transferor Company and the Transferee Company. Accordingly, the Board of Directors of both the companies have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertaking and business of the Transferor Company to the Transferee Company as a going concern pursuant to the provisions of Section 230 to Section 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with Section 2(1B) of Income Tax Act, 1961 and other applicable laws.

C. OVERVIEW AND PARTS OF THE SCHEME OF AMALGAMATION

1. This Scheme provides for the amalgamation of the Transferor Company, Starlite Spintech Limited with the Transferee Company, Starlite Global Enterprises (India) Limited, in accordance with Sections 230 to 232 of the Act and the terms and conditions contained in this Scheme.
2. This Scheme as set out herein in its present form along with any modifications and/or amendments, as may be approved in accordance with the terms of this Scheme or as may be directed by the NCLT, shall be deemed to be effective from the Appointed Date, and be operative from the Effective Date.
3. The Scheme is divided into 3 (three) parts viz.
 - (i) Part I sets forth the Introduction, Definitions and Interpretation and Capital Structure of the Companies.

- (ii) Part II deals with the amalgamation of the Transferor Company into and with the Transferee Company, in accordance with the provisions of Sections 230 to 232, and other relevant provisions of the Act; read with Section 2(1B) of Income Tax Act, 1961 as a going concern and
- (iii) Part III deals with general/residuary terms and conditions

PART I – DEFINITIONS, SHARE CAPITAL AND DATE OF TAKING EFFECT
AND OPERATIVE DATE OF THE SCHEME

1. DEFINITIONS

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

- 1.1 “**1956 Act**” means the Companies Act, 1956, together with the rules and regulations, circulars, notifications, clarifications and orders issued thereunder and as amended from time to time and to the extent in force;
- 1.2 “**2013 Act**” means the Companies Act, 2013, together with the rules and regulations, circulars, notifications, clarifications and orders issued thereunder and as amended from time to time and to the extent in force;
- 1.3 “**Act**” or “**Companies Act**” means the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable rules and regulations, for time being in force, if any or applicable provisions of the erstwhile Companies Act, 1956 (as the case may be) including any statutory modification or re- enactment thereof, References in this Scheme to provisions of the Act shall be deemed to mean and include references to particular provisions of the Companies Act, 2013 unless stated otherwise.
- 1.4 “**Amalgamating Company**” or “**Transferor Company**” means Starlite Spintech Limited and shall have the same meaning as assigned to in clause A1 above.
- 1.5 “**Amalgamated Company**” or “**Transferee Company**” means STARLITE GLOBAL ENTERPRISES (INDIA) LIMITED and shall have the meaning assigned to it in clause A2 above.
- 1.6 “**Amalgamation**” or “**Merger**” means the amalgamation of the Transferor Company with the Transferee Company, as going concern pursuant to Sections 230 - 232 and 366 and other relevant provisions of the Companies Act, 2013 and applicable provisions of Companies (Compromises, Arrangements and

Amalgamations) Rules, 2016 and other relevant rules and regulations, and Section 2 (IB) and other relevant provisions of the Income Tax Act, 1961.

- 1.7 “**Applicable Law (s)**” means any statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, approval from the concerned authority, Governmental Authority resolution, order, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any concerned authority having jurisdiction over the matter in question.
- 1.8 “**Appointed Date**” means April 1, 2024 or such other date as may be agreed amongst the Transferor Company and the Transferee Company for the Amalgamation of the Transferor Company into and with the Transferee Company and approved by the Hon’ble National Company Law Tribunal (“**NCLT**”) Hyderabad Bench at Hyderabad or such other date as may be fixed by the National Company Law Tribunal, for the purposes of this Scheme and Income Tax Act, 1961 or any other competent authority;
- 1.9 “**Appropriate Authority**” means and includes any Governmental, statutory, departmental, or public body or authority, including Regional Director, Registrar of Companies, NCLT, Hyderabad Bench.
- 1.10 “**Articles of Association**” means the Articles of Association of a company.
- 1.11 “**Board of Directors**” or “**Board**” means the Board of Directors of the Transferor Company or the Transferee Company, as the case may be, or any committee thereof duly constituted, or any other person duly authorized by the Board for the purpose of this Scheme;
- 1.12 “**Clause**” and “**sub-Clause**” means the relevant clauses and sub-clauses set out in this Scheme.
- 1.13 “**Companies**” shall mean jointly referring to the Transferor Company and the Transferee Company.

- 1.14 “**Corporate Action**” shall mean sub-division, consolidation, or re-organization or any other type of capital restructuring activities including but not limited to issue of bonus/right shares, transfer, sale, alienate, mortgage, creation of any encumbrance on the promoter’s shareholding, excluding grant of employee’s stock options and consequent allotment, by the Transferor Company until the effectiveness of the Scheme.
- 1.15 “**Effective Date**” shall mean later of the dates on which the certified true copies of the Orders of Hon’ble National Company Law Tribunal sanctioning this Scheme of Amalgamation are filed with the Registrar of Companies, Telangana, Hyderabad by the Transferor Company and the Transferee Company, References in this Scheme to the words “upon the Scheme becoming effective” or effectiveness of this Scheme” or upon the “Scheme coming into effect” shall mean Effective Date.
- 1.16 “**Governmental Authority**” means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making an entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district, or other subdivision thereof.
- 1.17 “**Indemnified Persons**” shall mean to include Transferee Company, its directors, employees, officers, representatives, or any other person authorized by the Transferee Company, excluding the Promoters.
- 1.18 “**Indemnifying Persons**” shall mean the Promoters / Promoter Group of Transferor Company and Transferee Company.
- 1.19 “**Memorandum of Association**” means the Memorandum of Association of the transferor company and/or the transferee company.
- 1.20 “**NCLT**” means the National Company Law Tribunal, Hyderabad bench, having jurisdiction over the Transferee Company and the Transferor Company. It is clarified that the provisions of 2013 Act pertaining to Scheme of Amalgamation have become applicable and for the purpose of this Scheme, all the references are made to National Company Law Tribunal which is constituted under the 2013 Act;

- 1.21 “**New Equity Shares**” shall mean the equity shares of Transferee Company to be issued and allotted to shareholders of Transferor Company in a manner detailed under Clause 9 of the Scheme.
- 1.22 “**Person**” shall mean any individual, entity, joint venture, company (including a limited liability company), corporation, partnership (whether limited or unlimited), proprietorship, trust or other enterprise (whether incorporated or not), Hindu undivided family, union, association of persons, government (central, state or otherwise), or any agency, department, authority, or political subdivision thereof, and shall include their respective successors and in case of an individual shall include his/her legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees and the beneficiary or beneficiaries from time to time;
- 1.23 “**Promoters**” / “**Promoter Group**” shall mean shareholders/persons as categorized as part of “**Promoters**” / “**Promoter Group**” in the Shareholding pattern of Transferor Company and Transferee Company.
- 1.24 “**Record Date**” means the date fixed by the Board of Transferee Company in consultation with the Board of the Transferor Company or a committee thereof, in order to determine who are the shareholders of the Transferor Company that are eligible/ entitled to receive shares in Transferee Company pursuant to this Scheme.
- 1.25 “**Registrar of Companies**” means the Registrar of Companies, Telangana at Hyderabad having jurisdiction over the Transferee Company and the Transferor Company.
- 1.26 “**Rs**” means Indian Rupees.
- 1.27 “**Scheme**” or “**the Scheme**” means this Scheme of Amalgamation and Arrangement among the Transferor Company and the Transferee Company and their respective shareholders pursuant to the provisions of Sections 230 – 232 and other relevant provisions of the Companies Act, 2013, as may be applicable, and Section 2(1 B) and other relevant provisions of the Income Tax Act, 1961, as applicable. in its

present form (including any annexures, schedules, etc., annexed/attached hereto), along with such modifications and amendments as may be made from time to time.;

- 1.28 “**SEBI**” shall mean Securities and Exchange Board of India;
- 1.29 “**SEBI Master Circular**” shall mean the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and/or SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June, 2023, as applicable and as amended or replaced from time to time;
- 1.30 “**Share Exchange Report**” shall mean the registered valuer report on the share exchange ratio dated 30th November 2023 issued by Mr. Bhavesh M Rathod, Independent Chartered Accountant and Registered Valuer;
- 1.31 “**Stock Exchange**” shall mean Metropolitan Stock Exchange of India Limited (MSE) where the equity shares of Transferee Company are listed.
- 1.32 “**Undertaking of the Transferor Company**” shall mean and include the entire business(s), all the undertaking(s), activities, employees, operations, assets and liabilities of whatsoever nature and kind and wheresoever situated, of the Transferor Company, on a going concern basis, and shall mean and include, without limitation:
- (i) All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature), wherever situated, whether leasehold or freehold, including land, building, plant and machinery, installations, equipments, capital work-in-progress, vehicles, furniture, fixtures, appliances, accessories, stocks, inventory, receivables, cash on hand, balances with banks (including bank fixed deposits), advances paid to any persons, loans and advances and deposits of the Transferor Company, along with all rights, title, liability and interest in connection therewith as on the Appointed Date.
 - (ii) All agreements, rights, contracts (including but not limited to right to receive any sum/ property against the advance given for purchase of immovable property, agreements with respect to immovable and movable properties

being used by the Transferor Company by way of leasehold, license or any other rights or privileges or other arrangements), bids, tenders, letters of intent, expressions of interest, entitlements, licenses, permits, deeds, leases, memoranda of understanding, memoranda of agreements, undertakings, powers of attorney (if granted and applicable), whether written or otherwise sales orders, purchase orders or other instruments of whatsoever nature to which the Transferor Company is a party as on the Appointed Date.

