

**SCHEME OF AMALGAMATION
OF
GANESHA ECOVERSE LIMITED
(‘TRANSFEROR COMPANY’)
WITH
GESL SPINNERS LIMITED
(‘TRANSFeree COMPANY’)
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

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

A. PREAMBLE

This Scheme of Amalgamation (‘Scheme’) is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder for the amalgamation of Ganesha Ecoverse Limited (‘Transferor Company’) with GESL Spinners Limited (‘Transferee Company’) and their respective shareholders and creditors.

B. DESCRIPTION OF COMPANIES

1. Ganesha Ecoverse Limited (‘Transferor Company’)

The Transferor Company was originally incorporated on 10th January, 2003 as a Private Limited Company under the Companies Act, 1956 in the name and style of ‘Apollo Fittings Private Limited’ in the NCT of Delhi vide Certificate of Incorporation issued by the Registrar of Companies, NCT of Delhi & Haryana. The name of the Company was subsequently changed to ‘Mahabir Metallex Private Limited’ vide Special Resolution passed by the members on 28th December, 2013 and the fresh Certificate of Incorporation

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Managing Director

For GESL SPINNERS LIMITED


DIRECTOR

was issued by the Registrar of Companies, NCT of Delhi & Haryana on 30th day of January, 2014. The status of the Company was subsequently changed from 'Private Limited Company' to 'Public Limited Company' vide Special Resolution passed by the Members of the Company on 31st January, 2014 and a fresh Certificate of Incorporation consequent to conversion was issued by the Registrar of Companies, NCT of Delhi & Haryana on 7th February, 2014. The Equity Shares of the Company were subsequently listed at BSE-SME Platform on 27th March, 2015. The name of the Company was further changed from 'Mahabir Metallex Limited' to 'SVP Housing Limited' vide Special Resolution passed by the members on 23rd May 2016 and the fresh Certificate of Incorporation was issued by the Registrar of Companies, NCT of Delhi & Haryana on 14th March, 2017. Consequent to change in management of the Company, the name of the Company was changed from 'SVP Housing Limited' to 'Ganesha Ecoverse Limited' vide Special Resolution passed by members on 11th August, 2023 and the fresh Certificate of Incorporation was issued by the Registrar of Companies, NCT of Delhi & Haryana on 21st August, 2023. The Company subsequently shifted its Registered Office from NCT of Delhi to the State of Uttar Pradesh vide Regional Director, Northern Region Bench, New Delhi Order dated 28th July, 2025 which was registered by the Registrar of Companies, Uttar Pradesh on 16th October, 2025 and the Company was assigned new Corporate Identification Number (CIN) L13114UP2003PLC234973. The Registered office of the Company is presently situated at Gata No. 192 & 196, Village Temra, Tehsil- Bilsapur, Distt. Rampur – 244921 (U.P.), and its Permanent Account Number ('PAN') is AAECA2313B. The Transferor Company is inter-alia, engaged in the business of trading in post-consumer PET (Polyethylene Terephthalate) bottle waste generated from packaging used for beverages, household products and personal care items.

2. GESL Spinners Limited ('Transferee Company')

The Transferee Company was originally incorporated on 9th September, 2022 as a 'Private Limited Company' under the provisions of the Companies Act, 2013 in the

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name and style of 'GESL Spinners Private Limited' in the State of Uttar Pradesh vide Certificate of Incorporation issued by the Registrar of Companies, Central Registration Centre, Ministry of Corporate Affairs. The status of the Company was subsequently changed from 'Private Limited Company' to 'Public Limited Company' vide Special Resolution passed by the Members on 16th February, 2026 and fresh Certificate of Incorporation was issued by the Registrar of Companies, Uttar Pradesh on 13th March, 2026. The Company was assigned a new Corporate Identification Number (CIN) U17299UP2022PLC170471 and its Permanent Account Number (PAN) is AAKCG0344G. The Registered Office of the Company is presently situated at Gate No. 192 & 196 Village – Ternra, Tehsil – Biliaspur, Rampur – 244921, Uttar Pradesh. The Transferee Company is inter-alia engaged in the business of manufacture of textile-grade spun yarns and sewing threads made from Recycled Polyester Staple Fibre (RPSF). The Transferee Company is an Associate Company of the Transferor Company as the Transferor Company hold about 44.39% of the Paid-up Share Capital of the Transferee Company.

C. PURPOSE AND RATIONALE OF THE SCHEME

This Scheme of Amalgamation (hereinafter called 'the Scheme') has been propounded under Sections 230 to 232 and other applicable provisions, if any, of the Act (as defined hereinafter) for amalgamation of Transferor Company with Transferee Company by way of absorption and dissolution of Transferor Company without winding up. The Board of Directors of the Transferor Company and the Transferee Company, consider that the Scheme would benefit both the companies and their respective stakeholders on account of the following reasons:

- (a) The Transferor Company and the Transferee Company have complementary business activities. It is expected that the proposed consolidation will allow more focused strategy, standardization in operations, cost optimization, better monitoring and utilization of assets, effective co-ordination which in turn would enhance shareholder's value.

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- (b) The amalgamation would integrate the business synergies and reap the benefit of consolidation through focused management, generating surplus funds to enable planning for further growth in business.
- (c) The amalgamation will lead to emergence of a single entity with strong financial capability to effectively withstand competition, to effectuate economies of scale and to optimize benefits available under the law. The consolidated Company with far enlarged asset base, higher profitability and net worth will be better placed to access low cost fund for its expansion and diversification requirements.
- (d) The amalgamation will result in significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried by the Transferor Company and will avoid duplication of administrative functions and eliminate multiple record keeping.

The Scheme would, thus, have beneficial results for the Transferor Company and the Transferee Company, their respective shareholders and creditors and all concerned and will not be prejudicial to the interests of any of the stakeholders. There is no arrangement proposed to be entered into with the creditors, either secured or unsecured of the Transferor Company and the Transferee Company. The liability of the creditors of the Transferor Company and the Transferee Company, under the Scheme, is neither being reduced nor being extinguished but shall be assumed and discharged by the Transferee Company in its ordinary course of business.

D. PARTS OF THE SCHEME

This Scheme is divided into the following parts:

PART I deals with the Definitions, Interpretations of the terms used in the Scheme

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and Share Capital of the Transferor Company and Transferee Company and the date of taking effect of this Scheme;

PART II deals with the Amalgamation of the Transferor Company with the Transferee Company in accordance with Section 2(6) of the Income-Tax Act, 2025 and Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, as may be applicable; and

PART III deals with the General terms and conditions that would be applicable to the Scheme. The Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

PART I - DEFINITIONS, INTERPRETATIONS AND SHARE CAPITAL

1. DEFINITIONS

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

1.1.1 “Accounting Standards” means the Indian Accounting Standards as notified under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 (as amended from time to time) and the other accounting principles generally accepted in India.

1.1.2 “Act” or “the Act” means the Companies Act, 2013, and the Rules and Regulations made thereunder, and shall include any statutory modifications or re-enactments thereof for the time being in force.

