



Value through values

SANGAM (INDIA) LIMITED

CIN : L17118 RJ 1984 PLC 003173

Regd. Office : P.B. No. 90, ATUN, Chittorgarh Road

Bhilwara - 311001, Rajasthan, INDIA.

Phone : + 91-1482-245400-06, Fax : + 91-1482-245450

Website: www.sangamgroup.com, E-mail : secretarial@sangamgroup.com



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SANGAM (INDIA) LIMITED AT ITS MEETING HELD ON 14TH SEPTEMBER 2020 AT ATUN, CHITTORGARH ROAD, BHILWARA-311001 (RAJASTHAN) ON EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS, NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE EXCHANGE RATIO.

The scheme of Amalgamation ("Scheme") providing amalgamation of Sangam Lifestyle Venture Limited ("the Transferor Company") with Sangam (India) Limited ("the Transferee Company"/ "Company) pursuant to Section 230 to 232 of the Companies Act, 2013 ("Act") and such other applicable provisions of the Companies Act, 2013, as may be notified from time to time, was approved by the Board of Directors vide Board Resolution dated 14th September 2020. Subsequent to the said date, provisions of the Section 230 to 232 of the Companies Act, 2013 ("Act") inter- alia governing merger and amalgamation of companies have become operative with effect from 14th September, 2020.

As per Section 232(2)(c) of the Act, a report adopted by the directors explaining effect of compromise on each class of shareholders, key managerial personnel, promoters and non-promoter shareholder laying out in particular to share exchange ratio and is required to be circulated to the shareholders and creditors along with the notice convening the meeting. Having regard to the aforesaid new provisions, following may be discussed by the Board of Directors:

1. For the scheme, the valuation report was not required to be obtained from the Registered Valuer being Sangam Lifestyle Ventures Limited (Transferor company) is wholly owned subsidiary of Sangam (India) Limited (Transferee Company). No shares of the Transferee Company shall be allotted in lieu or exchange of the holding of the wholly owned subsidiary of the Transferee Company in the Transferor Company. There will be not Change in Shareholding Pattern of Sangam (India) Limited.
2. Fairness opinion on valuation report was not required to be obtained.
3. The Transferor Company has only one class of shareholder, i.e., equity shareholders. All the Equity shares of the Transferor Company are held by Transferee Company. As such, no shares of the Transferee Company shall be allotted in exchange ratio. Presently the Transferee Company being the promoter and holding company of 100% of the issued, subscribed and paid up equity capital totaling in all 50,000 Equity shares of the issued, subscribed and paid up capital of the Company. Thus, so far as the equity shares of the





Value through values

SANGAM (INDIA) LIMITED

CIN : L17118 RJ 1984 PLC 003173

Regd. Office : P.B. No. 90, ATUN, Chittorgarh Road

Bhilwara - 311001, Rajasthan, INDIA.

Phone : + 91-1482-245400-06, Fax : + 91-1482-245450

Website: www.sangamgroup.com, E-mail : secretarial@sangamgroup.com



Transferor Company held by the Transferee Company are concerned, such shares would be cancelled, on the Effective Date (as defined in the Scheme) and the capital of the Transferor Company shall be written off against the Investments in Subsidiary Company in the Balance Sheet of Transferee Company in full.

4. Sangam (India) Limited (Transferee Company) has only one Wholly owned Subsidiary Company, i.e. Sangam Lifestyle Ventures Limited (Transferor Company). The consolidated Financial Statements and Quarterly Financial Results have been published on its schedule time. After Merger, the financials of Transferor company shall be part of the Standalone Financial Statements of Transferee company.
5. The proposed amalgamation will be beneficial to the Stakeholder(s) of the Company due to various factors like net-worth base, synergistic and economic benefits, consolidation of finances along with operational expertise, effectiveness and backward integration of the business of the Transferor Company and cost saving which in turn will lead to further prosperity of the Transferee Company and its shareholders on the account of the amalgamation.
6. The Scheme would not have any effect on any Employee, Director and Key Managerial Personnel's of the Company.

For Sangam (India) Limited

**S.N. Modani
(Managing Director & CEO)**

