

SURAT TEXTILE MILLS LIMITED

EXTRACT FROM THE MINUTES OF THE MEETING OF BOARD OF DIRECTORS OF SURAT TEXTILE MILLS LIMITED HELD AT THE REGISTERED OFFICE OF THE COMPANY AT SURAT ON TUESDAY, 10TH SEPTEMBER, 2019 WHEREIN PROPER QUORUM WAS PRESENT.

APPROVAL OF SCHEME OF ARRANGEMENT

"RESOLVED THAT pursuant to the provisions of Sections 230 to Section 232 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, and subject to the requisite approvals, sanctions, consent, observations, no-objection from the shareholders and the creditors of the Company, Securities and Exchange Board of India (SEBI), BSE Limited (BSE), National Company Law Tribunal ('NCLT') or such other competent authority(ies) as may be applicable, pursuant to the recommendations of the Audit Committee of the Board, the consent of the Board of Directors of the Company be and is hereby accorded to the draft scheme of arrangement of Vareli Trading Company Limited ('VTCL' / 'Transferor Company') with Surat Textile Mills Limited ('STML' / 'Transferee Company') and their respective shareholders and / or creditors of the Company, if required ('the Scheme') as placed before the Board and initialed by the Chairman for the purpose of identification, subject to modifications, if any, as may be imposed by any regulatory authorities or the shareholders and / or creditors, if required of the Company or the NCLT, which provides for amalgamation of VTCL with STML.

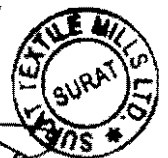
RESOLVED FURTHER THAT the Board do take on record the appointed date for the said Scheme of arrangement as 1st April, 2019 or such other date as the NCLT may direct or approve under the relevant provisions of the Companies Act, 2013

RESOLVED FURTHER THAT the Valuation Report dated 20th August, 2019 prepared and issued by Snehal Shah & Associates, Chartered Accountants, as placed before the Board, be and is hereby accepted and approved.

RESOLVED FURTHER THAT the Fairness Opinion dated 20th August, 2019, prepared and issued by Kunvarji Finstock Pvt. Ltd., Independent Category-I Merchant Banker, as placed before the Board, be and is hereby approved.

RESOLVED FURTHER THAT subject to the directions of the NCLT, the Company do appoint Mr. Manikant R. Momaya and failing him Mr. Yogesh C. Papaiya, Directors of the Company or such other person as may be directed by the NCLT to act as the Chairman of the Court Convened Meeting(s), if any, of the shareholders and/or creditors of the Company.

RESOLVED FURTHER THAT Mr. Manikant R. Momaya, Managing Director and Mr. Yogesh C. Papaiya, Wholetime Director & CFO and Ms. Hanisha Arora Company Secretary, be and is hereby severally authorized to make and agree to such modifications or alterations or amendments to the draft Scheme which (a) do not amount to a material change to the substance of the Scheme; and (b) may otherwise be considered necessary, desirable, expedient or appropriate including for giving effect to the outcome of any proposed corporate actions which have commenced but not yet completed, and (c) may be necessary to comply with any conditions or limitations the NCLT or any other statutory authority(ies) may deem fit to direct or impose: and (d) may finalize, approve and issue the Notice of Contd...



Regd. Office : 6th Floor, Tulsi Krupa Arcade, Near Aai Mata Chowk,
Puna Kumbharia Road, Dumbhal, Surat 395 010.

Phone : (0261) 2311197-98, 2311513 Fax : (0261) 2311029/502

CIN : L17119GJ1945PLC000214 | Website : www.surattextilemillsltd.com

SURAT TEXTILE MILLS LIMITED

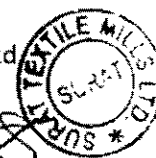
-(2)-

the Court Convened Meeting of shareholders and/or creditors (both secured and unsecured) along with the Explanatory Statement thereto as may be directed by the NCLT and (e) may be necessary for solving all difficulties that may arise for carrying out in the Scheme; and (f) do all acts deeds and things necessary for putting the Scheme into effect.