- (iii) All the debts, duties, obligations, borrowings and liabilities (including contingent liabilities, liabilities not accrued, not recognized or provided for in the books of account of the Transferor Company), guarantees, assurances, commitments, loans, and undertakings of any kind, nature and description, whatsoever and howsoever arising, present or future, whether secured or unsecured, and including, without limitation, working capital facilities, advances from customers, unearned revenues, bills payable, interest, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability) pertaining to or relatable to the Transferor Company as on the Appointed Date.
- (iv) All statutory licenses, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, tenancies, offices, depots, quotas, rights, entitlements, privileges, benefits of all contracts/ agreements (including but not limited to contracts/ agreements with vendors, customers, government etc.), all other statutory licenses (including but not limited to right to use or avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, emails, internet, leased line connections and installations, lease rights, easements, powers and facilities) , privileges and all other rights, title, interests, other benefits (including but not limited to tax credits, including Minimum Alternate Tax (**MAT**) credits, CENVAT credits, refunds, reimbursements,

claims, exemptions, benefits under Goods and Services Tax (GST), purchase tax, sales tax or any other duty or tax or cess or imposts under any Central or State law including sales tax deferrals, special economic zone benefits, excise duty benefits, tax deducted at source, advance tax), right to carry forward and set-off unabsorbed losses, and depreciation, if any and exemptions, deductions, benefits and incentives under the Income-tax Act, 1961 in respect of business, activities and operations pertaining to the Transferor Company as on the Appointed Date.

- (v) Amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Appropriate Authority, under any law, act, scheme or rule, as refund of any tax, duty, cess or of any excess payment.
- (vi) All other obligations of whatsoever kind, including liabilities of the Transferor Company with regard to their employees, with respect to the payment of gratuity, superannuation, pension benefits and the provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise.
- (vii) All earnest monies and/ or security deposits in connection with or relating to the Transferor Company.
- (viii) All legal proceedings including tax, regulatory, quasi-judicial, arbitral and other administrative proceedings, suits, appeal, applications, or other proceedings of whatsoever nature initiated in connection with the Transferor Company.
- (ix) All books, records, files, papers, information, computer programs, manuals, data, catalogues, quotations, sales 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 relating to the Transferor Company.
- (x) All staff, workmen and employees engaged in the Transferor Company.

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

The expressions which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act and/ or other applicable laws, rules, regulations, byelaws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.

In this Scheme, unless the context otherwise requires:

- The terms “hereof”, “herein”, “hereby”, “hereto” and derivative or similar words used in this Scheme refers to this entire Scheme.
- Words denoting singular shall include plural and vice versa.
- Headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation of this Scheme.
- The words “including”, “include” or “includes” shall be interpreted in a manner as though the words “without limitation” immediately followed the same.
- The words “other”, “or otherwise” and “whatsoever” shall not be construed ejusdem generis or be construed as any limitation upon the generality of any preceding words or matters specifically referred to.
- References to clause, part or schedule is, unless otherwise stated or indicated to the contrary, are references to clause, part, and schedule of this Scheme.
- Any document or agreement includes a reference to that document or agreement as varied, amended, supplemented. substituted, novated, or assigned, from time to time, in accordance with the provisions of such a document or agreement.

- Any reference to any legislation, statute, regulation, rule, notification or any other provision of law means and includes references to such legal provisions as amended, supplemented, or re-enacted from time to time, and any reference to legislation or statute includes any subordinate legislation made from time to time under such a legislation or statute and regulations, rules, notifications or circulars issued under such a legislation or statute.
- References to one gender includes all genders.

2. SHARE CAPITAL

2.1 The Share Capital of Transferor Company as per the latest Audited Financial Statements as on 30th September 2023

STARLITE SPINTECH LIMITED (TRANSFEROR COMPANY)

Particulars	Amount (Rs)
Authorized:	
30,00,000 Equity Shares of Rs 10/- each	3,00,00,000
Total	3,00,00,000
Issued, Subscribed and Paid-up:	
14,60,500 Equity Shares of Rs. 10/- each	1,46,05,000
Total	1,46,05,000

As on the date of this Scheme being approved by the Board of Transferor Company, the Share Capital of Transferor Company is as under:

STARLITE SPINTECH LIMITED (TRANSFEROR COMPANY)	
Particulars	Amount (Rs)
Authorized:	
30,00,000 Equity Shares of Rs 10/- each	3,00,00,000
Total	3,00,00,000
Issued, Subscribed and Paid-up:	
14,60,500 Equity Shares of Rs. 10/- each	1,46,05,000
Total	1,46,05,000

2.2 The Share Capital of Transferee Company, as per the latest Audited Financial Statements as on 30th September 2023 is as under:

STARLITE GLOBAL ENTERPRISES (INDIA) LIMITED	
Particulars	Amount (Rs)
Authorized Share Capital:	
48,00,000 Equity Shares of Rs. 10/- each	4,80,00,000
2,00,000 9.5% Redeemable Cumulative Preference Shares of Rs.10/- each	20,00,000
Total	5,00,00,000
Issued, Subscribed and Paid-up:	
3,972,824 Equity Shares of Rs 10/- each	3,97,28,240
Total	3,97,28,240

As on the date of this Scheme being approved by the Board of Transferee Company, the Share Capital of Transferee Company is as under:

STARLITE GLOBAL ENTERPRISES (INDIA) LIMITED	
Particulars	Amount (Rs)
Authorized Share Capital:	
48,00,000 Equity Shares of Rs. 10/- each	4,80,00,000
2,00,000 9.5% Redeemable Cumulative Preference Shares of Rs.10/- each	20,00,000
Total	5,00,00,000
Issued, Subscribed and Paid-up:	
3,972,824 Equity Shares of Rs 10/- each	3,97,28,240
Total	3,97,28,240

The equity shares of the Transferee Company are listed on the Metropolitan Stock Exchanges of India.

The Companies agree that till the Scheme becomes effective, there shall be no change in the authorized capital or the issued, subscribed, and paid-up capital of the Transferor Company and that of the Transferee Company.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE OF THE SCHEME:

The Scheme set out herein in its present form or with modification(s) or amendment(s), if any, approved or imposed or directed by the Hon'ble NCLT or any other Appropriate Authority, shall be effective from the Appointed Date and shall be operative from the Effective Date.

**PART II – PROVISIONS FOR AMALGAMATION OF TRANSFEROR
COMPANY INTO AND WITH TRANSFEREE COMPANY**

4. TRANSFER AND VESTING OF TRANSFEROR COMPANY INTO AND WITH TRANSFEREE COMPANY:

- 4.1 With effect from the Appointed Date, and upon the Scheme becoming effective, the Transferor Company shall stand transferred to and be vested in the Transferee Company, as a going concern, without any further deed or act, together with all the properties, assets, rights, liabilities, benefits and interest therein as detailed below.
- 4.2 Upon this Scheme becoming effective and with effect from the Appointed Date, the entire business(s) and the whole of the Undertaking(s), properties, assets and liabilities of the Transferor Company shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company, in terms of section 230 to 232 and applicable provisions, if any, of the Act, and pursuant to the orders of the NCLT or other Appropriate Authority, if any, sanctioning the Scheme, and also in accordance with Section 2(1B) of the Income-tax Act, 1961, as a going concern, without any further deed or act, instrument, matter or thing to be done or executed so as to become, as from the Appointed Date, subject to existing charges or *lis pendens*, if any thereon, in favour of banks/ financial institutions.
- 4.3 Without prejudice to the generality of Clause 4.1 above, with effect from the Appointed Date and upon the Scheme becoming effective All the assets and properties of the Transferor Company that are movable in nature or are otherwise capable of transfer by manual or constructive delivery and/ or endorsement and delivery, or by vesting including equipment, furniture and fixtures, the same shall stand so transferred by the Transferor Company and shall become the assets and properties of the Transferee Company in pursuance to the provisions of section 230 to 232 of the Companies Act 2013, without requiring any separate deed or instrument or conveyance for the same or any further act, deed, matter or thing. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting, pursuant to this Scheme, as appropriate to the assets and properties being vested and title to the

assets and properties shall be deemed to have been transferred to the Transferee Company accordingly.