1.1.3 “Amalgamation” means amalgamation of Ganesha Ecoverse Limited with and into GESL Spinners Limited in terms of this Scheme in its present form or with any

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modification(s) as approved by the Hon'ble National Company Law Tribunal or any other Appropriate Authority, as the case may be.

1.1.4 “Applicable Law(s)” means any applicable central, provincial, local or other law including all applicable provisions of (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders, of any Appropriate Authority, statutory authority, competent authority, court, tribunal having jurisdiction over the Companies (b) permits; and (c) orders, decisions, injunctions, judgements, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Companies to this Scheme and shall include, without limitation, the listing agreement executed with the Stock Exchange.

1.1.5 “Appointed Date” means the 1st April, 2026, or such other date as may be fixed or approved by the Hon'ble NCLT, Allahabad Bench, Prayagraj.

1.1.6 “Appropriate Authority” means any governmental, statutory, departmental, or public body or authority, including NCLT, Securities and Exchange Board of India (SEBI), Stock Exchange(s), Registrar of Companies, Regional Director, Central Government, or any other authority for approval of the Scheme under the Act and other applicable authorities pursuant to the provisions of Section 230(5) of the Act, as may be relevant in the context.

1.1.7 “Board of Directors” or “Board” means the respective Board of Directors of the Transferor Company or the Transferee Company, as the case may be, and shall include any Committee of Directors constituted or appointed and authorized for the purposes of matters pertaining to this Scheme and or any other matter relating thereto.

1.1.8 “Companies” means the Transferor Company and the Transferee Company when

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referred collectively and “Company” means each of these Companies, individually.

1.1.9 “Effective Date” means the last of the dates on which the conditions specified in Clause 22 are complied with. Any references in this Scheme to “upon this Scheme becoming effective” or “effectiveness of this Scheme” shall mean and refer to the Effective Date.

1.1.10 “Encumbrances” means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever, and the term "encumber" or "encumbered" shall be construed accordingly.

1.1.11 “FEMA” means the Foreign Exchange Management Act, 1999 along with the rules and regulations made thereunder and will include any statutory modification(s) or re-enactment(s) thereof for the time being in force.

1.1.12 “Intellectual Property Rights” means, whether registered or not, in the name of or recognized under applicable laws as being intellectual property of the Transferor Company, as the case may be, all domestic and foreign (a) trademarks, service marks, brand names, internet domain names, websites, online web portals, trade names, logos, as well as copyright in all of the brands, logos and their variations, alongwith the global goodwill associated with the foregoing, all applications and registration for the foregoing; (b) all domestic and / or foreign Patents granted or applied for;(c) confidential and proprietary information and trade secrets; (d) published and unpublished works of authorship and copyrights therein and registrations and applications therefor, and all renewals, extensions, restorations and reversions thereof; (e) computer software programs (including source code, object code, firmware, operating systems and specifications) and processes; (f) designs, drawings, sketches; (g) tools, databases, frameworks, customer data, proprietary information, knowledge any other technology or know-how, licenses, software licenses and formulas; (h) ideas and

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all other Intellectual property or proprietary rights; and (i) all rights in all of the foregoing provided by Applicable laws.

1.1.13 “IT Act” shall mean the Income-Tax Act, 1961/2025 as applicable and shall include rules and regulations made thereunder and any statutory modification(s) or re-enactment(s) thereof for the time being in force

1.1.14 “NCLT” or “Tribunal” means the National Company Law Tribunal, Allahabad Bench, Prayagraj having jurisdiction in relation to the Transferor Company and the Transferee Company and shall be deemed to include, if applicable, a reference to such other forum or authority which may be vested with any of the powers of NCLT to sanction the Scheme under the Act

1.1.15 “Permits” means all consents, licenses, permits, permissions, authorisations, rights, clarifications, approvals environmental approvals, customer approvals, no objection certificates (NOCs), clearances, confirmations, declarations, waivers, exemptions, registrations, enlistments, filings, whether governmental, statutory, regulatory or otherwise under Applicable Law.

1.1.16 “Person” means an individual, a partnership, a corporation, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or an Appropriate Authority.

1.1.17 “Portals” means electronic portals and / or websites maintained by various Appropriate Authority, government departments, public sector undertakings, private sector undertakings, banks, financial institutions and other entities and Persons.

1.1.18 “Preference Shares” means Non-Convertible Redeemable Preference Shares (NCRPS) of the face value of Rs. 10/- each issued by the Transferor Company. NCRPS

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of the Transferor Company, as on the Record Date, shall stand vested in or be deemed to have been vested in and shall be exercised by or against the Transferee Company on the same terms and conditions as if it was the issuer of such NCRPS pursuant to this Scheme.

1.1.19 “Proceedings” include any suit, appeal or any legal proceeding of whatsoever nature, in any Court of law or tribunal or any judicial or quasi-judicial body or any assessment proceeding before any authority under any law and also arbitration proceeding.

1.1.20 “Record Date” means the date(s) to be fixed by the Board of Directors of the Transferee Company to determine the eligibility of the Equity Shareholders and Preference Shareholders of the Transferor Company to issue Equity shares and / or Preference shares, as the case may be, in the Transferee Company pursuant to this Scheme.

1.1.21 “Registrar of Companies” means the Registrar of Companies having jurisdiction over the Transferor Company and the Transferee Company under this Scheme.

1.1.22 “Scheme” or “the Scheme” or “this Scheme” means this Scheme of Amalgamation in its present form, as submitted to the Tribunal or this Scheme with such modification(s), if any, as may be made by the Members and / or the Creditors of the Companies or such modification(s) as may be imposed by any competent authority and / or directed to be made by the Tribunal while sanctioning the Scheme and as accepted by the respective Board of Directors of the Companies.

1.1.23 “SEBI or Securities and Exchange Board of India” means the Securities and Exchange Board of India established as a statutory body under the provisions of the Securities and Exchange Board of India Act, 1992.

1.1.24 “SEBI Listing Regulations” means SEBI (Listing Obligations and Disclosure

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Requirements), Regulations, 2015 and any amendments thereof.

1.1.25 “SEBI Scheme Circular” means SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and any subsequent amendments thereof, modifications issued pursuant to regulations 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended from time to time or any other circulars issued by SEBI, applicable to Schemes of Arrangement by Listed Entities, as amended from time to time.

1.1.26 “Stock Exchange” means the BSE –SME Platform where the Equity shares of the Transferor Company are listed.

1.1.27 “Taxation” or “Tax” or “ Taxes” means all forms of taxes and statutory, governmental or municipal impositions, duties, contributions, and levies and whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value or otherwise and shall further include payments in respect of or on account of tax, whether by way of deduction at source, advance tax, minimum alternate tax or otherwise or attributable directly or primarily to the Transferor Company or the Transferee Company or any other Person and all penalties, charges, costs and interest relating thereto.

