

28REPORT OF THE COMMITTEE OF INDEPENDENT DIRECTORS OF EMA INDIA LIMITED ("*TRANSFEROR COMPANY*") RECOMMENDING THE SCHEME OF AMALGAMATION WITH DYNALOG INDIA LIMITED ("*TRANSFeree COMPANY*") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS.

Independent Directors present:

Mr. Himanshu Kapoor	Independent Director and Chairman of the Committee
Mr. Rohit Goyal	Independent Director and Member of the Committee
Mr. Rajendra Senapati	Independent Director and Member of the Committee

In Attendance:

Ms. Shruti Sharma
Company Secretary & Compliance Officer

Registered Valuers:

Parag Ved
SSPA & Co., Chartered Accountants
Mumbai

Merchant Bankers:

Mr. Balveer Singh Chaudhary
(Mark Corporate Advisor Pvt Ltd)
Mumbai

Legal Advisor

Mr. Ashish Parwani
Rajani Associates

1. BACKGROUND

- 1.1. A meeting of the Committee of Independent Directors ("*ID Committee*") of EMA India Limited was held on March 27, 2026 to consider and, if thought fit, recommend to the Board of Directors of the Company, the proposed Scheme of Amalgamation of EMA India Limited ("*Transferor Company*" or the "*Company*") with Dynalog India Limited ("*Transferee Company*") and their respective shareholders and creditors as per section 230 to 232 of the Companies Act, 2013 ("*Scheme*").
- 1.2. The Transferee Company and its promoters collectively are in control and management of the Company and collectively hold 45.03% of the total issued, subscribed and paid up the Company.



1.3. The proposed Scheme provides for:

- 1.3.1. amalgamation of the Company with the Transferee Company pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules and regulations made thereunder including any statutory modifications, re-enactments or amendments made thereto from time to time in accordance with Securities and Exchange Board of India ("**SEBI**") Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 as amended from time to time ("**SEBI Circular**");
- 1.3.2. listing of the equity shares of the Transferee Company on which the shares of the Transferor Company are listed, in pursuance to the relevant regulations including, Securities and Exchange Board of India (*Listing Obligations and Disclosure Requirements*) Regulations, 2015 read with the SEBI Circulars; and
- 1.3.3. various other matters consequential or otherwise integrally connected therewith.

Words and expressions, used in capitalized form but not defined in this report, shall have the meaning ascribed to them in the Scheme.

- 1.4. The Scheme is subject to receipt of approvals of Board of Directors, shareholders and creditors of companies involved and approval of other regulatory authorities as may be required, including those of BSE, SEBI, NCLT and any other statutory or governmental authorities.
- 1.5. This report of the Committee is made in order to comply with the requirements the SEBI Circular being circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and after considering the following documents that were placed before the Committee:
- 1.5.1. The Draft Scheme of Amalgamation;
- 1.5.2. Draft Certificate of Statutory Auditors of the Company, pursuant to Part- I paragraph A.5 as prescribed in SEBI Circular, confirming that the accounting treatment contained in the Scheme is in compliance with all the applicable accounting standard specified by the Central Government under section 133 of Companies Act, 2013 and other generally accepted Accounting Principles;
- 1.5.3. Valuation Report dated March 27, 2026, issued by SSPA & Co., Chartered Accountant , Mumbai- Registered Valuer IBBI Registration No. IBBI/RV/06/2018/10092 ("**Valuation Report**") who in its Valuation Report has recommended the share exchange ratio in relation to the shares to be issued by the Transferee Company to the Shareholders of the Transferor Company (other than the Transferee Company) pursuant to the Scheme as follows:



28(Twenty Eight) Equity Shares of Dynalog India Limited of INR 10 each fully paid up for every 25 (Twenty Five) Equity Shares of Ema India Limited of INT 10 each fully paid up.