4.4 With respect to the movable assets of the Transferor Company other than those referred to in Clause 4.3 above, including sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, property development rights, investments, earnest money and deposits with any Government, quasi government, local or other authority or any bank or financial institution or body or body corporate or with any company or other person, the same shall, without any further act, instrument, deed, matter or thing, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company on the Appointed Date without any notice or other intimation to the debtors (although the Transferee Company may without being obliged and if it so deems appropriate at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be that the said debt, loan, advance, balance or deposit stands transferred and vested in the Transferee Company) pursuant to the provisions of section 230 to 232 of the Act. It is hereby clarified that all the investments, if any, made by the Transferor Company and all the rights, title and interests of the Transferor Company in any leasehold properties in relation to the Undertaking(s) of the Transferor Company shall, without any further act, instrument, deed, matter or thing, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company.

4.5 In respect of the immovable properties of the Transferor Company, if any, including but not limited to right to receive any sum/ property against the advance given for purchase of immovable property, land, buildings and any other immovable property, shall with effect from the Appointed Date, stand transferred to and vested in the Transferee Company and any documents of title, rights and easements in relation thereto, shall stand vested in the Transferee Company, without requiring any deed or instrument of conveyance or any act to be done by the Transferor Company or the Transferee Company, and without any approval or acknowledgement of any third party. With effect from the Appointed Date, the

Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges, and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation/ substitution of the title to such immovable properties shall be made and duly recorded in the name of the Transferee Company by the Appropriate Authorities pursuant to the sanction of the Scheme by the NCLT and the Scheme becoming effective in accordance with the terms hereof. The Transferor Company shall take all steps as may be necessary to ensure that lawful, peaceful and unencumbered possession, right, title, interest of the immovable property is given to the Transferee Company.

- 4.6 All licensed/ leased immovable properties, if any, of the Transferor Company, including any right or interest in the buildings and structures standing thereon and all lease/ license or rent agreements entered into by the Transferor Company, together with security deposits and advance/ prepaid lease/ license fee, rights and easements in relation to such properties shall stand transferred to and vested in the Transferee Company, without requiring any separate deed or instrument for the same or any further act or deed, matter or thing. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties, if any, and shall be liable to pay the rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants under all relevant lease/license or rent agreements and shall, in accordance with the terms of such agreements, refund the security deposits and advance/ prepaid lease/ license fee to the Transferee Company.
- 4.7 All the loans raised and utilized, debts, liabilities, contingent liabilities, present or future, duties and obligations of the Transferor Company, secured or unsecured, whether known or unknown, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company, without any further act, instrument, deed, matter or thing and the Transferee Company shall discharge and satisfy the same in terms of their respective terms and conditions, if any. For the avoidance of doubt, 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, duties and obligations have arisen in order to give effect to the provisions of this Clause.

4.8 All letters of intent, memoranda of understanding, memoranda of agreements, memoranda of undertakings, memoranda of agreed points, letters of agreed points, tenders, bids, contracts, deeds, bonds, schemes, arrangements, agreements, whether written or otherwise, deeds, and other instruments (including all leases, licenses and other assurances in favour of the Transferor Company or powers or authorities granted by or to it) of whatsoever nature of the Transferor Company, to which the Transferor Company is a party or to the benefit of which, the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall, without any further act, instrument or deed, continue in full force and effect in favour of, by, for or against the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto or thereunder. It is hereby clarified that upon the Scheme becoming effective, and with effect from the Appointed Date, the Transferor Company shall have no rights and liabilities in respect of any of the aforesaid contracts/ arrangements transferred to the Transferee Company for the period after the Appointed Date.

4.9 All taxes (including but not limited to advance tax, tax deducted at source, tax collected at source, minimum alternate tax credits, securities transaction tax, taxes withheld/ paid in a foreign country, value added tax, sales tax, excise duty, GST, etc.), duties, cess payable by or refundable to or being the entitlement of the Transferor Company, including all or any refunds/ tax losses including unabsorbed depreciation/ credit/ claims relating thereto shall be treated as the tax liability or refunds/ tax losses including unabsorbed depreciation/ credit/ claims, as the case may be, of the Transferee Company, and any tax incentives, exemptions, credits, tax holidays, remissions, reductions, tax benefit, advantages, tax losses, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, as would have been available to the Transferor Company, shall pursuant to the Scheme becoming effective, be available to the Transferee Company with effect from the

Appointed Date. Benefit of tax losses including brought forward business loss, unabsorbed depreciation, etc. upto the Appointed Date, shall be available to the Transferee Company with effect from the Appointed Date in terms of section 72A of the Income-tax Act, 1961.

- 4.10 The Transferee Company shall be entitled to claim refunds or credits, including input tax credits, with respect to taxes paid by, for, on behalf of, the Transferor Company under applicable laws, including but not limited to sales tax, excise duty, goods and services tax (GST), minimum alternate tax, advance tax or any other tax, whether or not arising due to any inter-se transaction, with effect from the Appointed Date even if the prescribed time limits for claiming such refunds or credits have lapsed. For avoidance of doubt, inputs tax credits already availed of or utilized by the Transferor Company and the Transferee Company in respect of the inter-se transactions shall not be adversely impacted by the cancellation of inter se transactions pursuant to this Scheme.
- 4.11 All statutory rights and obligations of Transferor Company would vest on/ accrue to the Transferee Company. Hence, obligations of the Transferor Company, prior to the Effective Date, to issue or receive any statutory declaration or any other Forms by whatever name called, under the Goods and Services Tax (GST) or any other Act for the time being in force, would be deemed to have been fulfilled if they are issued or received by Transferee Company and if any Form related to the period prior to the said Effective Date is received in the name of the Transferor Company, it would be deemed to have been received by the Transferee Company in fulfilment of its obligations.
- 4.12 Benefits of any and all corporate approvals as may have already been taken by the Transferor Company, whether being in the nature of compliances or otherwise, shall under the provisions of Section 230 to 232 and all other applicable provisions of the Act, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred and vested in the Transferee Company as a part of the transfer of the Undertaking(s) as a going

concern, and the said corporate approvals and compliances shall be deemed to have originally been taken/ complied with by the Transferee Company.

4.13 For the avoidance of doubt, it is clarified that upon the coming into effect of this Scheme, in accordance with the provisions of relevant laws, consents, permissions, licenses, certificates, authorities (including for the operation of bank accounts), powers of attorneys given by, issued to or executed in favour of the Transferor Company, and the rights and benefits under the same shall, and all quality certifications and approvals, trademarks, brands, patents and domain names, copy rights, industrial designs, trade secrets and other intellectual property and all other interests relating to the goods and services being dealt with by the Transferor Company, be transferred to and vested in the Transferee Company.

4.14 All the licenses, permits, quotas, approvals, certifications, permissions, registrations, incentives, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status, rehabilitation schemes and other benefits or privileges enjoyed or conferred upon or held or availed of by and all the rights and benefits that have accrued or which may accrue (whether statutory or otherwise) to the Transferor Company, pursuant to the provisions of Section 230 to 232 and all other applicable provisions of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date, the licenses, permits, quotas, approvals, certifications, permissions, registrations, incentives, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status, rehabilitation schemes and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible in law. Upon the Effective Date and until the licenses, permits, quotas, approvals, certifications, permissions, registrations, incentives, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status, rehabilitation schemes are transferred, vested, recorded, effected and / or perfected, in the records of the Appropriate Authority, in favour of the Transferee Company, the Transferee Company is authorised to carry on business in the name and style of the Transferor

Company and under the relevant license and or permit and/ or approval, as the case may be, and the Transferee Company shall keep a record of such transactions.

4.15 The Transferee Company shall file relevant intimations, for the record of the statutory authorities signifying the transfer of assets/ properties including but not limited to permissions, approvals, consents, sanctions, remissions, special reservations, incentives, concessions and other authorizations of the Transferor Company.

4.16 All employees of the Transferor Company, who are on its payroll shall be engaged by the Transferee Company, on such terms and conditions as are no less favourable than those which they are currently engaged by the Transferor Company, without any interruption of service because of this amalgamation and transfer. With regard to provident fund, gratuity, leave encashment and any other special scheme or any other benefits created or existing for the benefit of such employees of the Transferor Company, upon this Scheme becoming effective. The Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, in accordance with the provisions of applicable laws and in terms of this Scheme, It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Transferor Company for such purpose, shall be treated as having been continuous;

5. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations of the Transferor Company, pursuant to this Scheme, and the continuance of the legal proceedings by or against the Transferee Company shall not affect any transactions or proceedings already completed by the Transferor Company, on and after the Appointed Date, to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and/ or on behalf of the Transferor Company, as acts, deeds and things done and executed by and/ or on behalf of the Transferee Company.