1.1.28 “Transferee Company” shall have the same meaning as ascribed to it in Clause B (2) of Preamble of the Scheme;

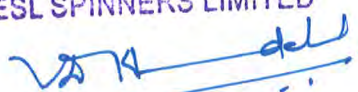
1.1.29 “Transferor Company” shall have the same meaning as ascribed to it in Clause B (1) of Preamble of the Scheme;

1.1.30 “Undertaking” in relation to the Transferor Company shall mean whole of the business of the Transferor Company on a going concern basis, and shall mean and

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include, without limitation:

- a) All the businesses, properties, assets, and liabilities of whatsoever kind and wheresoever situated as on the “Appointed Date”;
- b) Without prejudice to the generality of the foregoing clause, ‘Undertaking’ shall include all rights powers, authorities, privileges, liberties and all properties and assets, whether movable or immovable, tangible or intangible, current or non-current, freehold or leasehold, real or corporeal, in possession or reversion, present or contingent of whatsoever nature and wheresoever situated including, without limited to investments, office equipment, inventories, furniture and fixtures, leases and hire purchase contracts, leasehold rights, sub- letting tenancy rights, with or without the consent of the landlord as may be required by law, assignments and grants in respect thereof, investment of all kinds (including investment in shares, scrips, stocks, bonds, debenture stock, units, mutual funds), sundry debtors, cash and bank balances, loans and advances, accrued interest, vehicles, appliances, computers, software, accessories, registrations, lease, claims, allotments, approvals, consents, letters of intent, registrations, licenses with any regulatory authority, credits, titles, interest, import quotas and other quota rights, right of user, municipal permissions or powers of every kind, nature and description whatsoever in connection and all other permissions, rights (including rights under any contracts, government contracts, memorandum of understanding, etc.), entitlements, copyrights, patents, trademarks, trade names, domain names and other industrial designs, trade secrets, or intellectual property rights of any nature and all other interest, and advances and or moneys paid or received, all statutory licenses, and / or permissions to carry on the operations, subsidies, deferred tax benefits and any other direct and indirect tax benefits, privileges, liberties, easements, advantages, benefits, exemptions, permissions and approvals of whatsoever nature and wheresoever situated, belonging to or in the ownership,

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power or possession or control of or vested in or granted in favour of or enjoyed by the Transferor Company, all other claims, rights and benefits, power and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests together with all present and future liabilities (including contingent liabilities), all the provisions including provision for tax, benefits of tax relief including the IT Act, such as credit for advance tax, tax deducted at source, MAT, unutilized deposits or credits, carry forward losses, unabsorbed depreciation, benefits under the VAT / Sales tax law, Sales tax credit, unutilized deposits or credits, benefits of any unutilized MODVAT / CENVAT / GST / Service Tax credits etc. all deposits and balances with Government, Semi Government, Local and other authorities and bodies, customers and other persons, earnest moneys and / or security deposits paid or received, all necessary books, records, files, papers, records of standard operating procedures, computer programs along with their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form, all earnest monies and / or deposits; and

- c) All liabilities, including, without being limited to, secured and unsecured debts (whether in Indian rupees or Foreign currency), sundry creditors, advances / deposits from customer, deferred revenues, duties and obligation and provisions of every kind, nature and description of whatsoever and howsoever arising, raised, incurred or utilized;
- d) all the permanent employees engaged in the business of the Transferor Company as on the Effective Date;

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- e) all legal or other proceedings of whatsoever nature that pertain to the business of the Transferor Company.

1.2 INTERPRETATION

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

In this Scheme unless the context otherwise require;

- a) References to statutory provisions shall be construed as references to the statutory provisions under laws of India unless otherwise specified, and in any event to those provisions as respectively amended, superseded or re-enacted or as their application is modified by any other provisions (whether made before or after the date of this Scheme) from time to time, to the extent in force;
- b) References to Clauses are to the Clauses of this Scheme and references to sub-clauses are to the sub-clauses of the Clause of this Scheme in which the reference appears;
- c) The headings and sub-headings are for information only and shall not affect the construction or interpretation of this Scheme;
- d) The singular shall include the plural and vice versa and reference to one gender shall include all genders; and
- e) Any phrase introduced by the terms “including”, “include” or any similar expression

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shall be construed as illustrative and shall not limit the sense or scope of the word(s) preceding those terms.

2 DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme as set out herein in its present form, or with any modification(s) or amendment(s) approved, imposed, or directed by the NCLT or any other Appropriate Authority, shall be effective from the ‘Appointed Date’, as mentioned in Section 232(6) of the Act, but shall be operative from the Effective Date. Accordingly, the Transferor Company shall stand amalgamated with and vested in the Transferee Company in terms of the provisions of Part II, with effect from the Appointed Date.

3 SHARE CAPITAL

3.1 The Share Capital of the ‘Transferor Company’ as on 31st March, 2026 is as under:

PARTICULARS	AMOUNT (In Rs.)
Authorised Share Capital	
4,00,00,000 Equity Shares of Rs. 10/- each.	40,00,00,000
1,00,00,000 Preference Shares of Rs. 10/- each	10,00,00,000
Total	50,00,00,000
Issued, Subscribed and Paid-up Share Capital	
2,45,94,650 Equity Shares of Rs. 10/- each.	24,59,46,500
1,00,00,000 Non-Convertible Redeemable Preference Shares of Rs. 10/- each.	10,00,00,000
Total	34,59,46,500

Subsequent to 31st March, 2026, there has been no change in the Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferor Company. The Equity Shares of the Transferor Company are currently listed at BSE- SME Platform. There are no existing commitments, obligations or arrangements by the Transferor Company as on

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the date of this Scheme by the Board of Directors to issue any further Equity shares or Convertible securities.

3.2 The Share Capital of the Transferee Company as on 31st March, 2026 is as under:

PARTICULARS	AMOUNT (In Rs.)
Authorised Share Capital	
6,20,00,000 Equity Shares of Rs. 10/- each.	62,00,00,000
Total	62,00,00,000
Issued, Subscribed and Paid-up Share Capital	
6,16,12,504 Equity Shares of Rs. 10/- each, fully paid-up.	61,61,25,040
Total	61,61,25,040

The Equity shares of the Transferee Company are not listed on any Stock Exchange. Subsequent to 31st March, 2026, there has been no change in the Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferee Company.

3.3 The Transferor Company is a Listed company as the Equity Shares of the Transferor Company are listed on BSE-SME Platform. The Transferee Company is a closely held unlisted Public Limited Company and an Associate Company of the Transferor Company. The proposed Scheme of Amalgamation, will not result in any change in management or control of the Transferee Company.

3.4 On Amalgamation, the Equity shares of the Transferee Company will be listed on BSE-SME Platform in terms of the SEBI Listing Regulations and SEBI Scheme Circular, Securities Contract (Regulations) Act, 1956 and other applicable provisions, rules and regulations in force.