- 1.5.4. Fairness Opinion Report dated March 27, 2026 issued by Mark Corporate Advisors Private Limited, SEBI Registered Merchant Banker on the said Valuation Report;
- 1.5.5. Pre and Post Scheme Shareholding Pattern of both the companies involved in the Scheme;
- 1.5.6. Audited financial statements of both the companies involved for the last three financial years and audited financial statements for the period ended December 31, 2025

2. PROPOSED SCHEME OF AMALGAMATION

2.1 The ID Committee has reviewed the Draft Scheme, further they reviewed the Valuation Report and noted the recommendations made therein. They also noted the Fairness Opinion Report which has confirmed that the Valuation Report is fair.

2.2 The Salient features of the Scheme:

The Scheme of amalgamation, *inter- alia*, provides the following:

- 2.1.1. The Appointed Date of the Scheme is 1st April, 2026 or such other date as the Adjudicating Body(ies) may direct or fix, for the purpose of merger of the Company and the Transferee Company under this Scheme and the Effective Date is the last of the dates on which the certified copies of the order(s) of the Adjudicating Body sanctioning this Scheme, are filed with the relevant Registrar of Companies by the Transferor Company and the Transferee Company;
- 2.1.2. The New Shares issued pursuant to the Scheme shall be in dematerialized form.
- 2.1.3. Upon the scheme coming into effect, in compliance with the Rules 19(2)(b) of Securities Contracts Regulations (Rules), 1957, the Transferee Company shall apply to the stock exchanges for listing of its equity shares.
- 2.1.4. The Scheme is conditional upon and subject to the following conditions precedent unless otherwise decided by the Board of the Company and Transferee Company, this Scheme is specifically conditional upon and subject to:
 - the approval of the Scheme by the requisite majority of the members, creditors and such class of persons of the respective companies as required in terms of the



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applicable provisions of the Act as well as any requirements that may be stipulated by relevant Adjudicating Bodies in this respect;

- the Scheme being approved by the public shareholders of the through e-voting in terms of Part - I (A)(10)(a) of the SEBI Master Circular No. SEBI/HOICFD/POD-2/PICIR/2023193 dated June 20, 2023 and the Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the Scheme is more than the number of votes cast by the public shareholders against it;
- sanction of the Adjudicating Body(ies), being obtained under Sections 230 to 232 of the Companies Act, 2013, and other applicable provisions of the Act, if so, required on behalf of the Transferor Company and the Transferee Company;
- the necessary certified copies of the order under Sections 230 to 232 of the Act, and other applicable provisions of the Act are duly filed with the ROC;
- approval of the Securities and Exchange Board of India, the consent of the BSE, and/or any other statutory approval where such approval or consent is necessary; and if required;
- such other sanctions and approvals as may be required to be obtained in respect of the Scheme under Applicable Law.

2.3 **Need and Rationale of the Scheme:** The Committee noted the rationale for the amalgamation of the Transferor Company with the Transferee Company is inter-alia, based on the following rationale:

- 2.3.1.1 The promoter and promoter group of the Transferor Company and the Transferee Company are the same who are highly skilled
- 2.3.1.2 The amalgamation of the Transferor Company, being the listed company, with the Transferee Company shall allow the group to leverage the market reach of the Transferor Company for ensuring the accelerated growth and development of the business of the Transferee Company as a consolidated entity.
- 2.3.1.3 Upon the scheme coming into effect, in compliance with the Rules 19(2)(b) of Securities Contracts Regulations (Rules), 1957, the Transferee Company shall apply to the stock exchanges for listing of its equity shares to unlock its true potential. Further, the public shareholders of the Transferor Company at large



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will gain from this amalgamation with the Transferee Company since the public shareholders of consolidated entity will have much larger asset portfolio of the Transferee Company and a new line of business as well.

2.3.1.4 The amalgamation will reduce number of legal entities and lead to simplification of the group structure. The rationalizing of the group structure by reducing the number of legal entities shall lead to significant cost savings.

2.3.1.5 The amalgamation will result in economy of scale, reduction in overheads, administrative and other expenditure, efficiency, and optimal utilisation of various resources.

