



JAYATMA ENTERPRISES LIMITED

Regd. Office : 259, 3rd Floor, New Cloth Market, O/s Raipur Gate, Ahmedabad-380 002, Gujarat. (INDIA) Tel. : +91-79-22167030/40/41
Email : info@jayatmaenterprises.com • Website : www.jayatmaenterprises.com • CIN : L17110GJ1979PLC003355

Report of the Committee of Independent Directors of M/s Jayatma Enterprises Limited on the draft Scheme of Amalgamation ("Scheme") between M/s Jayatma Enterprises Limited ("Transferor Company") with M/s Jayatma Technologies Private Limited ("Transferee Company") and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013.

Members Present:

- Mr. Fenil Shah – Independent Director;
- Mr. Premal Joshi – Independent Director.

1. The Independent Directors Committee of M/s Jayatma Enterprises Limited at its meeting held on 30th December, 2021 considered the Draft Scheme of Amalgamation ("Scheme") prepared in conformity with the provisions of Section 232 read with Section 230 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made there under between M/s Jayatma Enterprises Limited ("Transferor Company") and M/s Jayatma Technologies Private Limited ("Transferee Company") and recommend the said Draft Scheme to the Board of Directors M/s Jayatma Enterprises Limited for its approval.
2. The Equity Shares of the Company are listed on BSE Limited ("BSE"). The Company will be filing the Scheme along with the necessary information/documents with the BSE under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. The Report of the Committee of Independent Directors, is made conforming to the requirements in the SEBI's Master Circular – SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 ("SEBI Circular") (issued by the Securities and Exchange Board of India ("SEBI") (including any amendment(s) or modification(s) thereto) after considering the following documents:-
 - A. Draft Scheme of Amalgamation;
 - B. Valuation Report, dated 30th December, 2021 of Ajay Kumar Siwach, (IBBI Registration No.: IBBI/RV/05/2019/11412), Registered Valuer – Securities or Financial Assets, on valuation of assets/shares for the listed entity and unlisted entity and its recommendation of the share exchange ratio ("Share Exchange Ratio Report");
 - C. Fairness Opinion Report ("Fairness Opinion" dated 30th December, 2021 issued by Corporate Professional Capital Private Limited, a SEBI Registered Merchant Banker (SEBI Reg. No.: INM000011435) providing the Fairness Opinion on the Valuation Report of Ajay Kumar Siwach, Registered Valuer – Securities or Financial Assets, on the valuation of assets and shares of the Transferor and Transferee Companies and the Fair Share Swap ratio recommended;






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- D. Shareholding Pattern of M/s Jayatma Enterprises Limited;
- E. Audited Financial Statements of M/s Jayatma Enterprises Limited and M/s Jayatma Technologies Private Limited for the last 3 years i.e. 2018-2019, 2019-2020 and 2020-2021;

4. The Scheme inter-alia provides for the following:

Upon the Scheme being given effect to, Amalgamation of M/s Jayatma Enterprises Limited with and into M/s Jayatma Technologies Private Limited.

5. Rationale for the Proposed Scheme is as under:

The Transferor Company and Transferee Company are companies with common Promoter Group and management personnel and hence to eliminate the duplication of various processes and to achieve inter-alia economies of scale and administrative efficiency, the amalgamation of Transferor Company into the Transferee Company is being undertaken.

Amalgamation of the Transferor Company and the Transferee Company would lead to a more efficient utilization of capital and cashflow, enhanced goodwill, integration of business functions and manpower which would lead to synergies in operation arising from consolidation of various projects and products leading to efficient utilization of resources including benefits arising out of economies of large scale, enhanced bargaining power, enhanced research and development capabilities and lower operating costs. Upon coming into the Amalgamation the Transferee Company will be engaged in business of IT related services and textile products.

6. Consideration / Share Exchange Ratio:

The Transferee Company shall, without any application being made by the shareholders of the Transferor Company, issue and allot to the Equity Shareholders of the Transferor Company, 97 Equity Share of the face value of Rs. 10/- each in the Transferee Company for every 100 Equity Share held by them in the Transferor Company, credited as fully paid-up on such date as the Board of Directors of the Transferee Company may decide.

7. The proposed Appointed Date for the Scheme is 30th September, 2021.

8. "Effective Date" or "coming into effect of this Scheme" means the date on which the certified copies of the Orders of the National Company Law Tribunal, Ahmedabad Bench at Ahmedabad under Section 232 of the Act sanctioning the Scheme are filed with the Registrar of Companies, Gujarat.



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9. The Scheme would be subject to the sanction and approval of the National Company Law Tribunal, the SEBI, the BSE, Shareholders and other appropriate authorities;
10. The Scheme is conditional upon approval by the public shareholders through e-voting in terms of Part – I (A)(10)(a) of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, and the Schemes shall be acted upon only if vote cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.
11. The provisions of the Scheme have been drawn up to comply with the conditions relating to “Amalgamation” as defined under Section 2(1B) of the Income tax Act, 1961 and therefore may not have any tax implications.
12. The Fairness Opinion confirmed that the share entitlement in the valuation report is fair to the Transferor Company, Transferee Company and its Shareholders. Thus, the said Scheme is not detrimental to the Shareholders of M/s Jayatma Enterprises Limited.

13. Recommendation of the Committee:

In the light of what is stated in the foregoing paragraphs, the Committee of Independent Directors after due deliberations and due consideration of all the terms of the Draft Scheme, Report on recommendation of fair equity share entitlement ratio, Fairness Opinion and the Specific points mentioned above, recommends the Draft Scheme for approval of the Board of Directors of the Company.

Date: 30th December, 2021

Place: Ahmedabad

For, Committee of Independent Directors of M/s Jayatma Enterprises Limited,

Fenil Shah
Independent Director

