



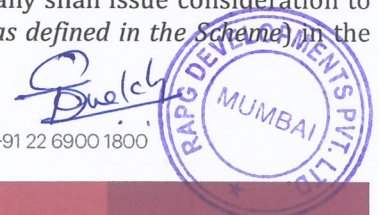
**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF RAPG DEVELOPMENTS PRIVATE LIMITED AT ITS MEETING HELD ON 10<sup>TH</sup> JANUARY, 2024, EXPLAINING THE EFFECT OF THE COMPOSITE SCHEME OF ARRANGEMENT AMONGST APURVA NATVAR PARIKH & CO PRIVATE LIMITED AND RAPG DEVELOPMENTS PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**1. Background**

- 1.1. The Board of Directors of RAPG Developments Private Limited (“**Company**” or “**Applicant Company 2**”) (“**Board**”) at its meeting held on 10 January, 2024 have approved the Composite Scheme of Arrangement amongst Apurva Natvar Parikh & Co Private Limited (“**Applicant Company 1**”) and RAPG Developments Private Limited and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 (“**Act**”) (“**Scheme**”).
- 1.2. Pursuant to provision Section 232(2)(c) of the Act, the Board is required to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel (“**KMPs**”), promoters and non-promoter shareholders of the Company laying out in particular the share entitlement ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.
- 1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2) (c) of the Act.
- 1.4. Under the Scheme it is proposed for the demerger, transfer and vesting of:
- Demerged Undertaking No. 1 (*as defined in the Scheme*) of the Applicant Company 1, on a going concern basis, into the Company; and
  - Demerged Undertaking No. 2 (*as defined in the Scheme*) of the Company, on a going concern basis, into the Applicant Company 1.
- 1.5. The following documents were, *inter alia*, placed before the Board:
- (a) Draft Scheme, duly initiated by the Director of the Company for the purpose of identification;
- (b) Shareholding pattern of the Company;
- (c) Copy of the share entitlement report dated 10<sup>th</sup> January 2024 issued by Pragadeeshkanna M, Registered Valuer (“**Share Entitlement Ratio Report**”) duly initialled by the Director of the Company for the purpose of identification; and

**2. Share Entitlement Ratio Report | Share Entitlement Ratio**

- 2.1 In terms of the Scheme it is proposed to demerge, transfer and vest:
- the Demerged Undertaking No. 1 (*as defined in the Scheme*) of the Applicant Company 1, on a going concern basis, into the Company. Pursuant to the Scheme, the Company shall issue consideration to the members of the Applicant Company 1 as on the effective Date (*as defined in the Scheme*) in the following manner:





*"1 equity share of Company No.2 of INR 1,000/- fully paid up to be issued and allotted to the shareholders of the Company No.1 for every 1 equity shares of the Company No.1 of INR 1,000/- fully paid up held by such shareholder".*

- the Demerged Undertaking No. 2 (as defined in the Scheme) of the Company, on a going concern basis, into the Applicant Company 1. Pursuant to the Scheme, the Applicant Company 1 shall issue consideration to the members of the Company as on the effective Date (as defined in the Scheme) in the following manner:

*"1 equity share of Company No.1 of INR 1,000/- fully paid up to be issued and allotted to the shareholders of the Company No.1 for every 1 equity shares of the Company No.1 of INR 1,000/- fully paid up held by such shareholder".*

- 2.2 The Registered Valuer has certified that the abovementioned consideration for the proposed Scheme, is fair.
- 2.3 No special valuation difficulties were reported.

**3. Effect of the Scheme on the equity shareholders (promoter and non-promoter) of the Company**

- 3.1. In consideration for the demerger, transfer and vesting of the Demerged Undertaking 1 from the Applicant Company 1 into the Company on a *going concern* basis, the shareholders of the Applicant Company 1, as on the effective Date shall receive equity shares of the Company. As on the effective date, both, the promoter and non promoter shareholders of the Applicant Company 1 will receive the equity shares of the Company.
- 3.2. In consideration for the demerger, transfer and vesting of the Demerged Undertaking 2 from the Company into the Applicant Company 1 on a *going concern* basis, the shareholders of the Company, as on the effective Date shall receive equity shares of the Applicant Company 1. As on the effective date, both, the promoter and non promoter shareholders of the Company will receive the equity shares of the Applicant Company 1.

**4. Effect of the Scheme on the KMPs of the Company**

Upon the Scheme becoming effective, no KMP's are expected to have disproportionate advantage or disadvantage in any manner.

In view of the Board, the Scheme would be in the best interest of all stakeholders of the Company.

By Order of the Board of Directors

**For and on Behalf of RAPG DEVELOPMENTS PRIVATE LIMITED**



**Name: Tejas Parekh**  
**Designation: Director**  
**DIN: 00827557**