2.3.1.6 The amalgamation will result in reduction in legal and regulatory compliances that are currently carried out by multiple entities.

2.3.1.7 The proposed amalgamation will reduce managerial overlaps and duplication of administrative functions will be eliminated, resulting in over-all reduction in expenditure.

2.3.1.8 The amalgamation would result in having a unified approach to customer interactions, as well as lender engagement under a single platform which would further simplify operations, thereby enhancing customer and lender servicing experiences.

2.3.1.9 As on December 31, 2025, Transferor Company has a net worth of Rs.4.9 crore and Transferee Company has a net worth of Rs.46.55 crore. The combined entity will have net worth of around Rs.51.45 crore. The size and financial strength will enable the merged entity with more negotiation power for debt finance and the merged entity will have option of equity financing.

2.3.2 There is no likelihood that any shareholder or creditor or employee, if any, of the Transferor Company and Transferee Company would be prejudiced as a result of the Scheme. Thus, the amalgamation is in the interest of the shareholders, creditors and all other stakeholders of the companies and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.



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2.4 **Synergies of business of the entities involved in the Scheme:**

The synergies of business of the entities involved in the Scheme are set out in Point No. 2.3 above.

2.5 **Cost benefit analysis of the Scheme:**

The ID Committee has reviewed in detail the costs associated with regards to the implementation of amalgamation. Except the transaction cost, there are no additional costs involved for the proposed restructuring. However, the benefits of the Scheme over a longer period are expected to far outweigh such costs for the stakeholders of the Scheme entities.

3. **SCHEME NOT DETRIMENTAL TO THE SHAREHOLDERS OF THE COMPANY**

- 3.1. The ID Committee discussed in length the salient features, need, rationale, synergies of business of the entities involved in the Scheme and expected benefits of the Scheme.
- 3.2. They also discussed the Scheme, apart from the usual benefits of merger, including (a) reduction in the number of legal entities, (b) simplification of the group structure, (c) reduction of managerial overlaps avoiding duplication of administrative functions, will also lead to advantage of the public shareholders of the Company, as all the aforementioned high net-worth projects of promoter group entities will come under the umbrella of the listed entity. Thereby, resulting in a win-win situation for all involved in the Scheme, including the public shareholders of the Company.
- 3.3. The ID Committee also discussed impact of issuance of the new equity shares of the Transferee Company (i.e., Dynalog India Limited) to the shareholders of the Transferor Company and after due deliberations, concluded that the issuance of the new equity shares are set out in Clause 11 of the Scheme shares in terms of the Scheme will have no significant impact on the shareholders of the Transferee Company.
- 3.4. The ID Committee also noted that the Scheme is subject to the majority approval of the public shareholders of the Company. The ID Committee also opined that the Scheme is in the best interests of the shareholders of the Company and will not adversely affect the rights or interests of the shareholders of the Company. In view of the above, the Independent Directors are of the opinion that the draft Scheme is not detrimental to the interests of the shareholders of the Company.



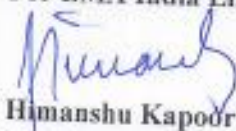
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- 3.5. Additionally, the share exchange ratio for the amalgamation under the Scheme is fair, and in light of the rationale set out under the Scheme and hereinabove in paragraph 2.3, the Scheme is beneficial to the shareholders of the Company.

4. RECOMMENDATION OF THE ID COMMITTEE

- 4.1. The Committee reviewed the Valuation Report and noted the valuation and the Share Exchange Ratio. Further, the Committee also noted the Fairness Opinion from Mark Corporate Advisors Private Limited, SEBI Registered Merchant Banker in respect of the Valuation Report.
- 4.2. Taking into consideration the documents stated herein above and after due deliberations and detailed discussions, the ID Committee recommends the draft Scheme of Amalgamation favorable for consideration by the Board of Directors of the Company, BSE, SEBI, NCLT and other applicable Regulatory authorities.

For EMA India Limited



Himanshu Kapoor
Chairman of ID Committee

Date: March 27, 2026

Place: Mumbai