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**PART II-AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE
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4 TRANSFER AND VESTING OF BUSINESS

4.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the entire business undertaking and whole of the properties and liabilities of Transferor Company shall, pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, and pursuant to the order of NCLT sanctioning the Scheme, shall without any further act, deed, matter or thing, stand transferred to and vested in and / or deemed to be transferred to and vested in the Transferee Company, so as to become the properties and liabilities of Transferee Company in accordance with Section 2(6) of the IT Act, 2025.

4.2 Without prejudice to the generality of the above said Clause:

4.2.1. With effect from the Appointed Date, all immovable properties (including land, building and any other immovable property) of Transferor Company, whether freehold or leasehold, and any other documents of title, rights, agreements to sell /agreements for sale and all lease / license or rent agreements, together with security deposits and advance / prepaid lease / license fee, rights and easements in relation to such properties shall stand vested in the Transferee Company, without any act or deed done by 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 Transferee Company by the Appropriate Authorities pursuant to the sanction of the Scheme by the NCLT and in accordance with the terms thereof.

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The Transferor Company shall take all steps as may be necessary to ensure that lawful, peaceful, and unencumbered possession, right and title, interest of its immovable property is given to Transferee Company.

4.2.2. With effect from Appointed Date the assets, rights and properties of Transferor Company (whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, present or future, existing or contingent, tangible or intangible) of whatsoever nature and wheresoever situated, of or belonging to or in the possession or control of Transferor Company, as on the Appointed Date including but not limited to computers and servers, computer software, furniture and fixtures, investments, office equipment, research and development equipment, laboratory equipment, electrical fittings, leasehold improvements, electrical installations, telephones, telex, facsimile, other communication facilities, any registrations, copyrights, trademarks, permits, approvals, all rights or title or interest in property(ies) by virtue of any court order or decree, contractual arrangement, allotment, grant, lease, possession or otherwise, tenancy rights, hire purchase contracts, lending contracts, permissions, incentives, tax registrations, tax balances with government authorities, advance tax credit [including Goods and Services Tax credit, Service Tax credit, Minimum Alternate Tax credit, TDS / TCS credit], brought forward tax losses, unabsorbed depreciation, contracts, engagements, arrangements of all kinds, rights, titles, interests, benefits, subsidies and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by Transferor Company, industrial and other licenses, municipal and other statutory permissions, approvals including but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and

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installations, all records, files, papers, computer programs, manuals, data, quotations, list of present and former vendors and suppliers, and all other rights, title, lease, interest, contracts, consent, approvals or powers of every kind, nature and descriptions whatsoever, shall under the provisions of Sections 230 to 232 of the Act and any other applicable provisions of the Act, and pursuant to the order of NCLT sanctioning this Scheme and without further act, instrument or deed, but subject to the charges, if any affecting the same, as on the Effective Date be transferred to and / or deemed to be transferred to and vested in the Transferee Company, so as to become the properties and assets of the Transferee Company.

4.2.3. With respect to such assets and properties of the Transferor Company as on the Effective Date, as are movable in nature and are capable of transfer by physical delivery or endorsement and delivery or novation and delivery, including cash in hand, the same shall be so transferred to the Transferee Company and deemed to have been handed over by physical delivery or by endorsement and delivery or novation and delivery, as the case may be, to the Transferee Company to the end and intent that the property and benefit therein passes to the Transferee Company with effect from the Appointed Date without requiring any deed or conveyance for transfer of the same.

4.2.4. In respect of the movable assets owned by the Transferor Company as on the Effective Date, other than those mentioned in Clause 4.2.2 and 4.2.3 above, including actionable claims, sundry debtors, outstanding loans, investments, advances, whether recoverable in cash or kind or for value to be received and deposits, if any, with the local and other authorities, body corporate(s), clearing and forwarding agents, customers etc., the Transferor Company shall, if so required by the Transferee Company, and / or the Transferee Company may, issue notices or intimations in such form as Transferee Company may

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deem fit and proper, stating that pursuant to NCLT having sanctioned this Scheme, the debt, loan, advance or other asset, be paid or made good or held on account of Transferee Company, as the person entitled thereto, to the end and intent that the right of Transferor Company to recover or realize the same stands transferred to Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.

4.2.5. All assets and properties which are acquired by Transferor Company on or after the Appointed Date but prior to the Effective Date shall be deemed to be and shall become the assets and properties of Transferee Company and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to be transferred to and vested in Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions of the Act, provided however that no onerous asset shall have been acquired by Transferor Company after the Appointed Date without the prior written consent of Transferee Company.

4.3. With effect from the Appointed Date, debts, liabilities (including contingent liabilities), duties and obligations of every kind, nature and description of Transferor Company shall be transferred or be deemed to have been transferred to Transferee Company, to the extent they are outstanding on the Effective Date, without any further act, deed, matter or thing and the same shall be assumed by Transferee Company so as to become, on and from the Appointed Date, the liabilities and obligations of Transferee Company on the same terms and conditions as were applicable to Transferor Company. Transferee Company shall undertake to meet, discharge, and satisfy the same and further 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

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Managing Director

For GESL SPINNERS LIMITED


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such debts, liabilities and obligations have arisen in order to give effect to the provisions of this Clause.

4.4. Where any of the debt, liabilities (including contingent liabilities), duties and obligations of Transferor Company as on the Appointed Date, deemed to be transferred to Transferee Company, have been discharged by Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of Transferee Company, and all loans raised and used and all liabilities and obligations incurred by Transferor Company after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of Transferee Company, and to the extent they are outstanding on the Effective Date, shall also without any further act, deed, matter or thing stand transferred to Transferee Company and shall become the liabilities and obligations of Transferee Company on same terms and conditions as were applicable to Transferor Company. Transferee Company shall undertake to meet, discharge, and satisfy the same and further 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 loans and liabilities have arisen in order to give effect to the provisions of this Clause.

4.5. The transfer and vesting of the assets of the Transferor Company to and in Transferee Company shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided:

4.5.1. All the existing securities, mortgages, charges, encumbrances or liens, if any, as on the Appointed Date and created by the Transferor Company after the 'Appointed Date', over the assets or any part thereof transferred to Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Company, the same shall, after the

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Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to Transferee Company and such Encumbrances shall not relate or attach to any of the other assets of Transferee Company.

4.5.2. The existing Encumbrances over the assets and properties of Transferee Company or any part thereof which relate to the liabilities and obligations of Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in Transferee Company by virtue of this Scheme.

4.5.3. Any reference in any security documents or arrangements to which the Transferor Company and its assets and properties, shall be construed as a reference to Transferee Company and the assets and properties of the Transferor Company shall be transferred to Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferor Company and Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the Registrar of Companies to give formal effect to the above provisions, if required upon the coming into effect of this Scheme, Transferee Company alone shall be liable to perform all obligations in respect of the liabilities, which have been transferred to it in terms of the Scheme.

4.5.4. It is expressly provided that, save as herein provided, no other terms or conditions of the liabilities transferred to Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.

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4.5.5. The provisions of this Clause shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deeds or writings shall be deemed to stand modified and / or superseded by the foregoing provisions.