6. PROCEDURAL FORMALITIES POST SANCTION OF THE SCHEME

- 6.1 The Transferee Company shall, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or novation or other writings or arrangements with any party to any contract or arrangement in relation to which the Transferor Company, has been a party, in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.
- 6.2 Upon the Scheme becoming effective, for statistical purposes only and without any separate deed, instrument or writing, the Transferor Company and/or the Transferee Company shall, if required, simultaneously with the amendment in the register of charges and file particulars of the modified charge with the RoC. Any documentation subsequently entered into with the terms lenders or the working capital lenders of the Transferor Company and the Transferee Company, shall be for the sake of convenience and record only and to reflect the changes in the security pursuant to the Scheme and there shall be no break in the continuity of such charge and the same shall relate back to the date of its creation thereof in the Transferor Company.
- 6.3 Upon the Scheme becoming effective, all permissions, licenses, approvals, consents, privileges, benefits and benefits of filings and all other incorporeal rights emanating from such licenses, whether statutory, regulatory or otherwise, relating to the Transferor Company, shall stand transferred to and vest in Transferee Company without any further act, instrument or deed as more particularly provided hereinabove. Notwithstanding such transfer/ vesting of the aforesaid licenses, if any application is required for the statistical record of the statutory authorities to implement the transfer and vesting of such licenses, as provided hereinabove, the Transferee Company shall facilitate the statutory authorities by filing such applications, which shall be granted/ approved in favour of the Transferee Company based on the sanction order of the Scheme by the NCLT.

- 6.4 Upon the Scheme becoming effective, the Transferee Company is expressly entitled to revise its Tax returns and related withholding certificates and shall be entitled to claim Tax refund, Tax Credits pertaining to the Transferor Company, if any.
- 6.5 Upon the Scheme becoming effective, the Transferee Company is expressly permitted and shall be entitled to revise its Financial Statements and Returns along with prescribed Forms, filings and annexures under the Income Tax Act, 1961, as amended, (including for minimum alternate tax purpose and tax benefits), services tax laws, Goods and Services Tax (GST) as may be applicable and other tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax), to claim tax benefits and related withholding certificates under the Income Tax, 1961 etc. and for matters incidental thereto, if required to give effect to the provisions of this Scheme.

7 TAX

- 7.1 Any tax liabilities under the Income Tax Act, 1961 or other applicable laws, regulations dealing with taxes/ duties/ levies allocable or related to the business of Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.
- 7.2 Any surplus in the provision for taxation' duties / levies account including but not limited to the advance tax, tax deducted at source by the customers and minimum alternate tax credit, central value added tax credit, goods and services tax credit as on the date immediately preceding the Appointed Date will also be transferred to Transferee Company. Any refund under the Income Tax Act, 1961 or other applicable laws/ regulations dealing with taxes/ duties / levies allocable or related to the business of Transferor Company or due to Transferor Company, consequent to the assessment made in respect of Transferor Company, for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date, shall also belong to and be received by Transferee Company.
- 7.3 The tax payments (including without limitation income tax, tax on distribution of dividends, service tax, excise duty, central sales tax, goods and services tax,

applicable state value added tax or any other taxes as may be applicable from time to time) whether by way of tax deducted at source by the customers, advance tax or otherwise howsoever, by Transferor Company after the Appointed Date, shall be deemed to be paid by Transferee Company and shall, in all proceedings, be dealt with accordingly. Notwithstanding the above, any tax deducted at source by either the Transferor Company or the Transferee Company on account of intercompany transactions between Transferee Company and Transferor Company post the Appointed Date, shall be deemed to be advance tax paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.

- 7.4 All tax assessment proceedings/appeals of whatsoever nature by or against the Transferor Company pending and /or arising at the Appointed Date and relating to Transferor Company shall be continued and/or enforced until the Effective Date as desired by Transferee Company. As and from the Effective Date, the tax proceedings/ appeals shall be continued and enforced by or against Transferee Company (for and on behalf of the Transferor Company) in the same manner and to the same extent as would or might have been continued and enforced by or against Transferor Company. Further, the afore-mentioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of Transferor Company with Transferee Company or anything contained in the Scheme.
- 7.5 Upon the Scheme coming into effect, any obligation for deduction of tax at source on any payment made by or to be made by Transferor Company shall be made or deemed to have been made and duly complied with by the Transferee Company.
- 7.6 The provisions of this Scheme as they relate to the amalgamation of Transferor Company into and with Transferee Company have been drawn up to comply with the conditions relating to “amalgamation” as defined under Section 2(1B) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income Tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income Tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent

determined necessary to comply with Section 2(1B) of the Income Tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

8 CONDUCT OF BUSINESS

8.1 With effect from the Appointed Date and until occurrence of the Effective Date:

- (i) The Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its properties and assets for and on account of and in trust for Transferee Company.
- (ii) The Transferor Company hereby undertakes to hold its assets with utmost prudence until the Effective Date.
- (iii) The Transferor Company shall carry on its business and activities with reasonable diligence, business prudence in the ordinary course of business and shall not, outside the ordinary course of business or as mentioned in terms of this Scheme, (a) undertake any additional financial commitments, (b) borrow any amounts or incur any additional liabilities or expenditure, (c) issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its affiliates or associates or any third party, or (d) sell, transfer, alienate, charge, mortgage or encumber or deal, in any of its properties/ assets, (excluding sale, transfer, alienate, charge, mortgage or encumber or deal with its investments in the Transferee Company); or when a prior written consent of the Transferee Company has been obtained in this regard, the Transferor Company shall carry on its business in its ordinary course with reasonable diligence and business prudence and in a manner consistent with its past practices;
- (iv) Except by consent of the Board of Directors of the Transferee Company or as part of this Scheme, pending sanction of this Scheme by the NCLT, the Transferor Company shall not take any Corporate Action.

(v) The Transferor Company shall not alter its business except with the written concurrence of the Transferee Company; and

(vi) The Transferor Company shall not amend its memorandum of association or its articles of association, except with the written concurrence of the Transferee Company.

8.2 All the profits or income accruing or arising to the Transferor Company or expenditure, or losses arising or incurred or suffered by it with effect from Appointed Date shall for all purposes be treated and be deemed to be accrued as the income or profits or losses or expenditure. as the case may be, of the Transferee Company respectively, unless otherwise provided in this Scheme.

8.3 With effect from the Effective Date, the Transferee Company shall commence and carry on and shall be authorized to carry on the business of the Transferor Company.

8.4 Upon this Scheme becoming effective, the Transferor Company shall stand dissolved without requiring any further action under any applicable law.

8.5 To give effect to the amalgamation order passed under Sections 230 - 232 and other applicable provisions of the Companies Act 2013 in respect of the Scheme by NCLT, the Transferee Company shall, at any time pursuant to the approval of the Scheme by the NCLT, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Transferor Company, in accordance with the provisions of Sections 230 - 232 of the Companies Act 2013.

8.6 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 Transferor Company have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company insofar as may be necessary. All cheques and negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the

bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. Similarly, till the time any regulatory registrations of the Transferor Company are closed / suspended and regulatory filings are required to be done on such registrations, the Transferee Company shall be entitled to do so to comply with the relevant regulations and that after the sanction of the Scheme and in spite of dissolution of Transferee Company, shall for a period of five years from the date of sanction of the Scheme, be also entitled to continue to operate existing Bank account (s) of Transferor Company for the purpose of depositing cheques, drafts, pay orders and or payment advances issued to or to be issued in favor of Transferor Company and for the purpose of transferring such deposits in such accounts of Transferor Company to the account of Transferee Company.

- 8.7 Notwithstanding anything contained herein, in the event any dividends are declared by the Transferee Company before the Scheme becoming effective, the Transferor Company being entitled to the same due to its shareholding in the Transferee Company, shall ensure that such entitlements are distributed amongst its shareholders by way of dividends prior to Effective Date.