RESOLVED FURTHER THAT any of the Directors of the Company and/or the Company Secretary, be and are hereby authorised, jointly and severally, to take all the necessary steps either jointly or severally to file all such applications, notices, certificates, documents and other instruments as shall appear to be necessary or appropriate with any local or regulatory authorities (including but not limited to BSE and SEBI) in connection with the Scheme (collectively the "Approvals") and the Authorised Persons be and are hereby severally authorized to seek such Approvals from, and to give such notices to, any private persons or entities as are necessary, or are reasonably deemed necessary or appropriate in relation to the Scheme and that the Authorized Persons be and are hereby severally authorized to sign the relevant applications with or without amendments, modifications or alterations for Approvals on behalf of the Company and do all such other acts, deeds, matters and things and to finalize and execute all such deeds documents and writings as they consider necessary, desirable or expedient, and in connection with the following:

- a. Making appropriate applications, filings and (as applicable) to notify, obtain no-objection/ observation letter or approval from and/or represent before BSE,SEBI,Registrar of Companies, Ministry of Corporate Affairs, Regional Director, Income Tax authorities or any other regulatory authority(ies), for approval and for the purpose of carrying into effect the Scheme;
- b. Filing of application(s)/ summons/ affidavits/ petition(s), if required, with the NCLT or such other competent authority(ies) seeking directions as to convening / asking for dispensation of the meetings of the shareholders and/or creditors (both secured and unsecured) of the Company as may considered necessary, to give effect to the Scheme and to file all necessary affidavits, papers and proceedings;
- c. Convening and conducting of shareholders/ creditors meetings as may be directed by the NCLT;
- d. Engaging and instructing advocates and if considered necessary, also engage services of counsel(s), legal experts and other concerned authority(ies), to do all things necessary and expedient in connection with the Scheme including to declare and file all pleadings, reports, and sign and issue public advertisements and notices;
- e. Obtaining approval for the implementation and consummation of the Scheme from and represent before BSE, SEBI, NCLT, Registrar of Companies, Ministry of Corporate Affairs, Regional Director, Income Tax authorities and all such other authorities and parties including the shareholders, bankers, financial institution(s), etc. as may be considered necessary,

Contd



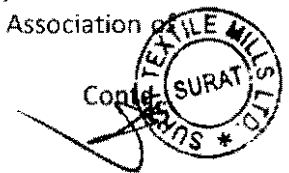
SURAT TEXTILE MILLS LIMITED

-(3)-

- f. Signing and executing request letters/no-objection/sanction letters for dispensation of the meeting(s) of the shareholders and/or creditors of the Company for approving the Scheme and thereafter submitting the same on receipt thereof to the NCLT or any other appropriate authority, as may be required;
- g. Settling any questions or doubts or any difficulties that may arise with regards to the Scheme, including passing of accounting entries and/or making such other adjustments in the books of account as are considered necessary to give effect to the Scheme and this resolution,
- h. Accepting services of notices or other process which may from time to time be issued in connection with the matter aforesaid and also to serve any such notices or other processes to parties or person concerned;
- i. Producing all documents, matters or other evidence in connection with the matters aforesaid and any other proceedings incidental thereto or arising therefrom;
- j. Signing all the papers, documents, writings, applications, petitions, affidavits, representations, pleadings, public advertisements, notices, reports, e-forms to be filed with the Registrar of Companies, during the process etc., which are required to be signed, executed, delivered for carrying into effect the said Scheme in all respects whatsoever and/or for obtaining directions (including but not limited to from the NCLT and for this purpose, to appear in person and/or represent the Company before the NCLT or any other authority and to deliver a certified copy of this resolution to any concerned party or authorities and for this purpose, to appear in person and/or represent the Company before the NCLT or any other authority
- k. Incur such expenses as may be necessary in relation to the above or the transaction;
- l. Taking all procedural steps for having the Scheme sanctioned by the NCLT including, without limitation, filing necessary applications, petitions and signing, verifying and affirming all applications, affidavits and petitions as may be necessary, and
- m. Doing all further acts, deeds, matters and things as may be considered necessary, proper or expedient to give effect to the Scheme and for matters connected therewith or incidental thereto.

RESOLVED FURTHER THAT the Company hereby appoints BSE Limited as the Designated Stock Exchange for all its communications with SEBI for the purpose of seeking necessary approval to the Scheme.

RESOLVED FURTHER THAT the Common Seal of the Company be affixed on any documents or agreements, if required, in the presence of any two Director of the Company or any one Director along with Ms. Hanisha Arora Company Secretary in accordance with the Articles of Association of the Company.



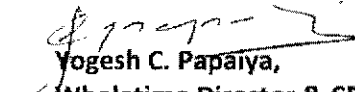
Regd. Office : 6th Floor, Tulsi Krupa Arcade, Near Aai Mata Chowk,
Puna Kumbharia Road, Dumbhal, Surat 395 010.
Phone : (0261) 2311197-98, 2311513 Fax : (0261) 2311029/502
CIN : L17119GJ1945PLC000214 | Website : www.surattextilemillsLtd.com

SURAT TEXTILE MILLS LIMITED

-(4)-

RESOLVED FURTHER THAT a certified true copy of the foregoing resolution duly signed by the Company Secretary or any Director be furnished to the concerned authorities as and when necessary, with a request to act thereon."

// Certified True Copy //


Yogesh C. Papaiya,
Wholetime Director & CFO
(DIN: 00023985)