4.6. The Transferor Company may be entitled to various benefits under incentive schemes and policies under various laws, regulations, and notifications. Pursuant to this Scheme, the benefits under all of such schemes and policies shall be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever including tax concessions (not limited to Income-Tax, Tax deducted / collected at source, Tax holiday, Special Economic Zone related benefits, Tax losses, Unabsorbed depreciation, Fringe benefit Tax, Sales Tax, Value Added Tax, Turnover Tax, Excise Duty, Service Tax, Customs, Goods and Service Tax (GST), Minimum Alternate Tax credit entitlement whether recognized or not, unutilized deposits or credits, benefits under the GST/ VAT / Sales Tax Law, VAT / Sales Tax set off, benefits of any unutilized MODVAT / CENVAT / Service Tax credits / Input Tax credit under Goods and Service Tax etc. and others) and incentives shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive scheme and policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits under the incentive schemes and policies were made available to the Transferor Company. Further, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour

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of or held for the benefit of or enjoyed by the Transferor Company, shall stand transferred and vested with the Transferee Company.

5. CONSIDERATION / SHARE ENTITLEMENT RATIO FOR AMALGAMATION

5.1 Upon the effectiveness of Part I of this Scheme and in consideration of the amalgamation of the Transferor Company with the Transferee Company, including the transfer and vesting of the assets and liabilities of the Transferor Company in the Transferee Company pursuant to provisions of this Scheme, the Transferee Company shall, without any further act or deed, issue and allot to each member of the Transferor Company, whose name is recorded in the Register of Members / Records of Depositories as on the Record Date, Equity and Preference Shares in the following proportion:

To the Equity Shareholders of the Transferor Company:

"135 (One Hundred Thirty-Five) Equity Shares having the face value of Rs.10/- each fully paid up of the Transferee Company shall be issued for every 100 (One Hundred) Equity Shares having the face value of Rs.10/- each fully paid up held by the shareholders of the Transferor Company."

To the Preference Shareholders of the Transferor Company:

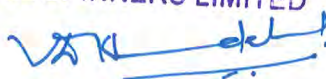
"1 (One) Non-Convertible Redeemable Preference Share of the face value of Rs. 10/- each fully paid up of the Transferee Company shall be issued for every 1 (One) Non-Convertible Redeemable Preference Share of the face value of Rs. 10/- each fully paid up held by the shareholder(s) of the Transferor Company on the equivalent terms and conditions."

The Shares to be issued by the Transferee Company to shareholders of the Transferor Company in accordance with this Clause 5.1 shall be hereinafter referred to as "New Equity and Preference Shares".

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- 5.2 Upon this Scheme becoming effective, the Board of the Transferor Company shall, on the Record Date, provide to the Transferee Company, a list containing particulars of the Equity and Preference Shareholders of the Transferor Company as on the Record Date, along with their respective entitlement to the fully paid-up Equity and Preference Shares of the Transferee Company, pursuant to this Scheme.
- 5.3 The Equity Shares to be issued and allotted by the Transferee Company shall be subject to the provisions of Memorandum of Association and Articles of Association of the Transferee Company and shall rank pari-passu in all respects with the existing Equity Shares of the Transferee Company including with respect to dividend, bonus entitlements, rights shares entitlements, voting rights and other corporate benefits.
- 5.4 The Share Exchange Ratio has been arrived at on basis of the valuation report issued by an Independent Chartered Accountant, and a fairness report issued on the fairness of the said Share Exchange Ratio determined for the vesting of the Transferor Company into the Transferee Company by an Independent Merchant Banker.
- 5.5 In the event that the Transferor Company or the Transferee Company restructure their Equity Share Capital by way of share split / consolidation / issue of bonus shares during the pendency of this Scheme, the Equity Shares shall be adjusted accordingly to take into account the effect of any such corporate actions.
- 5.6 Pursuant to the issuance of the Equity and Preference Shares as aforesaid to the shareholders of the Transferor Company, the shareholders of the Transferor Company shall become the shareholders of the Transferee Company.
- 5.7 The new Equity and Preference Shares to be issued by the Transferee Company to the shareholders of the Transferor Company in terms of this Scheme, will be issued in

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dematerialized form with the shares being credited to the existing depository account of the Equity and Preference Shareholders of the Transferor Company. All those Equity and Preference shareholders who hold shares of the Transferor Company in physical form, shall receive new shares in the Transferee Company in dematerialized form only, provided that the details of their account with the depository participant are intimated in writing to the Transferee Company at least 7 (Seven) days before the Record Date. If no such intimation is received from any shareholder who holds shares of the Transferor Company in physical form at least 7 (Seven) days before the Record Date, the Transferee Company shall keep such shares in abeyance / escrow account / suspense account / with a trustee nominated by the Board of the Transferee Company for the benefit of such shareholders or shall be dealt with as provided under the Applicable Law and will be credited to the respective depository participant accounts of such shareholders as and when the details of such shareholder's account with the depository participant are intimated in writing to the Transferee Company and / or its registrar, if permitted under Applicable law.

- 5.8 If any Equity shareholder of the Transferor Company becomes entitled to a fractional Equity share to be issued by the Transferee Company pursuant to Clause 5.1 above, the Transferee Company shall not issue fractional Equity shares to such shareholders of the Transferor Company, but shall consolidate all such fractional entitlements and shall round up the aggregate of such fractions to the next whole number of all Equity shareholders of the Transferor Company and the Board of the Transferee Company shall, without any further act, instrument or deed, issue and allot such Equity shares that represent the consolidated fractional entitlements to a trustee nominated by the Board of the Transferee Company ("Trustee") and the Trustee shall hold Equity shares, with all additions or accretions thereto, in trust for the benefit of the Equity shareholders of the Transferor Company who are entitled to the fractional entitlements for the specific purpose of selling such Equity shares in the market within a period of 90 (Ninety) days from the date of allotment of shares and on such sale, distribute to the Equity shareholders in proportion to their respective fractional entitlements, the net sale proceeds of such Equity Shares (after deduction of applicable taxes and costs incurred and subject to the

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withholding tax, if any). It is clarified that any such distribution shall take place only after the sale of all the Equity Shares of the Transferee Company that were issued and allotted to the Trustee pursuant to this Clause.

5.9 The issue and allotment of the new Equity and Preference Shares to the shareholders of the Transferor Company as provided in this Scheme, is an integral part thereof and shall be deemed to have been carried out without requiring any further act on the part of the Transferee Company or its Shareholders and as if the procedures laid down under Section 62, 55 of the Act and any other applicable provisions of the Act, as may be applicable, and such other statutes and regulations as may be applicable were duly complied with.

5.10 Upon the effectiveness of this Scheme, cross holding of shares as on the Record Date between the Transferor Company and the Transferee Company, if any, will stand cancelled. Approval of this Scheme by the Shareholders and / or Creditors of the Transferor Company and the Transferee Company, as the case may be, and sanction by the Tribunal under Sections 230 and 232 of the Companies Act, 2013 will be sufficient compliance with the provisions of Section 66 of the Companies Act, 2013 and other applicable provisions, if any, relating to the reduction of share capital on cancellation of cross holding, if any. However, such reduction would not involve either the diminution of any liability in respect of unpaid share capital or the payment to any shareholder of any paid-up share capital.