9 CONSIDERATION

- 9.1 Upon the Scheme becoming effective and without any further application, act, instrument or deed, the Transferee Company, in consideration of the transfer and vesting of the Assets and said Liabilities of the Transferor Company with the Transferee Company, the Transferee Company, on the basis of Share valuation Report dated 30th November 2023 Issued by Mr. Bhavesh M Rathod, Registered Valuer under Class Securities or Financial Assets vide IBBI Registration No.: IBBI/RV/06/2019/10708 and ICAI RVO Membership No.: ICAIRVO/06/RV-P00113/2018-19, shall issue its fully paid equity shares of Rs. 10/- each to the equity shareholders of Transferor Company ("Members"), whose name appears in the Register of Members of the Transferor Company (for shares held in physical form) and as per the beneficiary position received for the Transferor Company from National Securities Depository Limited and Central Depository Services (India) Limited respectively (for shares held in dematerialized form), as at the end of business hours on the Record date, in the manner given herein below:

“For every 9 (Nine) fully paid-up equity share of Rs. 10/- each of **Starlite Spintech Limited** (Transferor Company), 1 equity shares of Rs. 10/- each of **Starlite Global Enterprises (India) Limited** (Transferee Company) will be issued and allotted to the Shareholders of equity shares of the Transferor Company as on record date.”

- 9.2 Equity shares to be allotted by the Transferee Company under this Scheme shall hereinafter be referred to as New Equity Shares."
- 9.3 In case the members of the Transferor Company owns shares in the Transferor Company such that they become entitled to a fraction of an equity share of the Transferee Company, the Transferee Company shall not issue fractional shares to such member but shall instead, consolidate such fractions and issue consolidated shares to a trustee nominated by the Transferee Company in that behalf, who shall sell such shares and distribute the net sale proceeds (after deduction of applicable taxes and other expenses incurred) to the members respectively entitled to the same in proportion to their fractional entitlements.
- 9.4 The New Equity Shares shall be issued in dematerialized form and the New Equity Shares shall be listed in Metropolitan Stock Exchange of India Limited (MSE).
- 9.5 In the event of there being any pending share transfers, whether lodged or outstanding, of any member of the Transferor Company, the Board of Directors of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record date, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor/ transferee of the shares in the Transferor Company and in relation to the shares issued by the Transferee Company after the effectiveness of this Scheme. The Board of Directors of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Transferee Company.
- 9.6 Upon the Scheme becoming effective, the issued, subscribed, and paid-up share capital of the Transferee Company shall stand suitably increased consequent upon the issuance of New Equity Shares. It is clarified that no special resolution under Section 62(1)(C) of the Act shall be required to be passed by the Transferee Company separately in the general meeting for the issue of New Equity Shares.

- 9.7 The New Equity Shares to be issued to the shareholders of the Transferor Company above shall be subject to the Memorandum and Articles of Association of the Transferee Company and shall rank pari-passu with the existing equity shares of the Transferee Company in all respects with the then existing equity shares of the Transferee Company, including in respect of dividend, if any, that may be declared by the Transferee Company on or after the Effective Date. The issue and allotment of New Equity Shares shall be deemed to have been carried out as if the procedure laid down under applicable provision of Companies Act 2013 including provision of Section 62 of Companies Act 2013, Securities Contracts (Regulations) Act 1956, the SEBI Act, 1992, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and any other applicable SEBI Regulation, in respect to issue and allotment of shares have been complied with.
- 9.8 If the Transferee Company changes its capital structure by way of any Corporate Action, the number of New Equity Shares mentioned in Clause 9.1 shall further be suitably modified/adjusted to give effect to such Corporate Actions.
- 9.9 The New Equity Shares in terms of this Scheme will be listed and/or admitted to trading on the Stock Exchanges where the shares of the Transferee Company are listed and/or admitted to trading subject to necessary approvals from the Stock Exchanges and necessary applications and compliances being made by the Transferee Company. Subject to the provisions of the Securities Contracts (Regulations) Act 1956, the SEBI Act, 1992, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Transferee Company shall take steps for listing of New Equity Shares on the Stock Exchange where the existing equity shares of the Transferee Company are listed. The New Equity Shares shall remain frozen in the depositories system till relevant directions in relation to listing / trading are given by the Stock Exchanges.
- 9.10 On the approval of the Scheme by the shareholders of Transferee Company pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act, it shall be deemed that the said shareholders of Transferee Company have

also resolved and accorded all relevant consent for issue of New Equity Shares in terms of this Scheme of Merger under section 42, 62 of Companies Act 2013, Securities Contracts (Regulations) Act 1956, the SEBI Act, 1992, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and any other applicable SEBI Regulation and such other provisions of the said Act to the extent the same may be considered applicable, if any and it is clarified that there will be no need to pass separate shareholders' resolution as required under Section 42, 62 of Companies Act 2013, Securities Contracts (Regulations) Act 1956, the SEBI Act, 1992, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and any other applicable SEBI Regulation and/or any other provisions of the said Act, if any as may be applicable

- 9.11 Upon the Scheme becoming effective and with effect from the Appointed Date, in consideration of the transfer and vesting of the Undertaking(s) of the Transferor Company into and with the Transferee Company in terms of this Scheme, the paid-up share capital of the Transferor Company held by Transferee Company (either directly or through nominees), on the Effective Date shall be extinguished/ cancelled.
- 9.12 Upon the coming into effect of this Scheme, the share certificates, if any, and/ or the shares/ depository receipts in electronic form representing the shares held by the Transferee Company and/ or its other nominee members in the Transferor Company shall be deemed to be cancelled without any further act or deed for cancellation thereof by the Transferee Company or its other nominee members.
- 9.13 In the event that the Transferee Company or the Transferor Company restructure its equity share capital by way of any corporate actions including but not limited to share split/ consolidation/ issue of bonus shares (but excluding any dividend announced or to be announced on the shares of the Transferee Company (prior to the Effective Date) during the pendency of the Scheme, the Share Exchange Ratio

shall be adjusted accordingly to take into account the effect of any such corporate actions.

10 ACCOUNTING OF THE AMALGAMTION IN THE BOOKS OF TRANSFEREE COMPANY

- 10.1 Upon the Scheme being Effective, Transferee Company shall account for the Amalgamation of the Transferor Company in its books of accounts with effect from the Effective Date in accordance applicable Indian Accounting Standards (Ind AS) 103 — “Business Combination” as issued by the Institute of Chartered Accountants of India and notified by Ministry of Corporate Affairs under the provisions of section 133 and other applicable provisions of Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015.
- 10.2 All the assets and liabilities of Transferor Company are transferred to and vested in the Transferee Company shall be recorded at their respective fair values as appearing in the books of accounts of the Transferor Company in accordance with the requirement of Ind AS.
- 10.3 The balance, if any, in the Reserves account or credit or debit balance of profit and loss account of Transferor Company, as the case may be, shall be transferred to and aggregated with the corresponding reserves in the books of accounts of Transferee Company.
- 10.4 The Transferee Company shall record the Reserves of the Transferor Company in the same form and at the same values as they appear in the financial statements of the Transferor Company at the close of business of the day immediately preceding the Appointed Date. Balances in the Statement of Profit and Loss of the Transferor Company shall be similarly aggregated with the balances in Statement of Profit and Loss of the Transferee Company.
- 10.5 The excess of, or deficit, if any, in the value of the assets over the value of the liabilities of the Transferor Company as recorded in the books of account of the Transferee Company shall, after adjusting.

(A) the aggregate face value of the shares issued by the Transferee Company, and

(B) the amount of share capital of the Transferor Company against which no shares are being issued by the Transferee Company, adjusted for the value of investment in the Transferor Company shown in the books of account of the Transferee Company, upon being cancelled/ extinguished in terms of clause 10.4 above, be adjusted to the Reserves and Surplus in the financial statements of the Transferee Company.

10.6 All inter – se transactions i.e., sales including sale of goods and services, receivables, payables, deposits, loans and advances, outstanding balances or other obligations between Transferor Company and the Transferee Company shall be cancelled and there shall be no obligation/ outstanding in that behalf. The corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of any assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of any such loans, deposits or balances, with effect from the Appointed Date.

10.7 For any matter arising in connection with the accounting treatment, the same would be dealt with in consultation with the Statutory Auditors of the Transferor Company and the Transferee Company.

10.8 In case of any difference in accounting policies of Transferee Company and the Transferor Company, the impact of the same, till the Appointed Date will be quantified and the same shall be appropriately adjusted and reported in accordance with applicable accounting rules and principles so as to ensure that the financial statements of the Transferee Company reflects the financial position on the basis of consistent accounting policy.

11 CONSOLIDATION OF AUTHORISED SHARE CAPITAL

11.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the authorized share capital of the Transferor Company will get amalgamated with that of Transferee Company without payment of any additional fees and stamp

duties as the said fees have already been paid. The authorised share capital of the Transferee Company will automatically stand increased without any further act, instrument or deed, by the authorised share capital of the Transferor Company and no payment of any stamp duty and registration fees shall be required to be paid under the Act.