5.11 The Transferee Company shall apply to BSE Limited and SEBI for listing and trading of the entire post merger Equity Share Capital of the Transferee Company including new Equity Shares to be issued in the Transferee Company to the shareholders of the Transferor Company pursuant to this Scheme subject to the execution of the listing agreement, necessary compliance and payment of appropriate fee under the provision of Rule 19(2)(b) of the Securities Contracts (Regulations) Rules, 1957. The Transferee Company shall enter into such arrangements and give such confirmations and / or undertakings as may be necessary in accordance with applicable laws or regulations for complying with the formalities of the said Stock Exchange.

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5.12 The existing Equity Shares of the Transferee Company and the Equity Shares in the Transferee Company allotted pursuant to the Scheme shall remain frozen in the depository system till listing / trading permission is given by the designated stock exchange.

5.13 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder 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 the registered holder were operative as on the Record Date in order to remove any difficulties, after the effectiveness of this Scheme.

6. ACCOUNTING TREATMENT

With effect from the Appointed Date and upon the Scheme becoming effective, the Transferee Company shall account for the amalgamation of the Transferor Company in its books of accounts under the 'Pooling of Interest Method', as described in Appendix C of the Accounting Standards - 103 'Business Combinations of entities under common control' notified under Section 133 of the Act read with relevant rules issued thereunder, such that:

6.1 The Transferee Company shall record all assets, liabilities and reserves (if and to the extent applicable) of the Transferor Company transferred to and vested in the Transferee Company pursuant to this Scheme at their respective carrying values as appearing in the Consolidated Financial Statements of the Transferor Company;

6.2 Pursuant to the amalgamation of the Transferor Company with the Transferee Company, any inter-company balances between the Transferee Company and the Transferor Company shall stand cancelled and there shall be no further obligation in that behalf;

6.3 The value of all investments held by the Transferor Company in the Transferee Company or vice-versa shall stand cancelled pursuant to this Scheme without any further acts or deeds;

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6.4 In case of any difference in accounting policy between the Transferee Company and the Transferor Company, accounting policies followed by the Transferee Company shall prevail and impact of the same shall be quantified and appropriately adjusted in accordance with the applicable accounting standards.

7 BUSINESS AND PROPERTY IN TRUST

During the period between 'Appointed Date' and the 'Effective Date':

7.1 The Transferor Company shall carry on and be deemed to have carried on the business and activities and shall stand possessed of all the assets and properties, in trust for the Transferee Company and shall account for the same to the Transferee Company

7.2 Any income or profit accruing or arising to the Transferor Company, as the case may be, and all costs, charges, expenses and losses or taxes (including deferred tax balances, if any) incurred by the Transferor Company shall for all purposes be treated as the income, profits, costs, charges, expenses and losses or taxes (including deferred tax balances, if any), as the case may be, of the Transferee Company.

7.3 Any of the rights, powers, authorities, and privileges attached or related or pertaining to and 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 as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related 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 agent for the Transferee Company.

8 CONSOLIDATION OF AUTHORISED SHARE CAPITAL

8.1 Upon the Scheme becoming effective, the Authorized share capital of Transferee

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Company in terms of its Memorandum of Association and Articles of Association shall automatically stand enhanced by the Authorized share capital of Transferor Company as on the Effective Date without any further act, instrument or deed on the part of Transferee Company and the Memorandum of Association and Articles of Association of Transferee Company (relating to the Authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and no further resolution(s) under Section 13, Section 14, Section 61 and Section 232 of the Companies Act, 2013 and any other applicable provisions of the Act, would be required to be separately passed for this purpose.

- 8.2 Upon the Scheme becoming effective, without any further act or deed the Clause 5 of the Memorandum of Association of Transferee Company shall stand substituted to be read as follows:

The Authorised Share Capital of the Company is Rs. 1,12,00,00,000/- (Rupees One Hundred and Twelve Crore only) divided into 10,20,00,000 (Ten Crore and Twenty Lakh) Equity Shares of Rs. 10/- (Rupee Ten only) each and 1,00,00,000 (Rupees One Crore) Preference Shares of Rs. 10/-(Rupee Ten only) each."

- 8.3 The filing fees and stamp duty already paid by Transferor Company on its Authorized Share Capital shall be set off against the fees payable by the Transferee Company on the increased Authorised Share Capital of Transferee Company subsequent to the amalgamation and no fees shall be payable by the Transferee Company for the increase in the Authorised Share Capital to that extent. Further, Transferee Company shall pay the requisite fee, if any, that arises due to the difference in maximum statutory fee as per the Act payable on such combined Authorised Share Capital after set off of the fee paid by the Transferor Company.

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8.4 Upon the Scheme becoming effective, Transferee Company shall file with the Registrar of Companies all requisite forms and complete the compliance and procedural requirements under the Act, if any, to give effect for such increase in the authorized share capital. It is hereby clarified that for the purposes of increasing the authorized share capital in accordance, the sanction of the NCLT shall be deemed to be sufficient for the purposes of effecting this amendment.

9 STAFF, WORKMEN AND EMPLOYEES

9.1 On the Scheme becoming effective, all staff, workmen and employees of Transferor Company in service on the Effective Date shall be deemed to have become staff, workmen and employees of Transferee Company with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with Transferee Company shall not be less favorable than those applicable to them with reference to Transferor Company on the Effective Date.

9.2 It is expressly provided that, on the Scheme becoming effective, Provident Fund, Gratuity Account, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff, workmen and employees of Transferor Company shall be transferred to and shall get consolidated with the corresponding funds or account of Transferee Company. Transferee Company shall have the obligation to make contributions to the said Fund or Account or Funds or Accounts in accordance with the provisions thereof or as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of Transferor Company in relation to such Fund or Account or Funds or Accounts shall become those of Transferee Company. It is clarified that the services of the staff, workmen and employees of Transferor Company will be treated as having been continuous for the purpose of the said Fund or Account or Funds or Accounts. Until such time that

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Transferee Company creates or arranges for its own Funds or Accounts, Transferee Company may, subject to necessary approvals and permissions, if any, continue to make contributions pertaining to the employees of Transferor Company to the relevant Fund or Accounts of Transferor Company. Such contributions and other balances pertaining to the employees of Transferor Company shall be transferred to the Funds or Accounts created by Transferee Company on creation of relevant Funds or Accounts by Transferee Company.

10 LEGAL PROCEEDINGS

- 10.1 All legal proceedings, if any, of whatsoever nature by or against Transferor Company, pending and / or arising on or after the Appointed Date, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in the Scheme but shall be continued and enforced by or against Transferee Company as the case may be, in the manner and to the same extent as would or might have been continued and enforced by or against Transferor Company.
- 10.2 Transferee Company undertakes to have all legal and / or other proceedings initiated by or against Transferor Company referred to in Clause 10.1 above, transferred in its name and to have the same continued, prosecuted and enforced by or against Transferee Company, to the exclusion of Transferor Company.

11 CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC.

- 11.1 Upon the Scheme becoming effective and with effect from the Appointed Date, all contracts, deeds, bonds, agreements, schemes, arrangements, insurance policies, indemnities, guarantees, representation, warranties and other instruments of whatsoever nature in relation to Transferor Company, or to the benefit of which Transferor Company may be eligible, and which are subsisting or having effect on or immediately before the Effective Date, shall be in full force and effect, on or against or in favor of Transferee Company and may be enforced as fully and

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effectually as if, instead of Transferor Company, Transferee Company had been a party or beneficiary or obligee thereto.

- 11.2 Upon the Scheme becoming effective and with effect from the Appointed Date, all rights and licenses relating to copyrights, trademarks, know-how, technical know-how, trade names, descriptions, trading style, franchises, labels, label designs, logos, emblems, and items of such nature, colour schemes, utility models, holograms, bar codes, designs, patents, privileges and any rights, title or interest in intellectual property rights in relation to Transferor Company or to which Transferor Company is a party or to the benefit of which Transferor Company may be entitled or eligible, shall be in full force and effect, on or against or in favor of Transferee Company as the case may be, and may be enforced as fully and effectually as if, instead of Transferor Company, Transferee Company had been a party or beneficiary or obligee thereto.
- 11.3 Transferee Company shall be entitled to the benefit of all insurance policies which have been issued in respect of Transferor Company and the name of Transferee Company shall be substituted as "Insured" in the policies as if Transferee Company was initially a party.
- 11.4 Upon the Scheme becoming effective and with effect from the Appointed Date, all permits including operating permits, quotas, rights, entitlements, licenses, including those relating to tenancies, trademarks, patents, copyrights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to Transferor Company, and all rights relating thereto to the benefit of which Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be and remain in full force and effect in favor of or against Transferee Company, and may be enforced fully and effectually as if, instead of Transferor Company, Transferee Company had been a beneficiary or obligee thereto.

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11.5 Upon the Scheme becoming effective and with effect from the Appointed Date, any statutory licenses, permissions, approvals, exemption schemes, incentive schemes or consents required to implement the projects and to carry on operations in the Transferor Company, respectively, shall stand vested in or transferred to Transferee Company without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favor of Transferee Company. The benefit of all statutory and regulatory permissions, licenses and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of Transferor Company shall vest in and become available to Transferee Company pursuant to the Scheme.

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

12 OTHER ENTITLEMENTS

12.1 As an interim arrangement during the transitional period, all the cheques and other negotiable instruments, payment orders, electronic transfers received in the name of Transferor Company after the Effective Date shall be accepted by the bankers of Transferee Company and credited to the account of Transferee Company. Similarly, the bankers of Transferee Company shall honour cheques issued by Transferor

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Company for payment after the Effective Date.

- 12.2 Upon the coming into effect of this Scheme the resolutions, if any, of Transferor Company, which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in Transferee Company.

13 TREATMENT OF TAXES / DUTIES / CESS ETC.

- 13.1 With effect from the Appointed Date, all Income-Tax paid (including advance tax and self-assessment tax), Income-Tax refund due or receivable, Tax deducted / collected at source, Alternative Minimum Tax, Minimum Alternate Tax, Wealth Tax, Carry forward losses, Depreciation, Unabsorbed depreciation, Capital losses, pending balances of amortizations, Tax Holiday benefits, incentives, credits (including tax credits), Minimum Alternate Tax credit entitlement, Tax losses, etc. under the IT Act in respect of any assessment and/or appeal, (whether as per books or as per the IT Act) and any rights / refunds under IT Act including applications for rectification, appeals filed with tax authorities of the Transferor Company or other provisions of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company and shall be treated as paid by the Transferee Company and it shall be entitled to claim credit, refund or adjustment for the same as may be applicable.
- 13.2 It is expressly clarified that upon the Scheme becoming effective all taxes payable by the Transferor Company from the Appointed Date onwards shall be treated as the tax liability of the Transferee Company. Similarly, all credits for tax deduction / collection at source on income of the Transferor Company shall be given to the Transferee Company; or obligation for deduction of tax at source on any payment

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made by or to be made by the Transferor Company shall be made or deemed to have been made and duly complied with if so made by the Transferee Company. Similarly, any advance tax payment required to be made by specified due dates in the tax laws shall also be deemed to have been made correctly by Transferee Company if so made by Transferor Company. Similarly, tax credit (including Goods and Services Tax credit, Minimum Alternate Tax Credit etc.), which are available to Transferor Company shall be available to Transferee Company for utilization against its tax liabilities.

13.3 All taxes of any nature, duties, cess or any other like payment or deductions made by the Transferor Company to any statutory authorities such as Income-Tax, Sales Tax, Service Tax, Goods and Services Tax etc. or any Tax deduction or collection at source, relating to the period after the Appointed Date up to the Effective Date shall be deemed to have been on account of or paid by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the passing of the orders on this Scheme by NCLT and upon relevant proof and documents being provided to the said authorities.

13.4 Upon the Scheme becoming effective, the Transferee Company is also expressly permitted to revise its Income-Tax, Tax Deduction at source Certificates, Tax deduction at source returns and other statutory returns and filings under the Tax laws notwithstanding that the period of filing / revising such returns may have lapsed and to claim refunds, advance tax, withholding tax credits and minimum alternate tax credits etc. under the relevant Income-Tax or any other Tax laws, whether or not arising due to any inter-company deals that may occur between the Appointed Date and the Effective Date. The right to make such revisions in the Tax returns and to claim refunds/credits is expressly reserved in favour of the Transferee Company.

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13.5 All Goods and Services Tax returns filed by Transferor Company from Appointed Date to Effective Date shall be deemed to have been filed by Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company.

13.6 All compliances made by Transferor Company from Appointed Date to Effective Date shall be deemed to have been made by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company.

13.7 All tax assessment proceedings / appeals of whatsoever nature by or against 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 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 aforementioned 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.

14 LISTING OF THE TRANSFEE COMPANY AND COMPLIANCE WITH SEBI REGULATIONS

14.1 The Equity Shares of the Transferor Company are presently listed on BSE-SME Platform. In terms of the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Listing Regulations, Listing Agreement, SEBI Scheme Circular, SEBI Regulations, SEBI Circulars and other applicable provisions, if any, the Equity Shares of the Transferee Company will be listed on BSE-SME Platform on the Effective Date.