- 11.2 Accordingly, by virtue of 11.1 above, the authorized share capital of the Transferee Company shall stand increased by an amount of Rs. 3,00,00,000 (Rupees Three Crores) and the existing capital clause contained in the Memorandum of Association of Transferee Company shall without any act, instrument or deed be and stand altered, modified, and amended pursuant to sections 13, 14, 61 and 64 of 2013 Act and replaced by the following:

Memorandum of Association:

Clause V of the Memorandum of Association:

The Authorised Share Capital of the Company is Rs 8,00,00,000/- (Rupees Eight Crores only) divided in 78,00,000 (Seventy Eight Lakhs) equity shares of Rs 10/- (Rupees Ten only) each aggregating to Rs. 7,80,00,000 (Rupees Seven Crores Eighty Lakhs), and

2,00,000 (Two Lakhs) Preference shares of Rs. 10/-(Rupees Ten Only) each aggregating to Rs. 20,00,000 (Rupees Twenty Lakhs) with the rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being with power to increase and/ or reduce the Capital of the Company and to divide the shares in the Capital for the time being in accordance with the provisions of the Companies Act, 2013 or any other statutory enactments in force from time to time into several classes and to attach thereto respectively such preferential qualified or special rights, privileges, or conditions including that of redemption and/ or conversion (including deemed redemption/ conversion) as may be determined by or in accordance with the regulation of the Company or any statutory enactment/ order/ notification as may be in force from time to time and to vary, modify or abrogate any such rights, privileges or conditions in such manner

as may from time being, be provided by the regulations of the Company or any statutory enactment/ order/ notification as may be in force from time to time.

- 11.3 However, it is clarified that, in the event that the Transferee Company or the Transferor Company restructures or increases their authorised share capital by way of any corporate actions including but not limited to share split/ consolidation/ issue of bonus shares/ conversion of warrants into equity shares during the pendency of the Scheme, the clause of Memorandum of Association of the Transferee Company reproduced in Clause 11.2 above shall be amended accordingly to take into account the effect of any such corporate actions.
- 11.4 It is hereby clarified that for the purposes of increasing the authorized share capital of the Transferee Company in accordance with Clause 11.1 and 11.2, the consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be sufficient for the purposes of effecting amendment in the authorized share capital of the Transferee Company and consequential amendments in Clause V of its Memorandum of Association and all actions taken in accordance of this Scheme shall be deemed to be in full compliance of Sections 13, 14 and 61 of Companies Act 2013, Securities Contracts (Regulations) Act 1956, the SEBI Act, 1992, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and any other applicable SEBI Regulation and other applicable provisions, if any of the Act and that no further resolutions or actions under Sections 13, 14 & 61 of Companies Act 2013, Securities Contracts (Regulations) Act 1956, the SEBI Act, 1992, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and any other applicable SEBI Regulation and/or any other applicable provisions of the Act, if any would be required to be separately passed.
- 11.5 For the avoidance of doubt, it is clarified that, in case, the authorized share capital of Transferee Company undergoes any change during the pendency of the Scheme, either as a consequence of any Corporate Actions or otherwise, then

Clause 11.2 shall automatically stand modified / adjusted accordingly to take into account the effect of such change.

- 11.6 The stamp duty or registration filing fees paid on the authorized share capital of the Transferor Company are permitted to be utilized and applied towards the increase in the authorized share capital of the Transferee Company in accordance with this Clause 11.1 and 11.2 above, and no further demand of additional stamp duty or filing/registration fee shall be raised or made upon the Transferee Company by any regulatory authorities in relation to such increase in the authorized share capital of the Transferee Company, including by the RoC.
- 11.7 Upon this Scheme becoming effective, all equity shares of the Transferor Company (directly and/or through nominees) shall stand cancelled and stand ineffective in any manner and shall be deemed to be cancelled without any further act, deed, or application.

12 CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 12.1 With effect from Appointed date and upon the scheme becoming effective, subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, including all leases, licenses and other assurances to which Transferor Company is a party or to the benefits of which Transferor Company may be eligible and which are subsisting or having effect immediately on or before the Effective Date, including those relating to tenancies, privileges, powers, pledge, facilities of every kind and description of whatsoever nature in relation to the Transferor Company, agreements with service providers or contractors for supply of manpower or contract labour, shall be and remain in full force and effect on, against or in favour of Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, Transferee Company had been a party or beneficiary or obligor thereto or thereunder.

- 12.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the undertaking occurs by virtue of this Scheme itself, the Transferee Company 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 (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of the Scheme. The Transferee Company shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances referred to above, to be carried out or performed.
- 12.3 For removal of doubts, it is expressly made clear that the dissolution of the Transferor Company without the process of winding up as contemplated hereinafter, shall not, except to the extent set out in the Scheme, affect the previous operation of any contract, agreement, deed or any other instrument or beneficial interest to which the Transferor Company is party thereto and shall not affect any right, privilege, obligations or liability acquired, or deemed to be acquired prior to Appointed Date and all such references in such agreements, contracts and instruments to the Transferor Company shall be construed as reference only to the Transferee Company with effect from the Appointed Date.

13 COMPLIANCE WITH SECTION 2(1B) OF THE INCOME-TAX ACT, 1961

- 21.1 The provisions of Part II of the Scheme as they relate to the Amalgamation complies with the conditions relating to the “Amalgamation” as defined and specified u/s 2(1B) of the Income-tax Act, 1961. If any terms or provisions or part of this Scheme are found or interpreted to be inconsistent with the provisions of section 2(1B) of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of section 2(1B) of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with the section 2(1B) of the Income-tax Act, 1961 and such modifications shall not affect other parts of the Scheme.

14 CONSEQUENTIAL MATTERS RELATING TO TAX AND COMPLIANCE WITH LAW

- 14.1 Upon the Scheme coming into effect, all taxes/ cess/ duties payable by or on behalf of the Transferor Company upto the Appointed Date including all or any refunds and claims, including refunds or claims pending with the revenue authorities for all purposes, be treated as the tax/ cess/ duty, liabilities or refunds and claims of the Transferee Company.
- 14.2 It is clarified that after the Appointed Date and upon the Scheme becoming effective, that any advance tax paid/ TDS credits/ TDS certificates received by the Transferor Company shall be deemed to be the advance tax paid by/ TDS credit/ TDS certificate of the Transferee Company. Further, the Permanent Account Number (**PAN**), Tax Deduction and Collection Account Number (**TAN**), and such other tax identification numbers of Transferor Company will become or be merged with the PAN, TAN, and such other tax identification number of the Transferee Company from the Effective Date.
- 14.3 Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its income tax returns, excise & CENVAT returns, GST returns (if any), other tax returns, and to restore as input credit of GST adjusted earlier or claim refunds / credits.
- 14.4 The Transferee Company is also expressly permitted to claim refunds, credits and other benefits (including tax benefits), tax holiday benefit, Credits (including tax credits), Minimum Alternate Tax Credit entitlement (MAT Credit), tax losses including unabsorbed depreciation (if available), restoration of input CENVAT/ GST credit and tax deduction in respect of nullifying of any transaction between or amongst the Transferor Company and Transferee Company as the case may be.
- 14.5 In accordance with the CENVAT Credit Rules framed under Central Excise Act, 1944, or other applicable rules under GST law, as are prevalent on the Effective Date, the unutilized credits relating to excise duties/ GST paid on inputs/ capital goods/ input services lying in the accounts of the undertaking of the Transferor Company shall be permitted to be transferred to the credit of the Transferee

Company, as if all such unutilized credits were lying to the account of the Transferee Company. The Transferee Company shall accordingly be entitled to set off all such unutilized credits against the excise duty/ GST payable by it.

- 14.6 Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its financial statements to give effect to the Amalgamation of the Transferor Company pursuant to the provisions of the Scheme.

15 STAFF, WORKMEN AND EMPLOYEES

- 15.1 Upon the Scheme becoming effective, all staff, workmen and employees of the Transferor Company in service as on the Effective Date, shall become the staff, workmen, and employees of the Transferee Company with effect from the Appointed Date or their respective joining date, or whichever is later, on the same terms and conditions on which they are engaged by the Transferor Company without any break or interruption of service as a result of Amalgamation of the Transferor Company with the Transferee Company.

- 15.2 The Transferee Company agrees that the services of all such staff, workmen and employees with the Transferor Company upto the Effective Date will be treated as having been continuous and shall be taken into account from the date of their respective appointment with the Transferor Company for the purposes of all benefits to which the said staff, workmen and employees may be eligible. The services of such employees shall not be treated as having broken or interrupted for the purpose of Provident Fund, or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Transferor Company.