For GANESHA ECOVERSE LIMITED


Managing Director

For GESL SPINNERS LIMITED


DIRECTOR

14.2 Upon this Scheme becoming effective and in terms of the SEBI Listing Regulations and SEBI Scheme Circular and other applicable provisions, if any, the entire post-merger issued Equity Share Capital of the Transferee Company including new Equity Shares to be issued by the Transferee Company to the Shareholders of the Transferor Company pursuant to this Scheme, shall be listed on BSE-SME and on any other Stock Exchange on which the Equity Shares of the Transferor Company are listed as on the Effective Date

14.3 The Transferee Company will make necessary application(s) to the Stock Exchange, SEBI and other Appropriate Authority, if any, for this purpose and will comply with the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI Scheme Circular, Listing Agreement, SEBI Regulations and other applicable provisions, if any, in this regard, the concerned Stock Exchange(s) and SEBI, shall, on receipt of Listing applications(s) and other documents, promptly grant necessary approvals and list the Transferee Company.

14.4 BSE-SME Platform will act as the Designated Stock Exchange for the purpose of this Scheme.

15 CONDUCT OF BUSINESS TILL THE EFFECTIVE DATE

15.1 During the period between the Appointed Date and the Effective Date:

- a) The Transferor Company shall carry on its business with reasonable diligence and in the same manner as it has been doing hitherto.
- b) The Transferor Company shall not alter or substantially expand the business except with the written concurrence of the Transferee Company.

For GANESHA ECOVERSE LIMITED



Managing Director

For GESL SPINNERS LIMITED



DIRECTOR

- c) The Transferor Company shall not, without the written concurrence of the Transferee Company, transfer, alienate, charge, mortgage or encumber any of its assets or properties, except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of the Transferor Company.
- d) The Transferor Company shall be entitled, pending the sanction of the Scheme by the Tribunal, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals, and sanctions which the Transferee Company may require to own and carry on the business of the Transferor Company.

15.2 Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall be authorized to carry on the businesses carried on by the Transferor Company.

15.3 The Transferee Company may be allowed to alter its capital structure, either by fresh issue of shares or convertible securities on a rights basis or otherwise or by any reclassification, sub-division, consolidation, re-organization or in any other manner with the consent of Board of Directors of the Transferee Company.

15.4 The Transferor Company shall not vary the terms and conditions of service of their employees except in the ordinary course of their business.

16. DIVIDEND

16.1 Notwithstanding the above Clauses of the Scheme, both the Transferor and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date.

For GANESHA ECOVERSE LIMITED


Managing Director

For GESL SPINNERS LIMITED


DIRECTOR

16.2 The holders of the shares of Transferor and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.

16.3 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards, and subject to the approval, if required, of the shareholders of Transferor and the Transferee Company.

17. SAVING OF CONCLUDED TRANSACTIONS

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

18. COMPLIANCE WITH SECTION 2(6) OF THE INCOME-TAX ACT, 2025

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(6) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the IT Act, 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 IT Act, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(6) of the IT Act. Such modification will, however, not affect the other parts of the Scheme.

For GANESHA ECOVERSE LIMITED


Managing Director

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DIRECTOR

19. DISSOLUTION OF TRANSFEROR COMPANY

On the Scheme becoming effective, Transferor Company shall without any further act or deed stand dissolved without being wound up.

PART III - GENERAL TERMS AND CONDITIONS

20. APPLICATION(S) TO NCLT

The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make applications or petitions under Sections 230 to 232 and other applicable provisions of the Act to NCLT, for sanction of this Scheme under the provisions of law.

21. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

The Transferor Company and the Transferee Company, by their respective Board of Directors (or committees thereof or authorized representatives) may assent to any modifications / amendments including withdrawal / amendment/ termination to the Scheme or to any conditions or limitations that NCLT and / or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by their respective Board of Directors (or committees of their respective Board of Directors). The Transferor Company and the Transferee Company, by their respective Board of Directors (or Committees of their respective Board of Directors), be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and / or any matter concerned or connected therewith.

For GANESHA ECOVERSE LIMITED


Managing Director

For GESL SPINNERS LIMITED


DIRECTOR

22. CONDITIONALITY OF THE SCHEME

The Scheme is conditional upon and subject to the following approvals / permissions and the amalgamation shall be deemed to be complete on the date on which the last of such approval / permissions shall have been obtained:

- 22.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and / or creditors of Transferor Company and the Transferee Company, as prescribed under the Act and / or as may be directed by NCLT and / or any other authority as may be applicable. The Transferor Company will provide e-voting facility to all its shareholders in terms of Para 10 (a) of Part I of the SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Scheme of Amalgamation shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it as required in Para 10 (b) Part I of the aforesaid SEBI Circular. The term 'Public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957.
- 22.2 The Approval of the Stock Exchange, where the Equity Shares of the Transferor Company are listed is obtained.
- 22.3 The sanction of this Scheme by NCLT under Sections 230 to 232 and other applicable provisions, if any, of the Act in favour of Transferor Company and the Transferee Company.
- 22.4 The entire post-merger issued Equity Share Capital of the Transferee Company including new Equity Shares to be issued by the Transferee Company to the Shareholders of the Transferor Company pursuant to this Scheme are listed and / or admitted to trading. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance

For GANESHA ECOVERSE LIMITED


Managing Director

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DIRECTOR

with applicable laws or regulations for complying with the formalities of the said stock exchange.

- 22.5 Certified or authenticated copy of the order of NCLT sanctioning the Scheme being filed with the Registrar of Companies by Transferor Company and the Transferee Company.

23. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in Clause 22 not being obtained and / or the Scheme not being sanctioned by NCLT, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law and agreed between the respective parties to this Scheme.

24. REVOCATION AND SEVERABILITY

- 24.1 In the event of any of the said sanctions and approvals not being obtained and / or complied with and / or satisfied and / or this Scheme not being sanctioned by the Tribunal or such other Appropriate Authority and / or order or orders not being passed as aforesaid within such period as may be mutually agreed upon by the respective Board of the Transferor Company and the Transferee Company, this Scheme shall stand revoked, cancelled and be of no effect.
- 24.2 In the event of any of the conditions that may be imposed by the Tribunal or other authorities and which the Transferor Company and the Transferee Company may find unacceptable for any reason, then the Transferor Company and the Transferee Company are at liberty to withdraw the Scheme.

For GANESHA ECOVERSE LIMITED


Managing Director

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DIRECTOR

24.3 The Board of the Transferor Company and the Transferee Company shall be entitled to withdraw, revoke, cancel and declare the Scheme of no effect if they are of view that the coming into effect of the Scheme could have adverse implications on the Transferor Company and the Transferee Company.

24.4 In the event of revocation under Clause 24.1, Clause 24.2 and Clause 24.3 above, no rights and liabilities whatsoever shall accrue to or be incurred inter se to the Transferor Company and the Transferee Company and 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 of the Transferor Company and the Transferee Company shall bear and pay its respective costs, charges and expenses for and / or in connection with the Scheme.

25. COSTS, CHARGES AND EXPENSES

On sanction and approval of the Scheme by NCLT, all costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Transferor and / or the Transferee Company as may be mutually agreed.

For GANESHA ECOVERSE LIMITED


Managing Director

For GESL SPINNERS LIMITED


DIRECTOR