It is expressly provided that as far as the Provident Fund, Gratuity Fund and Pension and/or Superannuation Fund or any other special fund created or existing for the benefit of the staff, workmen and other employees of the Transferor Company are concerned, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company in respect of the such staff, workmen and employees transferred with the Undertaking(s) for all

purposes whatsoever relating to the administration or operation of such Funds or Trusts or in relation to the obligation to make contribution to the said Funds or Trusts in accordance with the provisions of such Funds or Trusts as provided in the respective Trust Deeds or other documents. It is the aim and the intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such Funds or Trusts shall become those of the Transferee Company. The Funds shall, subject to the necessary approvals and permission and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees of the Transferor Company or be transferred to or merged with other similar funds of the Transferee Company, if any. In the event that the Transferee Company does not have its own fund with respect to any such Funds, the Transferee Company may, subject to necessary approvals and permissions, continue to maintain the existing Funds separately and contribute thereto, until such time as the Transferee Company creates its own funds at which time the Funds and the investments and contributions pertaining to the employees of the Transferor Company shall be transferred to such funds of the Transferee Company. The Trustees including the Board of Directors of the Transferor Company and the Transferee Company shall be entitled to adopt such course in this regard provided however that there shall be no discontinuation or breakage in the services of the employees of the Transferor Company.

15.3 The Transferee Company shall honour, carry on, preserve, maintain, salvage, endorse, various options, grants, shares, letters, communications, agreements, covenants etc. issued/ entered by Transferor Company and the Transferee Company shall consider all such options, grants, shares, letters, communications, agreements, covenants etc. issued/ entered by itself.

15.4 The outstanding options yet to be granted, options granted but not vested and options granted and vested but not exercised, as the case may be, would be deemed to be the same number and value issued from the Transferee Company.

16 LEGAL PROCEEDINGS

- 16.1 If any suit, cause of actions, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatever nature (hereinafter called “**the Proceedings**”) by or against the Transferor Company be pending and/ or arising at the Appointed Date, as and from on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of this Amalgamation or by anything contained in this Scheme, but the Proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company, as if the Scheme had not been made.
- 16.2 After the Appointed Date, if any proceedings are taken against the Transferor Company in respect of the matters referred to in Clause 16.1 above, it shall defend the same at the cost of the Transferee Company and the Transferee Company shall reimburse and indemnify the Transferor Company against all liabilities and obligations incurred by the Transferor Company.
- 16.3 On and from the Effective Date, the Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in Clause 16.1 above transferred into its name and have the same continued, prosecuted and enforced by or against the Transferee Company.

17 BUSINESS AND PROPERTY IN TRUST FOR TRANSFEREE AND CONDUCT OF BUSINESS FOR THE TRANSFEREE COMPANY UNTIL EFFECTIVE DATE

- 17.1 With effect from the Appointed Date and up to and including the Effective Date:
- 17.1.1 The Transferor Company shall carry on and shall be deemed to have carried on all its business and activities relating to the business in ordinary course and shall hold and stand possessed of and shall be deemed to have held and stood possessed of all the Undertaking(s) for and on account of and in trust for the Transferee Company.

- 17.1.2 Any of the rights, powers, authorities and privileges attached or related or exercised by or available to the Transferor Company, shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments attached, relating, or pertaining to the Transferor Company that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as an agent of the Transferee Company.
- 17.1.3 All profits or income accruing or arising to the Transferor Company, or losses arising or expenditure incurred (including all taxes, if any, paid or accruing in respect of any profits and income) for the period falling after the Appointed Date, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses (including taxes) or expenditure, as the case may be, of the Transferee Company.
- 17.1.4 All taxes, where applicable (including but not limited to advance income tax, tax deducted at source, minimum alternate tax, wealth tax, taxes withheld/paid in foreign country, sales tax, excise duty, customs duty, tax refunds, goods and services tax, etc.) payable by or refundable to the Transferor Company, including all or any tax refunds or tax liabilities or tax claims arising from the pending tax proceedings, under any law, on or before the Effective Date, shall be treated as or deemed to be treated as the tax liability or tax refunds/tax claims (whether or not recorded in the books of account of the Transferor Company) as the case may be, of the Transferee Company, and any unabsorbed tax losses and depreciation, etc. as would have been available to the Transferor Company on or before the Effective Date, shall be available to the Transferee Company upon the Scheme coming into effect.
- 17.1.5 It is clarified that any TDS credits/ TDS certificates received of the Transferor Company shall be deemed to be TDS credit/ TDS certificate of the Transferee Company.

- 17.1.6 All inter – corporate sales including sale of goods and services, receivables, payables, deposits, loans and advances, outstanding balances or other obligations between the Transferor Company and the Transferee Company shall be cancelled and there shall be no obligation/outstanding in that behalf.
- 17.1.7 With effect from the Appointed Date and upon the Scheme becoming effective, any documents of title/ rights and easements in relation thereto shall stand transferred to and vested in and/ or be transferred to and vested in and/ or be deemed to have been transferred and vested in the Transferee Company and shall belong to the Transferee Company. With effect from the Appointed Date, the Transferor Company shall, in relation to such properties, be accountable for all rents, rates and taxes whatsoever inclusive of the same remaining outstanding as on Appointed Date. The mutation of the title to the immovable properties shall be made and duly recorded by the Appropriate Authority pursuant to the sanction of the Scheme becoming effective, in accordance with the terms hereof, in favour of the Transferee Company.
- 17.1.8 All assets howsoever acquired by the Transferor Company for carrying on its business, operations or activities and the liabilities relating thereto, shall be deemed to have been acquired and are also contracted for and on behalf of the Transferee Company.
- 17.1.9 The Transferee Company shall also be entitled, pending sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, department and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions, which the Transferee Company may require including the registration, approvals, exemptions, relieves, etc., as may be required/ granted under any law for the time being in force for carrying on business of the Transferor Company.

17.1.10 The Transferor Company shall preserve and carry on its business, operations or activities with reasonable diligence and business prudence and shall not undertake any 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 itself or any third party or venture into/expand any new businesses, alienate, charge, mortgage, encumber or otherwise deal with the undertaking or assets or any part thereof except in the ordinary course of business without the prior written consent of the Transferee Company.

18 PERMITS

With effect from the Appointed Date, all the Permits held or availed of by, and all rights and benefits that have accrued to the Transferor Companies, pursuant to the provisions of Section 232 of the Act, shall without any further act, instrument or deed, be transferred to, and vest in, or be deemed to have been transferred to, and vested in, and be available to, the Transferee Company so as to become as and from the Appointed Date, the Permits, estates, assets, rights, title, interests and authorities of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible in Applicable Laws. Upon the Effective Date and until the Permits are transferred, vested, recorded, effected, and/or perfected, in the record of the Appropriate Authority, in favour of the Transferee Company, the Transferee Company is authorized to carry on business in the name and style of the Transferor Companies, and under the relevant license and/or permit and/or approval, as the case may be, and the Transferee Company shall keep a record and/or account of such transactions.

19 VALIDITY OF EXISTING RESOLUTIONS

19.1 Upon coming into effect of this Scheme, the resolutions of the Transferor Company, as considered necessary by the Board of the Transferee Company and which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting in respective of the relative acts performed/ steps taken prior to the Effective Date and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act including but not limited to the borrowing limits and the powers to mortgage or create charge on the undertaking of the Transferor Company under Section 180(1)(a) and Section 180(1)(c) of 2013 Act or of any other applicable statutory provisions, then the said limits, as considered necessary by the Board of the Transferee Company shall be added to the limits, if any, under the like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

20 DISSOLUTION OF THE TRANSFEROR COMPANY WITHOUT WINDING UP

Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without going through the process of winding up pursuant to the provisions of the Act and the rules made thereunder and the Board of Directors and any committees thereof of the Transferor Company shall without any further Act, instrument or deed be and stand dissolved.

PART III - GENERAL TERMS AND CONDITIONS

21 APPLICATION TO NCLT

21.1 The Transferor Company and Transferee Company shall, with all reasonable dispatch, make necessary applications/petitions, under Sections 230 and 232 and other applicable provisions of the Companies Act 2013 to NCLT, Hyderabad bench for sanctioning this Scheme, with such modification(s) as may be approved by them.

21.2 Upon this Scheme being approved by the requisite majority of the respective members and/ or creditors of the Transferee Company and the Transferor Company, the Transferee Company and the Transferor Company shall, apply to the NCLT for sanction of this Scheme under section 230 to 232 and other applicable provisions of the 2013 Act read with applicable rules made thereunder, and for such other order or orders, as the said NCLT may deem fit for carrying this Scheme into effect and for dissolution of the Transferor Company without winding up.

21.3 The Transferee Company shall be entitled pending the sanction of the Scheme, to apply to any Governmental Authority, if required under any law for such approvals which the Transferee Company may require to own the undertaking of the Transferor Company and to carry on the business of the Transferor Company.

22 MODIFICATION OR AMENDMENTS TO THE SCHEME

22.1 The Transferor Company and the Transferee Company (acting through their respective Boards of Directors) may assent to any modifications or amendments to this Scheme, which the NCLT and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme. The Transferor Company and the Transferee Company (acting through its respective Boards of Directors) be and are hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions,

whether by reason of any order of the NCLT or of any directive or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

22.2 The Transferee Company and the Transferor Company represented by their respective Board or such other person or persons as the Board may authorize, including any committee or sub-committee thereof, shall be authorized to take such steps and to do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubt, difficulties or questions whether by reason of any order(s) of NCLT or of any directive or order(s) of any other authority or otherwise howsoever arising out of, under or by virtue of this Scheme and/ or matters concerning or connected therewith.

22.3 In the event of any of the conditions that may be imposed by the NCLT or other authorities which the Transferor Company and / or the Transferee Company may find unacceptable for any reason, then the Transferor Company and / or Transferee Company (acting through their respective Board of Directors) are at liberty to withdraw the Scheme in accordance with the procedures prescribed to do so.

22.4 If any issue arises as whether any asset, liability pertains to the Transferor Company and/or the Transferee Company, or not under this Scheme, the same shall be decided by the Board of Directors of the Transferor Company and/or Transferee Company, as relevant, on the basis of relevant books of account and other evidence that they may deem relevant for said purposes.

23 SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS

23.1 The Scheme is and shall be conditional upon and subject to:

- a) The Stock Exchanges issuing their observation/ no-objection letters, wherever required under applicable laws and SEBI issuing its comments on the Scheme to the Transferee Company, as required under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and other applicable SEBI Circular and other applicable laws;

- b) The approval by the requisite majorities in number and value of the classes of persons including shareholders, creditors of the Transferor Company and Transferee Company as may be directed by the NCLT under Sections 230 - 232 of the Companies Act and applicable rules and regulations framed thereunder.
- c) The Companies, as the case may be, complying with the provisions of the SEBI Circular, as applicable, and in particular in compliance with Part (I)(A)(9)(a) of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and/or SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June, 2023, as applicable, which provides for voting by public shareholders through e-voting and disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution, and in particular in compliance with Part – I (A)(10)(a) and Part – I (A)(10)(b) of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and/or SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June, 2023, as applicable, which provides that the scheme shall be acted upon only if the votes cast by the public shareholders of the Transferee Company in favour of the proposal are more than the number of votes cast by the public shareholders against it
- d) The approval by the public shareholders of the Transferee Company i.e **Starlite Global Enterprises (India) Limited** through e-voting in terms of part I(A)(9)(a), I(A)(10)(a) and I(A)(10)(b) of the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and/or SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June, 2023, shall be obtained and the Scheme shall be acted upon only if the votes cast by the public shareholder in favour of the Scheme are more than the number of votes cast by the public shareholders against it. The term ‘public’ shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957.

- e) The sanctioning of this Scheme by the NCLT, whether or not with any modifications or amendments as NCLT may deem fit or otherwise;
- f) Observations/ objections of Regional Director, Registrar of Companies and Official Liquidator in terms of section 230 to 232 of the 2013 Act;
- g) Approval of the Scheme by requisite majority of the members and creditors of the Transferee Company and the Transferor Company or as may be directed by NCLT, Hyderabad or as required under applicable Law;
- h) Approval of the Scheme by the NCLT at Hyderabad;
- i) The requisite consent, approval or permission of the Central Government or any Governmental Authorities including Stock Exchanges, Reserve Bank of India, which by law may be necessary for the implementation of this Scheme.
- j) Certified copy of the NCLT Order sanctioning this Scheme being filed with the Registrar of Companies, Telangana having jurisdiction over the Transferee Company;
- k) On the approval of this Scheme by the shareholders of the Transferor Companies and the Transferee Company and such other classes of Persons of the said Companies, if any, such shareholders and classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the amalgamation set out in this Scheme, related matters and this Scheme itself.

24 EFFECT OF NON-RECEIPT OF APPROVALS/ SANCTIONS

24.1 In the event of any of the said sanctions, approvals, conditions referred hereinabove not being obtained and/ or complied with and/ or the Scheme not being sanctioned by the NCLT and/ or order or orders not being passed as aforesaid and/ or the Scheme failing to be made effective, this Scheme shall stand revoked, cancelled and be of no effect and in that event, neither rights nor liabilities whatsoever shall accrue to or be incurred inter se by the Transferee Company and Transferor Company or their respective shareholders or creditors or employees or any other

person, 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. Each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme.

- 24.2 If any part of this Scheme hereof is invalid, ruled illegal by any NCLT of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Company and Transferee Company 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 Transferor Company and/or Transferee Company, in which case the Transferor Company and Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Company and Transferee Company the benefits and obligations of the Scheme, including but not limited to such Part.
- 24.3 Further, the Board of the Transferee Company and Transferor Company shall be entitled to revoke, cancel and declare the Scheme to be of no effect if they are of the view that the coming into effect of this Scheme in terms of the provisions of the Scheme or filing of the drawn-up orders with any authority could have adverse implication on the Transferee Company and the Transferor Company.

25 REVOCATION OF THE SCHEME

In the event of any of the said sanctions and approvals referred to in Clause 24 above, not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the NCLT and/or order or orders not being passed on or before such other date as may be mutually agreed upon by the respective Board of Directors of Transferor Company and Transferee Company, who are hereby empowered and authorized to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s), this Scheme shall stand revoked,

cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se Transferor Company and Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each Company shall bear its own costs unless otherwise mutually agreed. Further, the Board of Directors of Transferor Company and Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect, if such Boards are of view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn-up orders with any authority could have adverse implication on the companies herein

26 BINDING EFFECT

Upon the Scheme becoming effective, the same shall be binding on the Transferor Company and the Transferee Company and all concerned parties without any further act, deed, recourse, matter or thing.

27 DESIGNATED STOCK EXCHANGE

The Designated Stock Exchange for interaction with SEBI shall be Metropolitan Stock Exchange of India Limited (MSE).

28 COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties (including the stamp duty and/or transfer charges, if any, applicable in relation to this Scheme), levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing the terms and conditions of this Scheme and matters incidental thereto shall be borne and paid by the Transferee Company and the same shall be

eligible for deduction of expenditure incurred under section 35DD of the Income-tax Act, 1961.

29 INDEMNITY

Notwithstanding anything contained in this Scheme, the Indemnifying Persons shall jointly and severally, indemnify and hold harmless the Indemnified Persons for any and all liabilities and obligations including all demands, claims, charges, suits, proceedings whether existing or contingent in nature and the like which may be made or instituted by any party including any Governmental Authority against the Indemnified Persons which are directly attributable to the Transferor Company which may devolve on Transferee Company on account of or pursuant to the Amalgamation irrespective of the fact that the liability arises and/or becomes payable after the Amalgamation. Further, the Indemnifying Persons shall secure, deposit or pay, as the case may be, any legal demand raised by any party including any Governmental Authority within the time frame provided therein.

30 LISTING AGREEMENT AND SEBI COMPLIANCES

30.1 Since the Transferee Company is a listed company, this scheme is subject to the compliances of all the requirements under the Listing Regulations and all directions of the Securities Exchange Board of India ("SEBI") insofar as they relate to sanction and implementation of the Scheme.

30.2 The Transferee Company will cause compliance by its Promoters with Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and/or SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June, 2023 with respect to issuance of shares to the shareholders of the Transferor Companies pursuant to Clauses 9 of the Scheme, to the effect that the percentage of shareholding of pre-scheme public shareholders of the Transferee Company in the

post-scheme shareholding pattern of the "Transferee" company shall not be less than 25%, at any point in time.

- 30.3 The Scheme being approved by the public shareholders of the Transferee Company, in compliance with Para (1)(A)(9)(a) of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and/or SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June, 2023, while providing for voting by public shareholders through e-voting and disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution, provided that the Scheme shall be acted upon only if the votes cast by the public shareholders of the Transferee Company in favour of the proposal are more than the number of votes cast by the public shareholders against it, in compliance with Para (1)(A)(10)(b) of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and/or SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June, 2023.

31 MISCELLANEOUS

- 31.1 The mutation of the title to the immovable properties, if any, shall be made and duly recorded by the concerned Sub Registrar under the Jurisdiction where the properties are located or with appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms hereof, in favour of the Transferee Company in respect of the immovable properties vested in it. Any inchoate title or possessory title of the Transferor Company or its predecessor companies, if any, shall be deemed to be the title of the Transferee Company.
- 31.2 It is the intention of the Parties that any Part of the Scheme, as may be mutually decided by the Board of each Parties, shall be severable from the remainder of the Scheme, and the Scheme shall not be affected by such alteration.
